

COLLINS FOODS LIMITED

INVESTOR DAY
14 October 2021

Authorised for release by the Disclosure Committee





PEOPLE. BRAND. SCALE.

TODAY'S AGENDA AND PRESENTERS

OVERVIEW



Drew O'Malley

Managing Director and CEO

- 24+ years' QSR experience in Europe and Australia
- Joined Collins Foods as COO in 2017, appointed CEO in 2020 and Managing Director in 2021
- Other career highlights:
 - 20 years with AmRest (Division President Central & Eastern Europe, Chief Operating Officer, Chief Digital Officer)
 - Consultant with McKinsey & Company
 - MBA University of Michigan

KFC AUSTRALIA



Helen Moore

Chief Operating Officer

- 15+ years' Food & Retail experience
- Joined Collins Foods in 2021
- Other career highlights:
 - CEO Oporto
 - Developed the Foodary and Metro concepts at Ampol
 - Senior leadership roles at Woolworths
 - Consumer and retail investment banking with JP Morgan and Deutsche Bank

KFC EUROPE



Hans Miete

Collins Foods Europe CEO

- 20+ years' QSR and foodservice experience
- Joined Collins Foods in 2020
- Other career highlights:
 - Managing Director Burger King Netherlands (Master Franchisee)
 - Co-CEO New York Pizza (Netherlands)
 - Division Managing Director at Albron (Netherlands, Belgium)
 - MBA Keele University Business School

TACO BELL AUSTRALIA



Krystal Zugno

General Manager Taco Bell

- 20+ years' QSR experience
- Joined Collins Foods in 2000, and appointed to Executive Team in 2021
- Other career highlights:
 - Various leadership positions in KFC Australia at Collins Foods
 - Led Collins Foods' KFC Australia division through COVID-19 pandemic as Interim General Manager in FY20

A COMPANY BUILT AROUND VISION, MISSION & VALUES

→ Our Vision →

THE WORLD'S **TOP**
Restaurant
OPERATOR.

WE CREATE UNMATCHED EXPERIENCES
FOR OUR CUSTOMERS & PEOPLE.

→ Our Mission →

RESTAURANTS
done **BETTER.**

WE HAVE AN OBSESSION FOR RAISING THE BAR ON
WHAT PEOPLE THINK A RESTAURANT EXPERIENCE
SHOULD BE.

👉 MORE HUMAN 👉 MORE SUSTAINABLE 👉

👉 MORE DIGITAL 👉 MORE FUN 👉

WE WILL LEAD THE WAY.



OPERATING WORLD-CLASS QSR BRANDS BUILT FOR GROWTH & SCALE



- Powerhouse core business unit, with 254 restaurants
- Strong track record delivering growth in same store sales and margins
- Digital initiatives driving innovation in customer and employee experience
- Delivery providing further growth channel
- Attractive organic growth pipeline



- Emerging opportunity, with 51 restaurants in the Netherlands and Germany
- KFC Netherlands Corporate Franchise Agreement with Yum! provides new strategic opportunities
- Accelerating growth in Netherlands via ramp up of organic pipeline and further franchisee consolidation
- Explore growth options in Germany as economics improve






- Newest growth channel, with 17 restaurants and counting
- Mexican is the fastest growing QSR segment in Australia
- Driving awareness and trial for the brand, reinforcing QSR credentials
- Massive market opening recently in Perth
- Strong organic pipeline re-accelerates growth from 2022



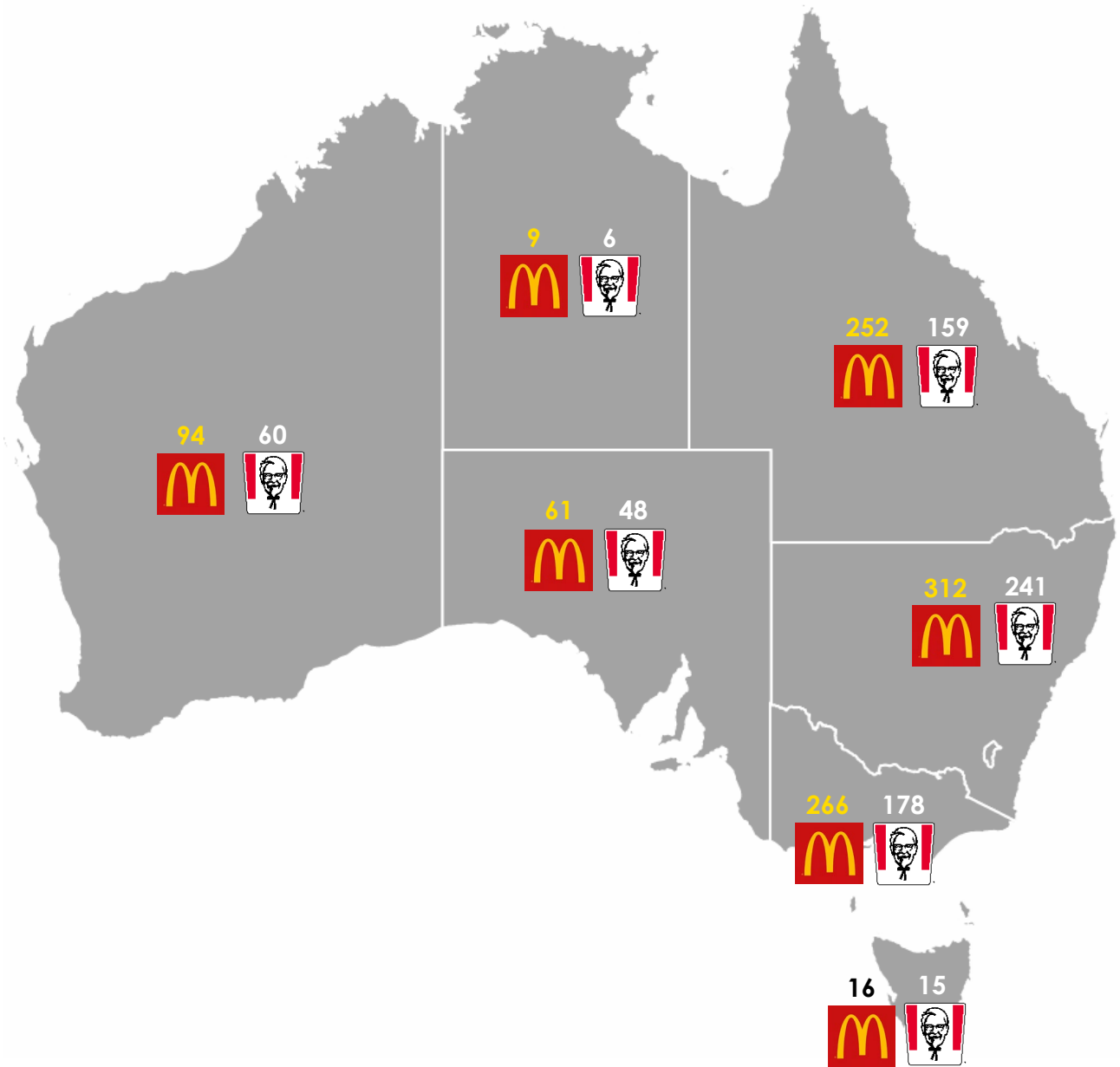
KFC AUSTRALIA

HELEN MOORE

...WITH CLEAR MARKET GROWTH POTENTIAL

			
QLD	252	159	159
NSW	312	241	12
VIC	266	178	4
TAS	16	15	15
SA	61	48	9
WA	94	60	50
NT	9	6	5
	979	696	254

Source: mcdonalds.com.au/find-us/restaurants, Yum!



STRONG NEW STORE PIPELINE, BOLSTERED BY FORMAT INNOVATION

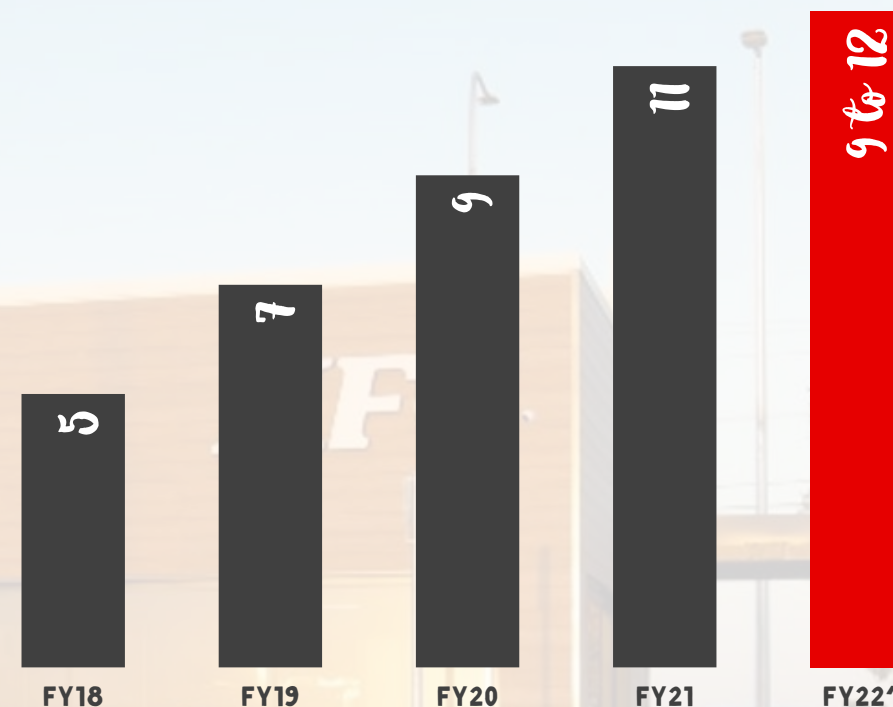
- Development Agreement adds at least 55 new restaurants by 2028
- Free-standing drive thru remains our primary format, plus innovation to future proof our business

SMALL-BOX

DARK-STORE

FLAGSHIP

**T-LINE & OPEN
KITCHEN**

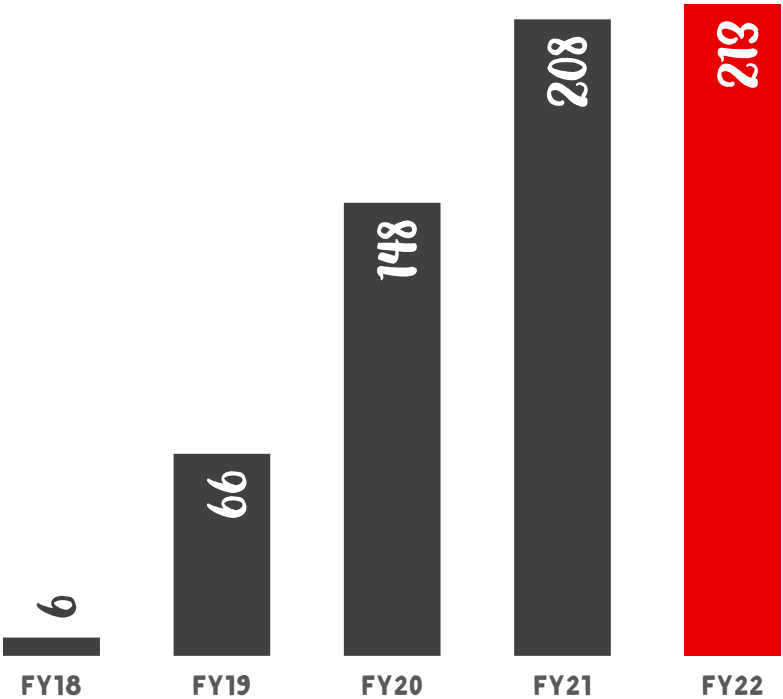


COLLINS FOODS KFC AUSTRALIA NEW STORES

^ indicates a target to build restaurants. All other figures indicate restaurants that have been built.

INVESTMENT IN DIGITAL AND DELIVERY UNDERPINS ENHANCED CUSTOMER EXPERIENCE AND GROWTH...

'KFC DELIVERS' TAKING SHARE



STORES WITH DELIVERY

DELIVERY PENETRATION >80%

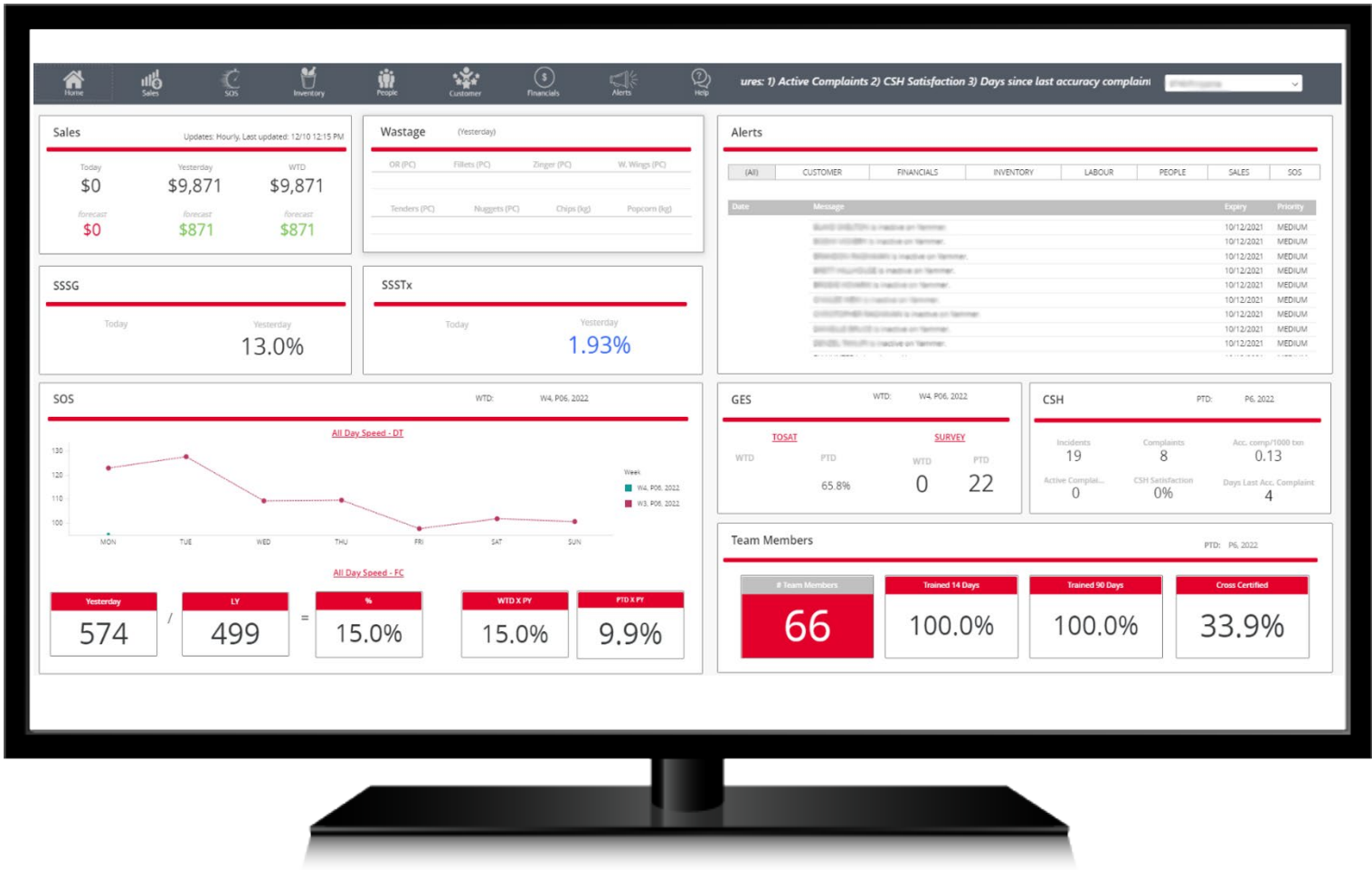


...AND ENABLES OUR PEOPLE TO FOCUS ON WHAT MATTERS

LIVE OPERATIONS DASHBOARDS



**ELECTRONIC
PRODUCTION PLANNING**



personal use only

WHAT'S NEXT?

A SNEAK PEAK (IN THE ABSENCE OF LUNCH!)





...COMING SOON

KFC EUROPE




HANS MIETE



CLEAR MARKET GROWTH POTENTIAL



**QSR MARKET
RESTAURANT NUMBERS***

	NETHERLANDS	GERMANY
	254	1,446
	70	744
	80	174

* This chart depicts the approximate number of restaurants per country. This information has been obtained from various public sources.

 Acquired in 2021

 Existing CF footprint



KFC NETHERLANDS' CORPORATE FRANCHISE AGREEMENT UNDERPINS ATTRACTIVE GROWTH OPPORTUNITIES



NEWLY ANNOUNCED CFA WILL ACCELERATE COLLINS FOODS' LED GROWTH IN THE NETHERLANDS

CFA KEY TERMS

- 10-year agreement to develop, manage and support KFC Netherlands
- Lead total market development pipeline of up to 130 net new restaurants over the next 10 years
- Manage, support, and oversee franchisees (and introduce new ones, if needed)
- Control of brand and marketing strategy
- Fixed Service Fee provided by Yum to offset for increased costs of running the market
- Potential to earn financial incentives for achieving performance metrics



KFC NETHERLANDS' CORPORATE FRANCHISE AGREEMENT

COLLINS FOODS' EUROPEAN TEAM HAS THE CAPABILITY AND EXPERIENCE TO DELIVER ON THE TERMS OF THE CFA



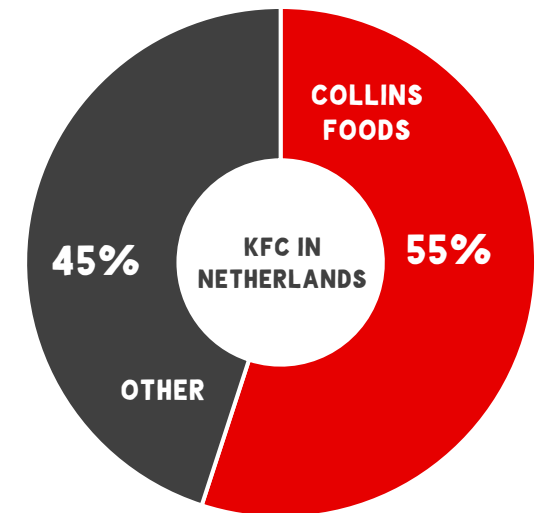
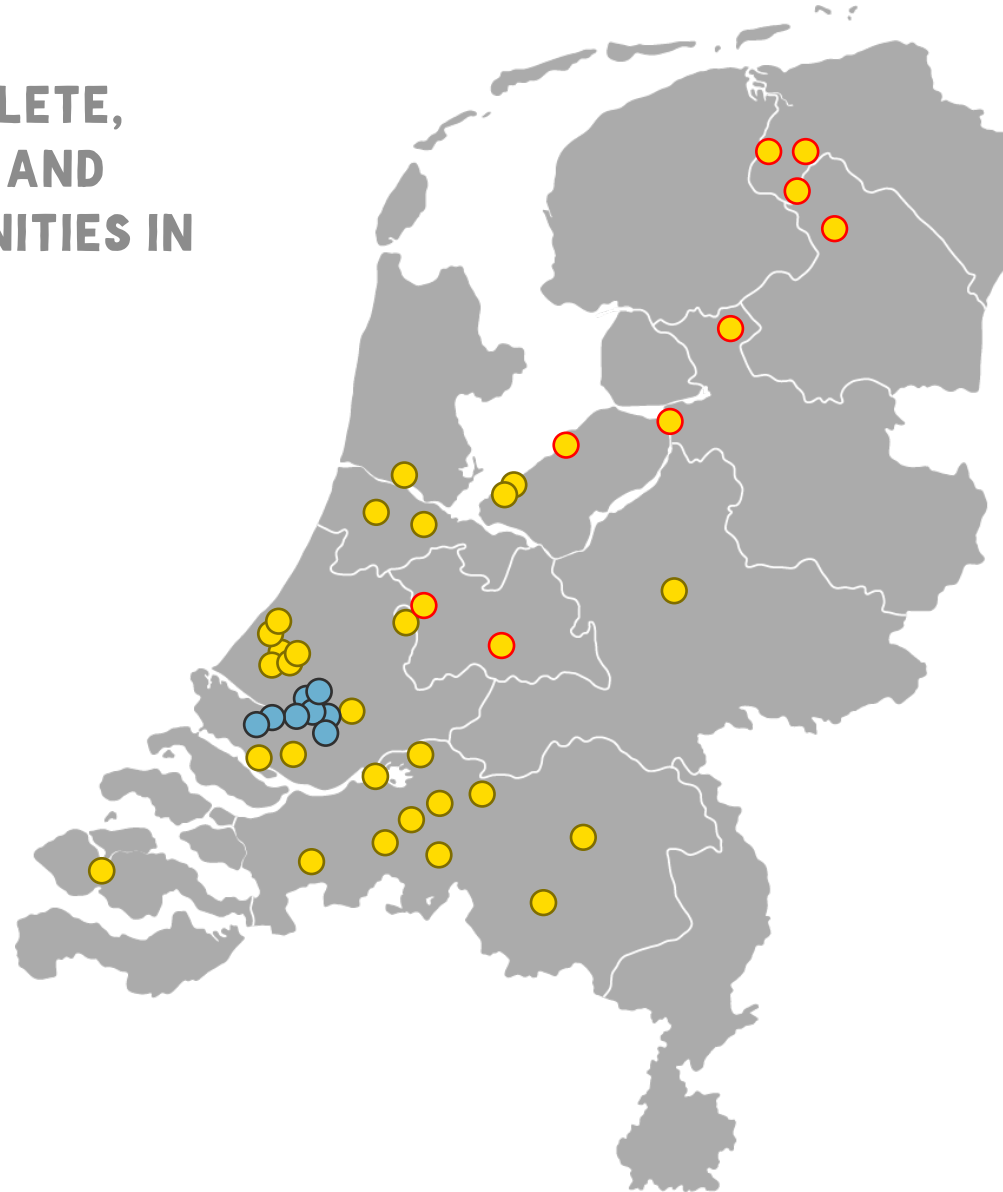
COLLINS FOODS' SUCCESS FACTORS

- Collins Foods' European team now in place – strong local leadership and capability
- Hiring of new Chief Marketing Officer David Timm brings proven KFC brand expertise to the market
- Experienced Yum! Netherlands team joining Collins Foods supports seamless CFA transition
- Consolidated franchisee structure makes market easier to manage and develop
- Strong relationships with KFC Netherlands' franchisees
- Global support from Yum on Marketing and Supply chain
- Easing restrictions from Covid-19

STRATEGIC ACQUISITION OF 9 RESTAURANTS ADDS SCALE

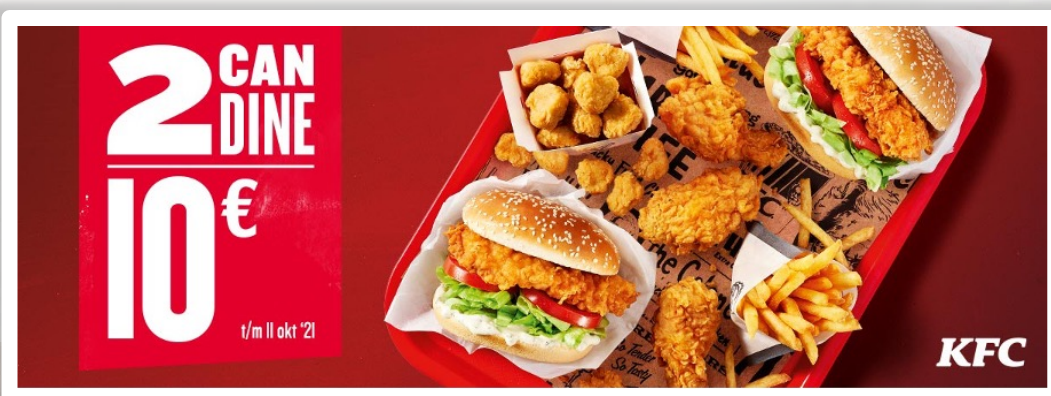
THE NEWEST ACQUISITION, WHEN COMPLETE, WILL INCREASE COLLINS FOODS' SCALE AND FACILITATE FURTHER GROWTH OPPORTUNITIES IN THE NETHERLANDS

- Acquisition of a highly reputable KFC operator
- Next largest KFC Netherlands franchisee after Collins Foods
- Increases scale to 44 KFC restaurants
- Secures an additional trade zone
- **In combination with our Corporate Franchise Agreement, facilitates further growth opportunities**





ENHANCED BRAND/ MARKETING ACTIVITIES...



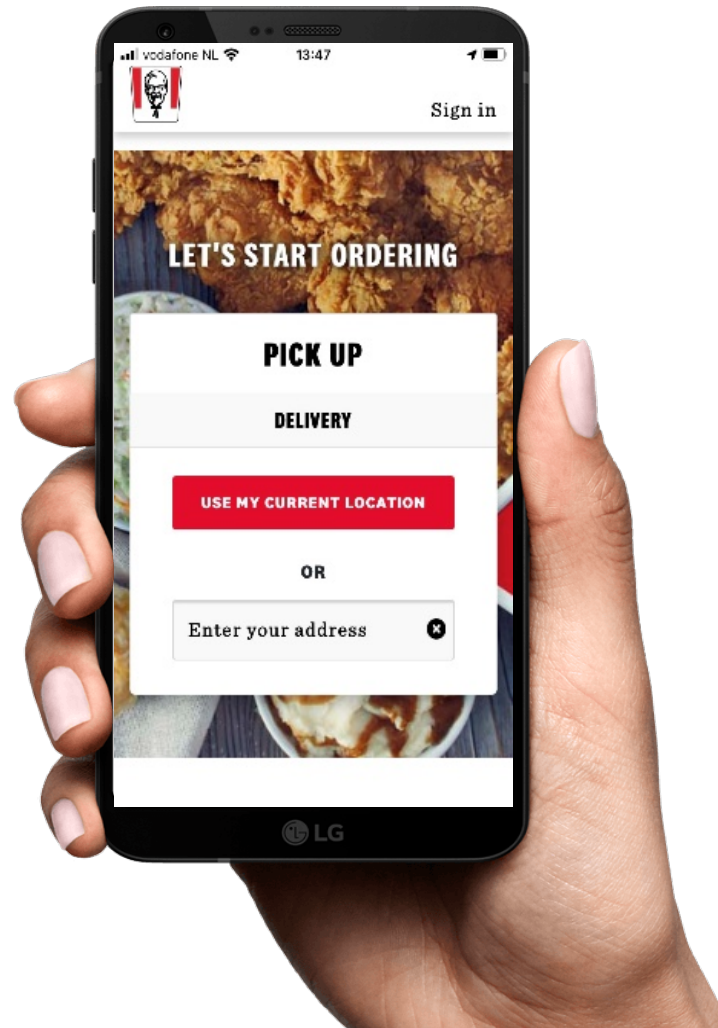
RELENTLESSLY IMPROVING THE CUSTOMER EXPERIENCE



**LOBBY HOST &
TABLE SERVICE**



**MOBILE ORDER &
PICK UP**



FIRST DUAL-LANE DRIVE THRU



1ST SMALL BOX INLINE

FOCUSED ON KEY DRIVERS FOR FUTURE GROWTH

1.

**TURNAROUND
FINANCIAL
PERFORMANCE**

2.

**DRIVE
SUSTAINABLE
SALES GROWTH**

3.

**ACCELERATE
GROWTH IN
THE NETHERLANDS**

4.

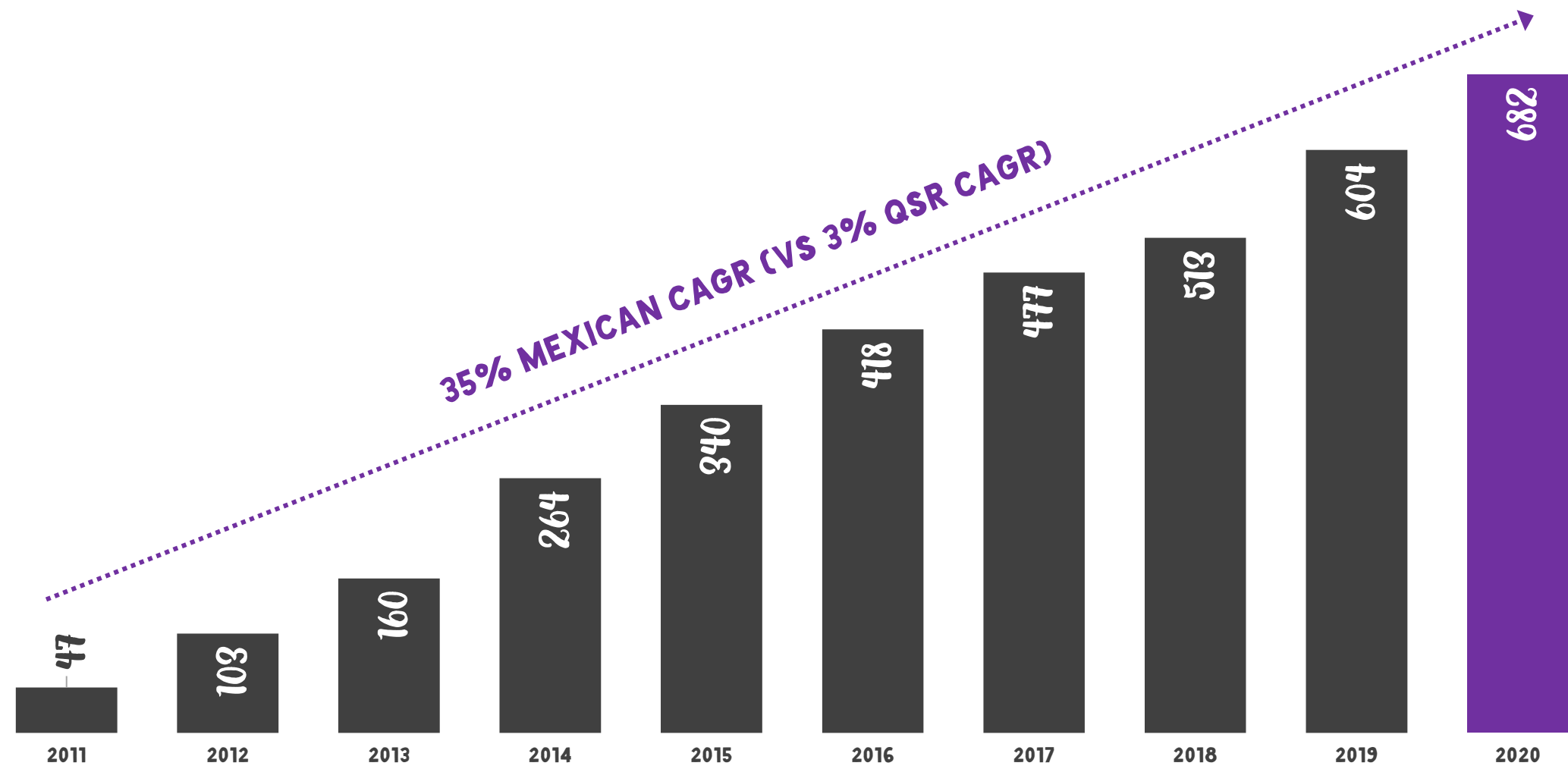
**PLAY OUR PART
IN ORGANIC
GROWTH IN
GERMANY**



TACO BELL AUSTRALIA

**DREW O'MALLEY +
KRYSTAL ZUGNO**

MEXICAN IS THE FASTEST GROWING SEGMENT OF AUSTRALIAN QSR



MEXICAN QSR SALES IN AUSTRALIA (\$M)*

* Source: Euromonitor / Bain & Co

TACO BELL IS A 'CATEGORY OF ONE' IN MEXICAN

THE ONLY 'PURE PLAY QSR' IN THE SEGMENT, WITH OUR MENU DELIVERING STRONG VALUE, BETTER THAN OTHER MEXICAN BRANDS



MENU

"MEXICAN-INSPIRED", EDGY

**PRICING
VALUE**

PRIMARY ASSET

FREE STANDING DRIVE-THRU



MENU

"AUTHENTIC" MEXICAN

**PRICING
MODERATE/ASPIRATIONAL**

PRIMARY ASSET

IN-LINE

	PRICING	
	BURRITO	TACO
	\$7.95	\$3.50
	\$11.90	\$5.00
	\$11.90	\$5.50
	\$10.95	\$5.95

VALUE-ORIENTED MENU PRICING SUPPORTS QSR CREDENTIALS

PROVIDING A YOUTHFUL AND EXCITING ALTERNATIVE IN A PREDICTABLE QSR MARKET

- Taco Bell's combo meals represent equivalent or superior value for money vs QSR brands
- Snack range delivers low entry price point for value seekers, below competitor QSR pricing, and driving transaction volumes

	PRICING		
	PRODUCT *	A LA CARTE	REGULAR COMBO
	CALI BURRITO	\$7.95	\$10.95
	BIG MAC	\$6.40	\$11.70
	WHOPPER	\$7.30	\$11.70
	ZINGER	\$6.00	\$8.95

* SE Queensland, October 2021



INNOVATING IN AUSTRALIA OUTSIDE THE BOUNDARIES OF 'AUTHENTIC MEXICAN'...



... WITH OPPORTUNITIES TO INTRODUCE
INNOVATIONS FROM A DEEP PANTRY OF
PRODUCTS GLOBALLY



STRENGTHENING THE FOUNDATIONS FOR LONG-TERM SUCCESS

BRAND ECONOMICS WILL BE FULLY VALIDATED UPON ACHIEVING SCALE...
WE ARE MOVING AGGRESSIVELY TO DRIVE BRAND TRIAL, DEEPEN TALENT PIPELINE, AND OPERATE AT A WORLD-CLASS LEVEL

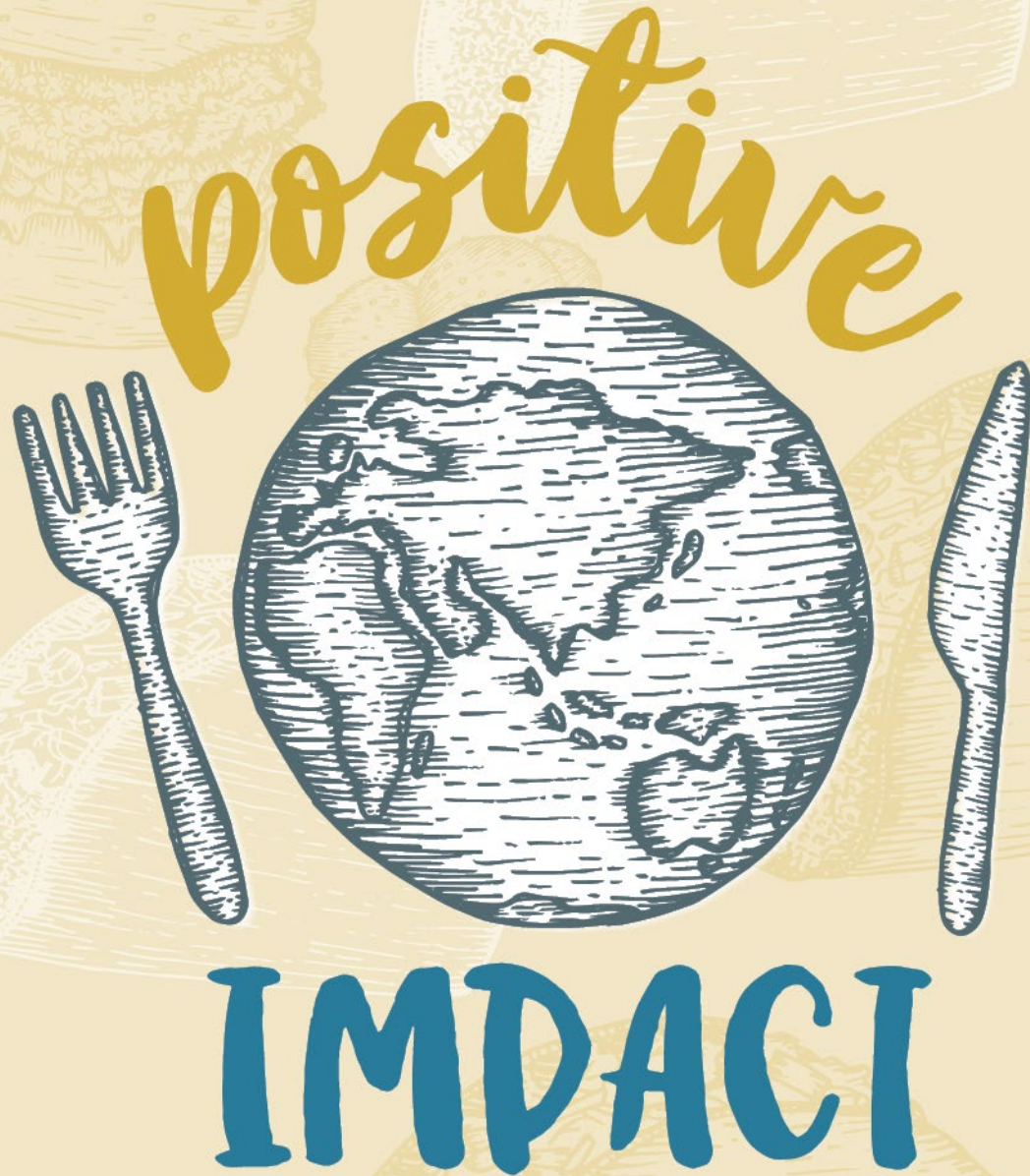
- Leverage Collins Foods' KFC talent to strengthen Taco Bell capability
- Achieve 'brilliant at the basics' operationally
- Refine business model to identify additional margin
- Further enhance media effectiveness
- Drive awareness and trial amongst Australian QSR consumers



ACCELERATING GROWTH TO GET TO SCALE WITHIN 3 TO 4 YEARS

- 17 restaurants now (QLD: 12, VIC: 4, WA: 1)
- 9 to 12 new restaurant openings expected in FY22
- Building out clusters in tightly concentrated areas, with a targeted suburban focus





ESG

DREW O'MALLEY

A BOLD ESG STRATEGY ON EMISSIONS & WASTE REDUCTION

OUR PEOPLE, OUR COMMUNITIES AND OUR PLANET DESERVE OUR WHOLEHEARTED COMMITMENT. WE WANT OUR GROWTH TO BE SUSTAINABLE.

PRIMARY GOALS:

PEOPLE AND COMMUNITIES

Establish **Collins Foods Giving** as a best-in-class signature program by 2026 with **75% + ENROLMENT**

PLANET

Reduce our carbon footprint by achieving a **25% REDUCTION** in **greenhouse gas emissions** by 2026

Increase **diversion of waste** from landfill by **25%** by 2026

GOVERNANCE

Commitment to **CONTINUOUS IMPROVEMENT** in **best practice governance standards** in all our business activities

MAKING A POSITIVE IMPACT FOR OUR PEOPLE & PLANET

We have worked hard to
DECREASE
our LTIFR from 20.66 in 2017-18

We have a stable
GENDER BALANCE
and no gender pay gap

Over three years,
cooking oil use
has decreased by
around
167,000L
despite 32 new
restaurant
openings

518 young people took
part in our traineeship
program in 2021

In 2021
\$912,000
was raised for our charity
partners by our customers
and employees



TAKE-AWAY

DREW O'MALLEY





PEOPLE. BRAND. SCALE.



COLLINS FOODS LIMITED

QUESTIONS AND ANSWERS

FOR FURTHER INFORMATION PLEASE CONTACT

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COLLINS FOODS LIMITED

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