



RESTAURANT BRANDS NEW ZEALAND LIMITED

NZX/ASX
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Restaurant Brands Annual Shareholders' Meeting
CHIEF EXECUTIVE'S ADDRESS

Thank you, José, and hello everyone.

It's a privilege to be here today to reflect on the year that's been - and to share how we're building for the future.

In FY24, we were proud to serve more than 61 million customers, deliver another year of record sales, and work alongside a passionate team of over 12,500 people across our four markets.

As José outlined, it was a year of pressure - but also progress.

While economic conditions remained challenging, we delivered margin improvements and topline growth - all while executing a broader transformation agenda.

We've continued to modernise the business: accelerating digital capabilities, enhancing customer and team experiences, and positioning our brands for long-term resilience and relevance.

I'll briefly take you through some of the key highlights for FY24:

- We opened 27 new stores, including digital-first formats designed for speed and convenience, and grew our network by 5%.
- 40 stores were also refurbished to elevate the customer experience.
- Digital sales hit a record 40% of total transactions, driven by strong adoption of kiosks, click and collect, and app-based ordering.
- Group digital sales grew by 23%.
- Our Digital and eCommerce team continues to set the pace globally with Pizza Hut New Zealand winning the Global Digital Excellence Award.
- Taco Bell New Zealand was recognised as the brand's best-performing international market, while Pizza Hut Hawaii was awarded the Best Operations in the US franchise system.
- Alongside these flagship wins, our teams across KFC, Pizza Hut, and Taco Bell were recognised with multiple global and regional awards for operational excellence and customer experience.
- We introduced a new Group operating model to streamline our structure, sharpen execution, and align teams behind our strategic priorities.
- We delivered significant operational improvements, reducing costs and lifting Store EBITDA by 9%.
- And we continued to invest in our people with over \$1 million spent on external training for staff to drive performance.

Let me now provide a brief overview of our FY24 performance across each market. A more detailed breakdown is available in our latest Annual Report.

New Zealand

The New Zealand division delivered strong top-line growth despite a broader economic slowdown, supported by effective marketing strategies and new product launches.

- Total sales increased to \$626 million, up 9.5% on FY23.
- Same-store sales grew 4.6%, driven by strong transaction growth.
- Store EBITDA rose to \$104 million, up 29%, with margins improving from 14.1% to 16.6%.

KFC delivered record sales, and the Pizza Hut network maintained its strong growth momentum. Taco Bell is cementing its place in the NZ QSR sector, with growth in same-store sales, transactions, and store count. Carl's Jr. performed in line with expectations.

Looking ahead, consumer spending has weakened further at the start of FY25, with households feeling the full brunt of recessionary conditions - particularly in Auckland, while the regions remain more resilient.

Revenue optimisation and cost control measures supported by enhanced marketing and value-led promotions continue to be key drivers of customer retention and margin growth.

While the outlook remains uncertain, we hope to see some improvement in the second half of the year as interest rate reductions begin to ease household pressure.

Australia

Australia remained challenging in FY24. Persistently high inflation and rising interest rates continued to impact consumer confidence and spending, driving a shift toward more value led affordable options, reducing frequency.

Operating costs also remained elevated, particularly energy costs, which further pressured margins. Value-led promotions were introduced to support cost-conscious consumers, but topline growth remained constrained.

- Total sales were A\$284 million, down 0.8% on FY23.
- Same-store sales declined 3.3%.
- Store EBITDA was A\$32 million, down from A\$35 million, with margins reducing from 12.2% to 11.4%.

While KFC delivered lower Store EBITDA versus FY23, that result came off an exceptionally strong prior-year base. Taco Bell performance was below expectations, but we remain confident in the strategy in place to lift its momentum - as we have seen in New Zealand.

Looking ahead, we are monitoring economic conditions closely. Cost-of-living relief is anticipated later in the year, but we expect recovery to remain gradual.

Value-led marketing and targeted investment in customer experience remain priorities, and margin protection will remain a key focus in the near term.

Hawaii

The Hawaii division delivered another year of growth. While inflation and high energy prices limited consumer spending, enhanced marketing and product innovation helped protect performance.

- Total sales were US\$170 million, up 6.3% year-on-year.
- Same-store sales increased 4.2%.
- Store EBITDA rose to US\$29 million, an increase of US\$1 million, representing 16.9% of sales.
- EBITDA margin decreased slightly as a result of continued inflationary pressures.

Taco Bell continued to perform strongly, and Pizza Hut delivered moderate growth.

Looking ahead, Hawaii is showing the strongest signs of sustained recovery. A focus on marketing, menu enhancements, and continued investment in brand visibility will continue to support growth across both brands.

California

California remains the Group's most challenged market. Ongoing cost-of-living pressures and high operating costs - including a 29% increase to the minimum wage in April 2024 - have significantly impacted both consumer demand and profitability.

- Total sales were US\$107 million, down 3.2% year-on-year.
- Same-store sales declined 3.9%, though there was an improvement in Q4 performance, supported by new KFC marketing campaigns and in-store initiatives such as kiosk rollouts and catering offers.
- Store EBITDA fell to US\$5 million, down 50.5% from the prior year.

Four stores were closed during the year as part of a strategic shift to focus on higher-growth locations. While recovery in California will take time, we remain committed to the market. Key foundations are improving - including labour retention, staffing levels, and customer engagement.

We continue to implement targeted initiatives across margin improvement, marketing, store optimisation, and energy efficiency.

We're closely monitoring trading conditions, along with federal and state-level policy developments, and will continue to adapt our approach as the broader economic environment evolves.

Every day, we're building something bigger - a portfolio of distinctive, digital-first brands that connect with customers in new and powerful ways.

From world-first brand activations to seamless digital ordering and modern store formats, we are redefining the customer journey and setting new standards across the industry.

Behind this sits our refreshed Group strategy - focused on accelerating recovery and delivering lasting value for our customers, teams, franchisees, and shareholders.

At the heart of it are four clear priorities

Delivering profitable and sustainable growth:

We are on a clear path towards achieving \$2 billion in Group sales - powered by smart store expansion, stronger brand access, optimised store formats, and sustainable margin improvement.

Putting customer centricity at the core:

Winning in QSR today isn't just about price - it's about creating experiences that customers love and keep coming back for.

We are modernising menus, expanding digital channels, upgrading store formats, and making every interaction more seamless and rewarding.

Driving operational innovation and excellence:

Behind every great brand is a smarter, faster, more resilient system.

We are embedding new technologies, advancing sustainability initiatives, and enhancing operational processes to lift performance across the business.

Building high-performing teams:

When our people win, our customers win.

We are investing in training, leadership development, and operational tools to help our teams perform at their best every day.

Much of our momentum today is driven by the way we connect with customers – pushing creative boundaries and sparking cultural moments that build loyalty and keep our brands relevant.

Recent highlights include:

- KFC's Fish & Chip Shop Pop-Up - To drive brand buzz and community connection, we opened a KF&C pop-up next to the Mairangi Bay Surf Club in February, with all proceeds supporting Surf Life Saving NZ. The campaign delivered standout results and more than \$40,000 was raised for Surf Life Saving NZ
- Pizza Hut's 50th Anniversary Pop-Up Hut – a sold-out event that brought back the all-you-can-eat buffet, reconnecting with generations of Kiwi customers through a nostalgic brand experience.
- The KFC Gravy Train – a world-first activation where a branded locomotive delivered hot KFC chicken to fans on their way to the Blues vs Force rugby game at Eden Park.

These initiatives show how our brands are leading, innovating, and creating stronger emotional connections with customers and the community – going well beyond just food and stores.

Looking ahead, we remain cautiously optimistic.

We've made headway- but macroeconomic and spending recovery would occur at a slower pace than expected.

A high level of uncertainty remains in play. We're staying alert to global trade developments and prepared to adapt where we can as conditions evolve.

FY24 showed that strong brands, sharp execution, and a focused strategy can deliver meaningful progress, even in tough conditions. That same focus will guide us in FY25. Our priorities are clear:

- Driving revenue and margin gains
- Expansion into high-growth locations
- Unlocking further cost savings and efficiencies
- Pushing the boundaries of marketing, digital, and e-commerce

We're also scaling automation, advancing sustainability initiatives and strengthening cross-market alignment to improve performance and future-proof the business.

With the passion and commitment from our teams, the loyalty of our customers, and the strength of our franchise partners, we're confident we can navigate what lies ahead.

I'd like to sincerely thank our Board, my Leadership team, our restaurant support and field teams across all markets, our franchise partners, our customers, and of course, our shareholders for their continued trust and support.

Thank you. I'll now hand you back to José

ENDS.