



Restaurant Brands New Zealand Limited

27 January 2022
ASX/NZX

Restaurant Brands Annual Sales Exceed \$1 Billion Despite Impact of COVID-19

Restaurant Brands' total sales for the year ended 31 December 2021 were \$1,068.2 million, an increase of \$175.9 million (19.7%) from 2020. Approximately \$100 million of the increase arose from an additional eight months trading this year from the California acquisition. Same store sales were strong despite the adverse impact of the continued COVID-19 crisis.

Restaurant Brands responded strongly to COVID-19's continuing impact on the business in all markets, despite the challenging trading environment, government-mandated restrictions and changes in consumer behaviour. As a result the company achieved its long-standing goal of \$1 billion in annual sales, with solid foundations for further sales growth in all four regions in place.

For the fourth quarter of the financial year (three months to 31 December 2021) total sales were \$284.0 million, an increase of \$14.9 million (5.5%) on the equivalent period last year. All regions had positive same store growth despite the ongoing impact of COVID-19.

Company owned store numbers were up by 11 on the equivalent period last year to 359, primarily from the acquisition of five KFC stores in Sydney earlier in the year and the ongoing builds of new Taco Bell stores in Australia and New Zealand. This was partly offset by the sale of several New Zealand Pizza Hut stores to independent franchisees.

New Zealand

Full year sales for New Zealand were \$461.1 million, an increase of 12.4%, primarily from strong same store sales growth of 9.1%. It is estimated that the Government-mandated full store closures resulted in lost sales of \$26 million in 2021 and \$40 million in 2020.

Fourth quarter total sales for New Zealand were \$126.2 million, an increase of 5.3% on the equivalent period last year, with Carl's Jr. and Pizza Hut performing very strongly.

Store numbers increased by four during the quarter to 137, with the opening of three new Taco Bell stores (Dunedin, Rotorua and Sylvia Park – Auckland) and a new KFC store also in Sylvia Park. In addition two Carl's Jr. stores were converted to a KFC (Avondale) and a Taco Bell (Auckland Airport).

Australia

Full year sales for Australia were \$A230.0 million (\$NZ244.1 million), an increase of 13.6% in total, primarily due to new stores and an increase of 1.4% on a same store basis (local currency).

Fourth quarter sales for Australia were \$A62.2 million (\$NZ65.5 million), an increase of 12.9%. On a same store basis sales were up 1.3% (local currency), with mall and in-line city stores continuing to be adversely impacted by COVID-19.

Store numbers increased by two during the quarter to 79, with the opening of two Taco Bell stores in Dee Why and Orange.

Hawaii

Full year sales in Hawaii were \$US146.3 million (\$NZ206.5 million), an increase of 5.0% on a total basis and 9.1% on a same store basis (local currency). Sales in \$NZ terms are lower due to the appreciation of the New Zealand dollar against the US dollar.

Fourth quarter sales were \$US36.6 million (\$NZ52.7 million). This was an increase of 7.9% on a same store basis (local currency). Taco Bell showed strong growth from the ongoing removal of COVID-19 restrictions and Pizza Hut continues to respond well to the increased demand for home delivery.

Store numbers remained unchanged during the quarter at 73.

California

California full year sales were \$US110.3 million (\$NZ156.5 million) which were above expectations at acquisition. Prior year to date comparisons are for four months of trading following the acquisition of the California business in September 2020.

Fourth quarter sales were \$US27.4 million (\$NZ39.5 million), an increase of 2.5% on the on the equivalent period last year in total and up 2.2% on a same store basis (local currency).

Store numbers during the quarter increased by one to 70 with the acquisition of a KFC store in central Los Angeles from an independent franchisee.

Annual Trading Results

The company will release its annual trading results for the year ended 31 December 2021 on 28 February 2022.

Authorised by:

Russel Creedy
CEO
+64 9 525 8700

Grant Ellis
CFO
+64 9 525 8700

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RESTAURANT BRANDS NEW ZEALAND LIMITED

Quarterly Sales Report

Summary of Results for the 4th Quarter (Q4)

(for the 3 months 01/10/21 to 31/12/21)

	2021 (\$000's)	2020 (\$000's)	Change
Total Store Sales (\$NZ)			
<u>Q4 2021 vs Q4 2020</u>			
New Zealand	126,222	119,879	5.3%
Australia	65,513	58,397	12.2%
Hawaii	52,712	52,265	0.9%
California	39,541	38,539	2.6%
Total Store Sales	283,989	269,080	5.5%
<u>YTD 2021 vs YTD 2020</u>			
New Zealand	461,121	410,399	12.4%
Australia	244,104	214,923	13.6%
Hawaii	206,506	215,113	(4.0%)
California	156,516	51,924	201.4%
Total Store Sales	1,068,246	892,359	19.7%
Same Store Sales			
<u>Q4 2021 vs Q4 2020</u>			
New Zealand	4.1%	9.4%	(5.4%)
Australia	1.3%	3.6%	(2.3%)
Hawaii	7.9%	6.1%	1.8%
California	2.2%	n/a	n/a
<u>YTD 2021 vs YTD 2020</u>			
New Zealand	9.1%	5.3%	3.8%
Australia	1.4%	2.0%	(0.6%)
Hawaii	9.1%	7.7%	1.4%
California	2.3%	n/a	n/a

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Summary of Results for the 4th Quarter (Q4)

(for the 3 months 01/10/21 to 31/12/21)

Total Store Sales (Local Currency)	2021 (\$000's)	2020 (\$000's)	Change
<u>Q4 2021 vs Q4 2020</u>			
New Zealand (\$NZ)	126,222	119,879	5.3%
Australia (\$A)	62,201	55,099	12.9%
Hawaii (\$US)	36,614	35,594	2.9%
California (\$US)	27,399	26,737	2.5%
<u>YTD 2021 vs YTD 2020</u>			
New Zealand (\$NZ)	461,121	410,399	12.4%
Australia (\$A)	229,990	202,438	13.6%
Hawaii (\$US)	146,318	139,321	5.0%
California (\$US)	110,265	35,569	210.0%
Number Of Stores Open At Quarter End	2021	2020	Change
New Zealand	137	137	0
Australia	79	70	9
Hawaii	73	72	1
California	70	69	1
Total Stores	359	348	11
Exchange Rates			
- Blended \$A:\$NZ rate for Q4	0.949	0.944	0.005
- Blended \$A:\$NZ rate for YTD	0.942	0.942	0.000
- Blended \$US:\$NZ rate for Q4	0.694	0.686	0.008
- Blended \$US:\$NZ rate for YTD	0.707	0.655	0.052
Note: Some sales numbers for each of the divisions may not aggregate in total due to rounding.			