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STRATEGIC REVIEW

15 April 2025

Authorised for release by the Board

STRATEGIC PRIORITIES



OPERATIONAL EXCELLENCE

Be laser focused on **operational excellence**, leveraging restaurant network to deliver great customer experiences, drive same store sales growth and margin improvement.



SCALE

Continue **creating scale** via **profitable** new restaurant development, complemented by disciplined capital allocation, including M&A as opportunities emerge.



GROWTH

Review **growth strategy**, with the objective of driving shareholder value.

STRATEGIC INITIATIVES: IN SUMMARY



AUSTRALIA CORE GROWTH MARKET

- Drive SSS* growth through innovation, operational execution and focus on cost management
- Highly profitable market
- Profitable restaurant development



GERMANY ACCELERATING EXPANSION

- Binding agreement signed with Yum! Brands, Inc. (YUM) to accelerate growth in Germany
- New restaurant openings and potential acquisitions
- Expected to become second strategic growth pillar



NETHERLANDS OPERATIONAL REALIGNMENT

- Focus on operational excellence to lift SSS* performance and drive cost efficiencies
- Review and optimise the existing restaurant portfolio
- Aim to deliver sustainable profitability
- FY25 non-cash impairment expected c. \$25.5m to \$32.7m**



TACO BELL EXIT

- Decision to exit Taco Bell business
- Discussions with Taco Bell International on potential transition to new ownership
- Intention to complete transition within next 12 months or alternate options to be explored



OPERATIONAL EXCELLENCE

- New European and Australian operational leaders
- Laser focus on SSS* growth and margin improvement
- Provide great customer service and experiences

GERMANY – ACCELERATING GROWTH

- Germany expected to become Collins Foods' second **strategic growth pillar**
- Binding agreement signed with YUM to **accelerate strategic growth** in Germany
- Targeting (but not limited to) between **40 and 70 new KFC restaurant** openings across the country over the next 5 years
- YUM has granted a period of exclusivity to open and operate KFC restaurants in certain trade areas within North Rhine Westphalia and Baden-Württemberg where Collins Foods operates
- Potential **acquisition opportunities**
- Open to additional opportunities in Europe



GERMANY – LARGE CONSUMER POPULATION KFC BRAND UNDER-PENETRATED

- **80 million plus consumers** and 207 KFC restaurants (vs c.1,400 McDonalds & 750 Burger Kings)
- QSR/LSR growth **outpaces GDP growth** in Germany
- Chicken is underpenetrated in the German QSR market
- **KFC brand under-penetrated** - significant opportunity for growth with relatively low share of German QSR revenues



MANAGEMENT CHANGES



Krystal Zugno

General Manager Australian Operations

- Former General Manager, Taco Bell Australia and Interim General Manager for KFC Australia Division at Collins Foods
- 24 years of experience in QSR industry across various leadership roles and functions, including 20 years with KFC
- Seasoned and highly respected operational leader
- Consistent track record of driving performance and cultural excellence across teams
- Demonstrated ability to deliver exceptional results, including leading KFC Australia through COVID-19



Chris Johnson

Acting General Manager – Europe

- Recently returned to Collins as Chief Operating Officer after previously working with the business in 2018
- Joined YUM in South Africa in 2012
- Numerous roles in both Equity and Franchise operations across YUM's South Africa, UK and Ireland, the Netherlands, and Western European Business Unit (WEBU) locations
- Deep QSR operational and market knowledge, with strong leadership capabilities
- In 2018 Chris played a key role in establishing Collins Foods' presence in Europe

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Q & A



FOR FURTHER INFORMATION PLEASE CONTACT

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