



FOOD
DELIVERY
BRANDS

6M FY22

RESULTS PRESENTATION

04.08.2022

6M FY22 RESULTS PRESENTATION

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6M FY22 RESULTS PRESENTATION

EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

FOOD DELIVERY BRANDS GROUP

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- Market leading pizza delivery operator in core markets: Spain, Portugal, México, Chile, Colombia and Ecuador
- Strategic shift to being a “Brand Operator” following the completion of the transformational partnership with Yum! Brands
- Diversified business model, with profitability generated from
 - Own store sales
 - Royalties and services from franchisees
 - Supply chain sales
- Vertically integrated supply chain is a key differentiating factor: provides full production and food service offering to franchisees

KEY FACTS – 6M FY22

telepizza



33

2 GLOBAL BRANDS

COUNTRIES

€619¹m

SYSTEM SALES

2,350¹

STORES IN THE
MF PERIMETER

78%

FRANCHISED
STORES

Vertically Integrated Supply

5

Dough
Production
Facilities

+20

Logistics
Centers

2

Innovation
Labs

Note:

1. Sales and stores excluding Discontinued operations PH Spain equity stores

EXECUTIVE SUMMARY

KEY MESSAGES 1/2

- **Group system sales at double digit growth vs. PY, in line with Q1 performance, despite global uncertainty**
- **H1 FY22 chain sales of c.€620m; +18.7% vs. PY (+14.4%¹ at constant FX)**
 - **Q2 Group system sales above pre-pandemic (+5.4%¹ vs. Q2 FY19)**
- **However, pressure from COGS and inflation persists without clear signs of loosening so far**
- **As already announced, the Group has decided to close all equity PH stores in Spain² to concentrate efforts in the development of the TPZ network. Actual and historical data in this deck is shown considering equity PH stores in Spain as discontinued operation**
- **H1 FY22 adjusted EBITDA² reached c.€16m, in line with H1 FY21**
- **Group's liquidity at 30 June 2022 amounted to €36.4m, before paying H1 FY22 bond coupon**

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Note:

1. Growth at constant FX. Equity PH stores in Spain considered as discontinued operations
2. Excluding impacts from IFRS 16 and Equity PH Spain considered as discontinued operation

- **Total store count¹ amount to 2,350; +142 gross openings over the LTM and +35 gross openings in H1**
- **FY22 gross openings for the year of c.130 units; net new units within the range of 65/70**
- **New dough factory in Mexico has passed the homologation test from Yum!**
- **No change in EBITDA's guidance for 2022, CFADS adjusted to negative €0-5m due to one-off costs related to PH closures**
- **Preserving Group Liquidity remains as the key priority, above expansion targets or other business commitments**

Note:

1. Pizza Hut master franchise perimeter (Spain, Portugal, Switzerland and Latam ex-Brazil), including Telepizza and Pizza Hut stores. Equity PH stores in Spain considered as discontinued operations



6M FY22 RESULTS PRESENTATION

FINANCIAL UPDATE



EXECUTIVE SUMMARY

2Q FY22 CURRENT TRADING

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<i>in € millions</i>	2Q FY21	2Q FY22	YoY (%)	YoY Change	April	May	June
Total Owned Stores ⁽¹⁾	501	527	5.2%	26	530	529	527
Total Franchised Stores ⁽¹⁾	1,758	1,823	3.7%	65	1,822	1,822	1,823
Chain Sales	268.6	323.5	20.4%	54.9	108.0	108.2	107.4
Revenues	90.4	104.7	15.9%	14.4	34.4	34.0	36.3
Adjusted EBITDA	9.5	8.5	-10.7%	-1.0	3.1	2.6	2.8
Adjusted EBITDA under IFRS16	13.6	14.3	5.7%	0.8	5.2	4.5	4.7
Net Debt	360.2	399.9	11.0%	39.7	400.0	400.9	399.9
Cash	70.3	36.4	-48.2%	-33.9	34.3	33.8	36.4

Note:

- Only includes stores in the MF YUM! Perimeter

EXECUTIVE SUMMARY

6M FY22 TRADING

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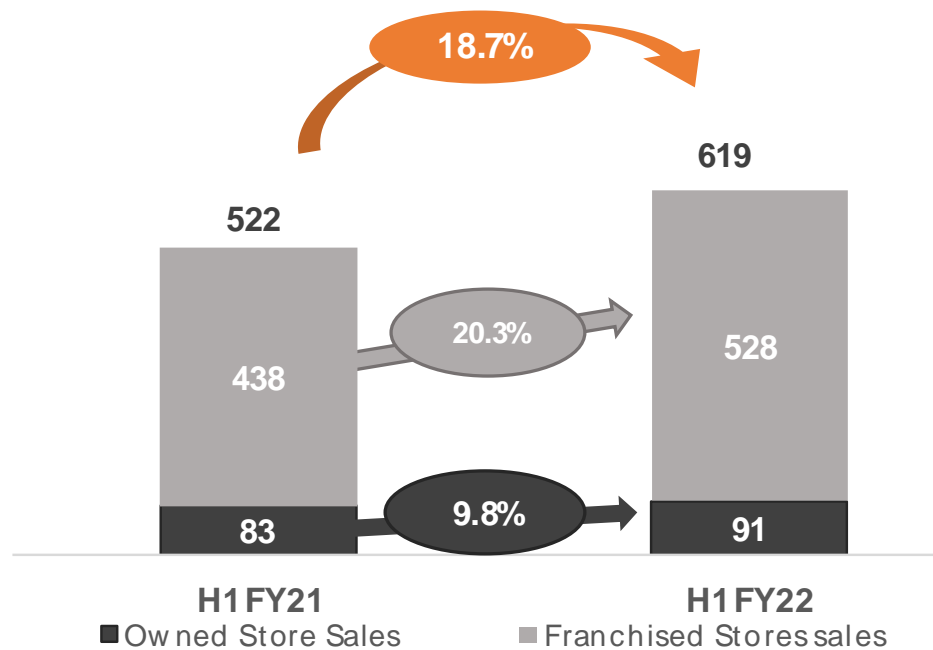
	6M FY21	6M FY22	YoY (%)	YoY Change		
<i>in € millions</i>	6M FY21	6M FY22	YoY (%)	YoY Change	Jul ⁽³⁾	Aug ⁽³⁾
Total Owned Stores ⁽¹⁾	501	527	5.2%	26	528-532	532-536
Total Franchised Stores ⁽¹⁾	1,758	1,823	3.7%	65	1805-1810	1805-1810
Chain Sales ⁽²⁾	521.6	618.9	18.7%	97.3	113-116	104-108
Revenues	178.3	199.8	12.1%	21.6	36-38	32-34
Adjusted EBITDA	16.2	15.9	-1.6%	-0.3	5-7	3-4
Adjusted EBITDA under IFRS16	26.1	27.2	3.8%	1.0		
Net Debt	360.2	399.9	11.0%	39.7	412-414	408-410
Cash	70.3	36.4	-48.2%	-33.9	25-27	30-32

Note:

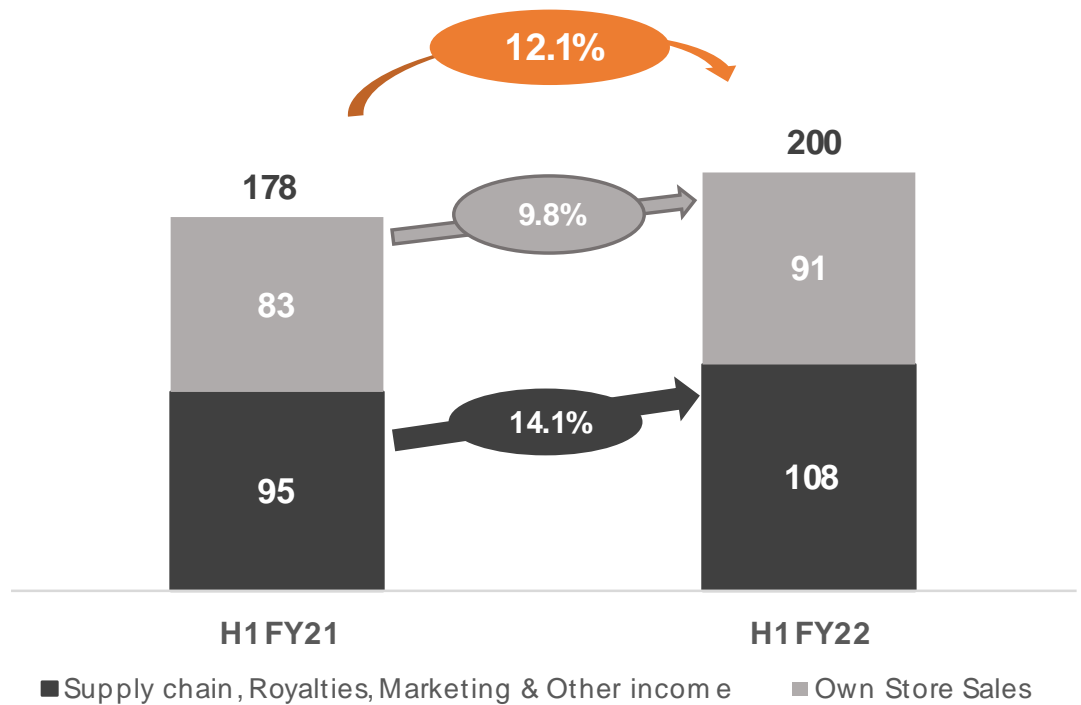
1. Only includes stores in the MF YUM! Perimeter
2. YoY Chain Sales at constant currency: 14.4%
3. These figures are preliminary and subject to change

Group System Sales and Revenues (€m)

SYSTEM SALES



REVENUES



FINANCIAL UPDATE

SEGMENT PERFORMANCE – 6M FY21

System sales across regions



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H1 22 vs H1 21 in € millions	EMEA	LATAM	TOTAL
System Sales Growth (%)	9.8%	28.8%	18.7%
System Sales Growth constant currency (%)	9.5%	19.5%	14.4%
System Sales Growth constant currency (%) - Telepizza	5.7%	7.4%	5.9%
System Sales Growth constant currency (%) - Pizza Hut	43.1%	20.9%	23.3%
Telepizza System Sales weight (%)	86.7%	9.5%	47.6%
Pizza Hut System Sales weight (%)	13.3%	90.5%	52.4%
TOTAL SALES €m	305.7	313.2	618.9

EMEA

Spain and Portugal:

- Strong H1 sales growth of +10.9% vs. PY in a complex environment and the need to protect margins as well as market share

Rest of Europe:

- + 1.8% H1 2022 growth vs. PY (at constant FX) with Ireland growing at 11%

LATAM

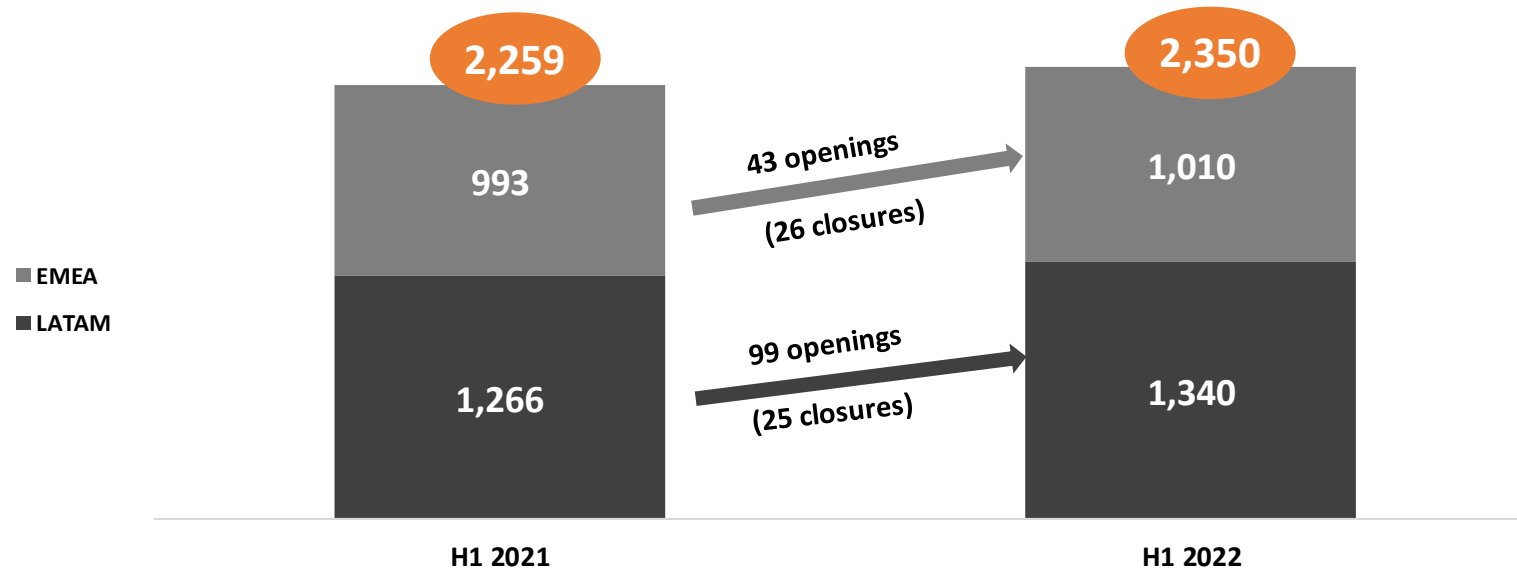
- System sales growth of +19.5% (at constant FX) during H1 vs. PY with Telepizza: +7.4% & PH +20.9%
- Effects from inflation and the war in Ukraine are, so far, less visible in Latam. However, some outbreaks of unrest, now calmed down, have impacted sales in some countries (like Ecuador) during Q2

FINANCIAL UPDATE

UNIT EXPANSION 6M FY22

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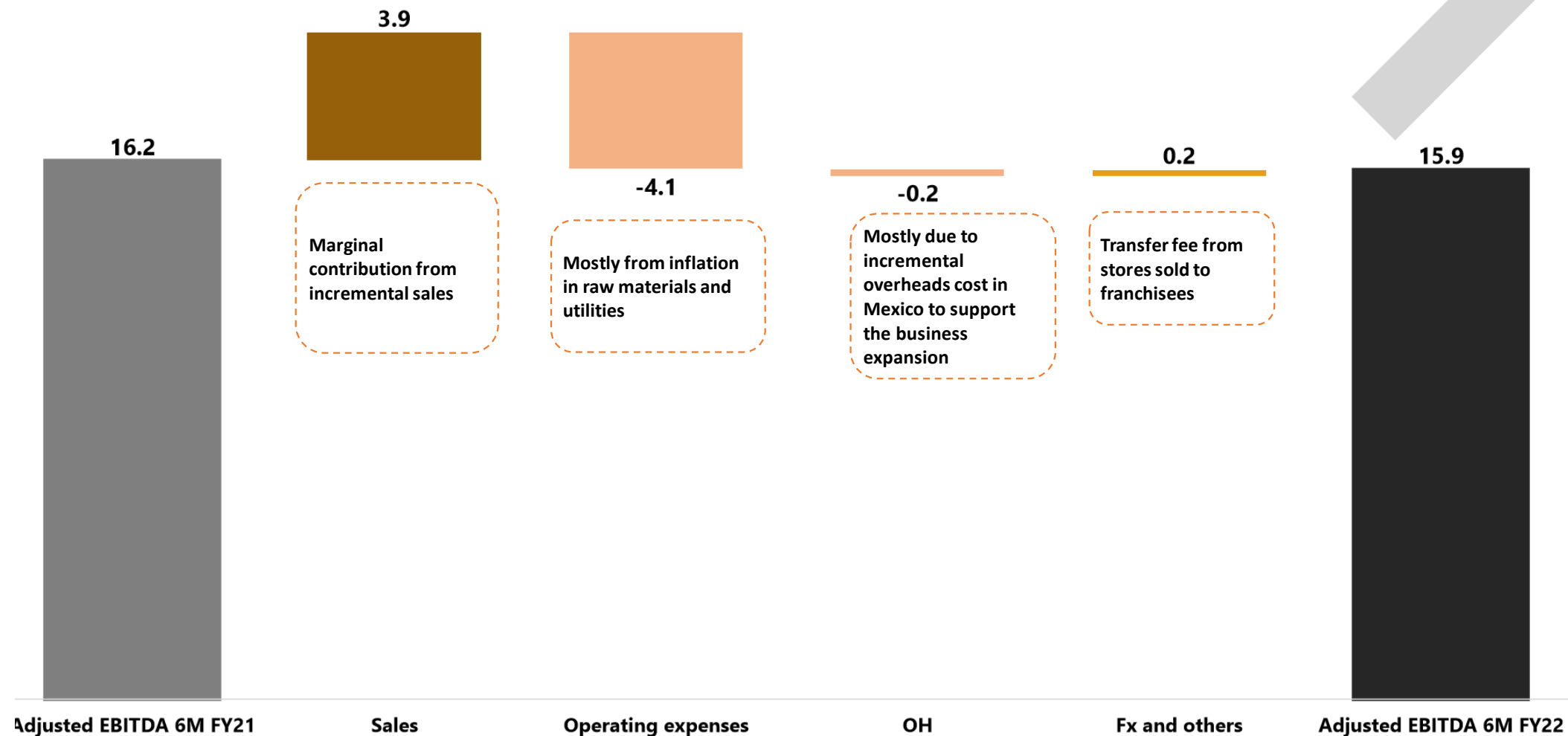
Total store network within the MF perimeter increased by 91 net units⁽¹⁾ to reach 2,350 stores⁽²⁾.



Note:

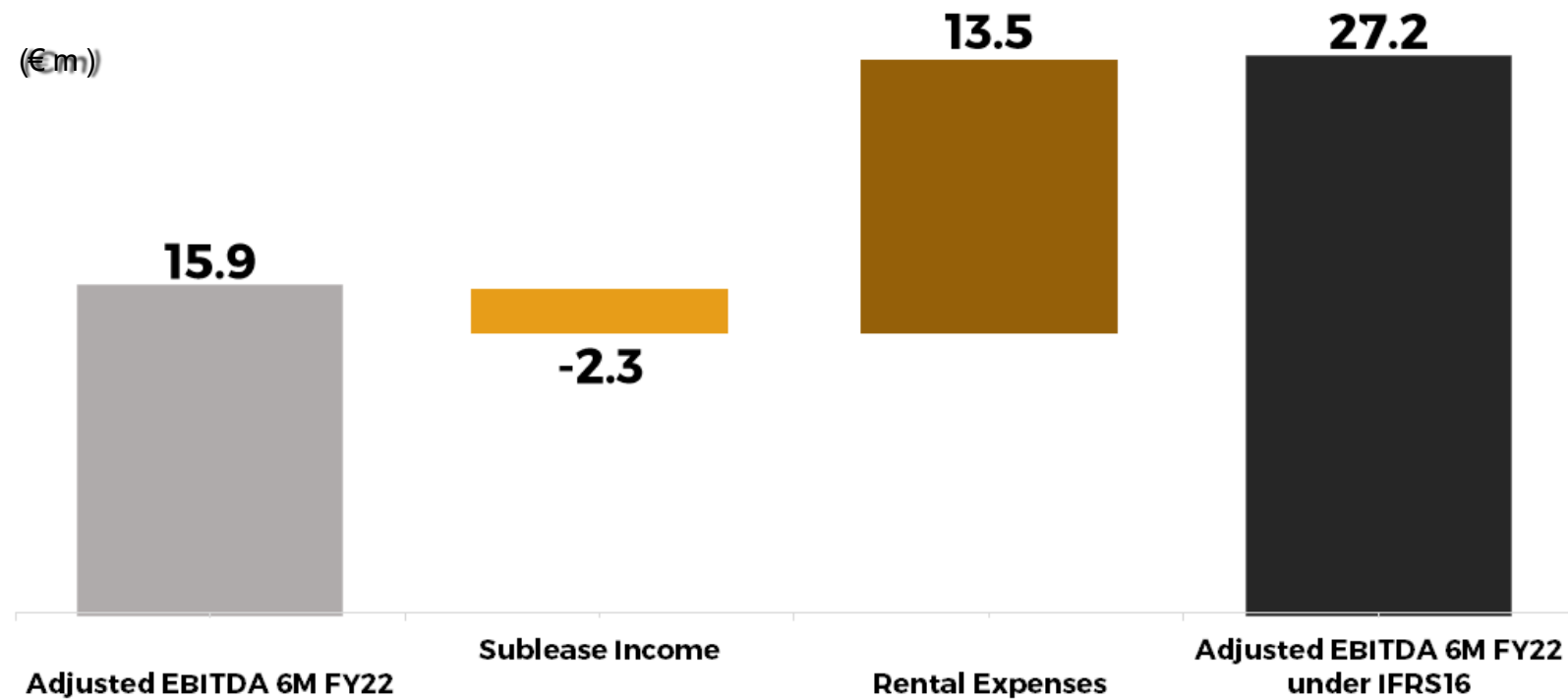
1. Total openings minus total closures in the Pizza Hut master franchise perimeter (Spain, Portugal, Switzerland and Latam ex-Brazil), including Telepizza and Pizza Hut stores
2. Only includes stores in the MF Yum! perimeter

ADJUSTED EBITDA BRIDGE – 6M FY21 TO 6M FY22



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ADJUSTED EBITDA BRIDGE – 6M FY22 (IFRS16 RECONCILIATION)



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EXECUTIVE SUMMARY

INCOME STATEMENT SUMMARY ¹

€m	6M FY21	6M FY22	% change
Own Store Sales	83.2	91.4	9.8%
Supply chain, royalties, marketing & other	95.0	108.5	14.1%
Total revenue	178.3	199.8	12.1%
COGS	-52.8	-64.1	21.4%
% Gross margin	70.4%	67.9%	-2.5 p.p
Operating expenses	-109.3	-119.9	9.6%
Adjusted EBITDA	16.2	15.9	-1.6%
% Adjusted EBITDA margin	9.1%	8.0%	-1.1 p.p
Non recurring /operating expenses	-7.0	-3.2	-54.4%
Reported EBITDA	9.2	12.7	38.4%
Adjusted EBITDA under IFRS 16	26.1	27.2	3.8%
% Adjusted EBITDA margin	14.7%	13.6%	-1.1 p.p

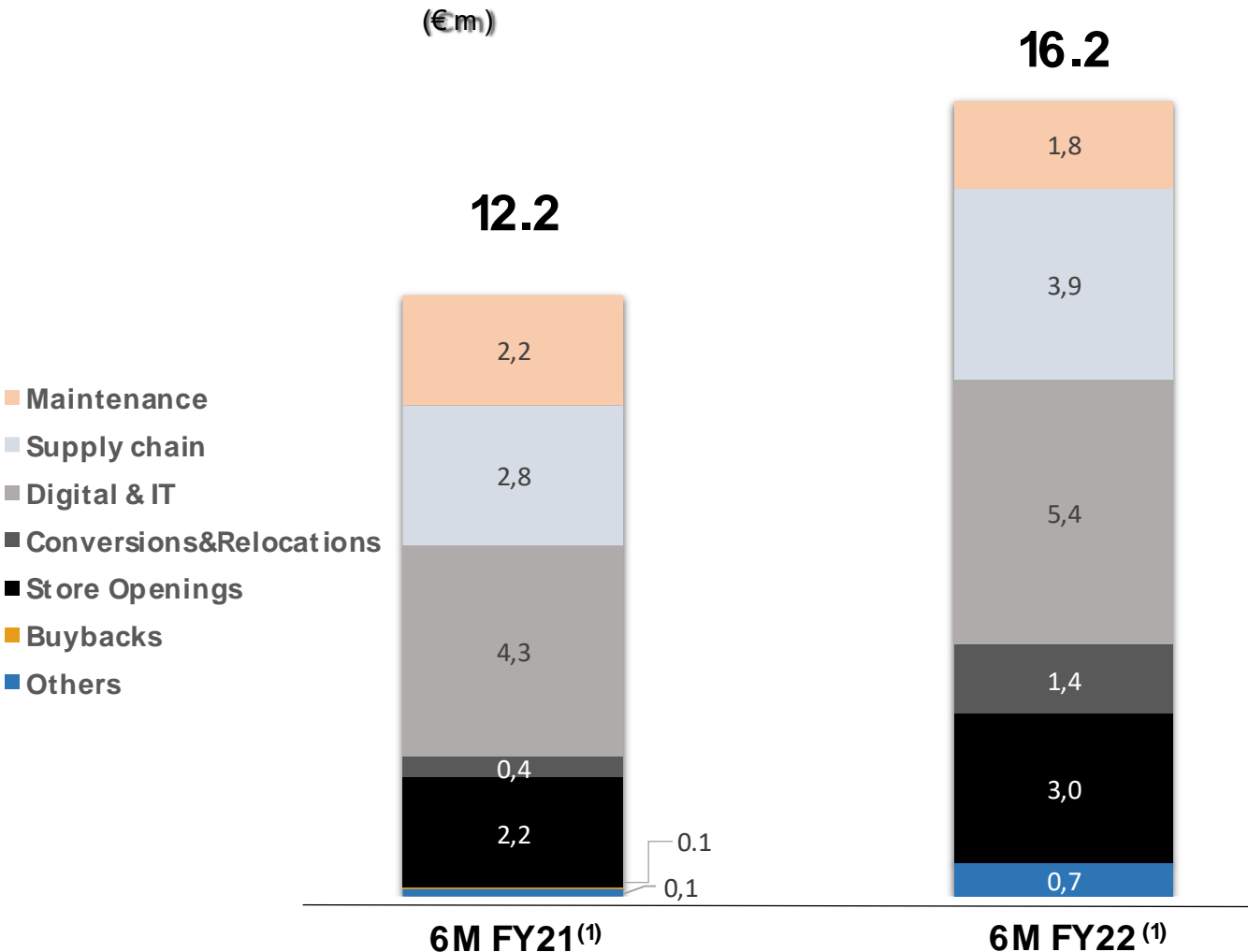


Notes:

1. Financial information excluding impact of IFRS-16

FINANCIAL UPDATE

CAPITAL EXPENDITURE¹ – 6M FY22



- 6M 2022 Capex of c.€16.2m, +€4.0m vs. PY
- Full year 2022 Capex within the range of €27-30m
 - H2 Capex mostly related to stores network (c. €9m): openings, maintenance and conversions & relocations

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Note:
1. Capex does not include non cash-out investments (e.g . Non cash Buybacks)

FINANCIAL UPDATE

CASH FLOW STATEMENT SUMMARY

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€m	6M FY21	6M FY22	% change
Adjusted EBITDA	16.2	15.9	-1.6%
Non-recurring / Operating costs	-7.0	-3.2	-54.4%
Reported EBITDA	9.2	12.7	38.4%
Tax ⁽⁶⁾	-3.8	-2.7	-27.5%
Change in Working Capital ⁽⁷⁾	-5.3	-2.0	-62.8%
Discontinued Ops ⁽⁸⁾	-1.3	-4.0	200.3%
Operating Cash Flow	-1.2	4.0	-424.0%
Maintenance Capex ⁽¹⁾	-2.2	-1.8	-19.3%
Expansion Capex ⁽²⁾	-10.0	-14.4	43.9%
Investing Cash Flow	-12.2	-16.2	32.5%
CFADS ⁽³⁾	-13.4	-12.2	-9.4%
Cash Interest	-11.4	-12.6	0.0%
Financing sources	50.0	2.9	-94.2%
Financing Cash Flow	38.6	-9.7	-125.0%
Cash Flow for the period	25.2	-21.8	-186.8%
Underlying Free Cash Flow ⁽⁴⁾	8.8	11.4	28.8%

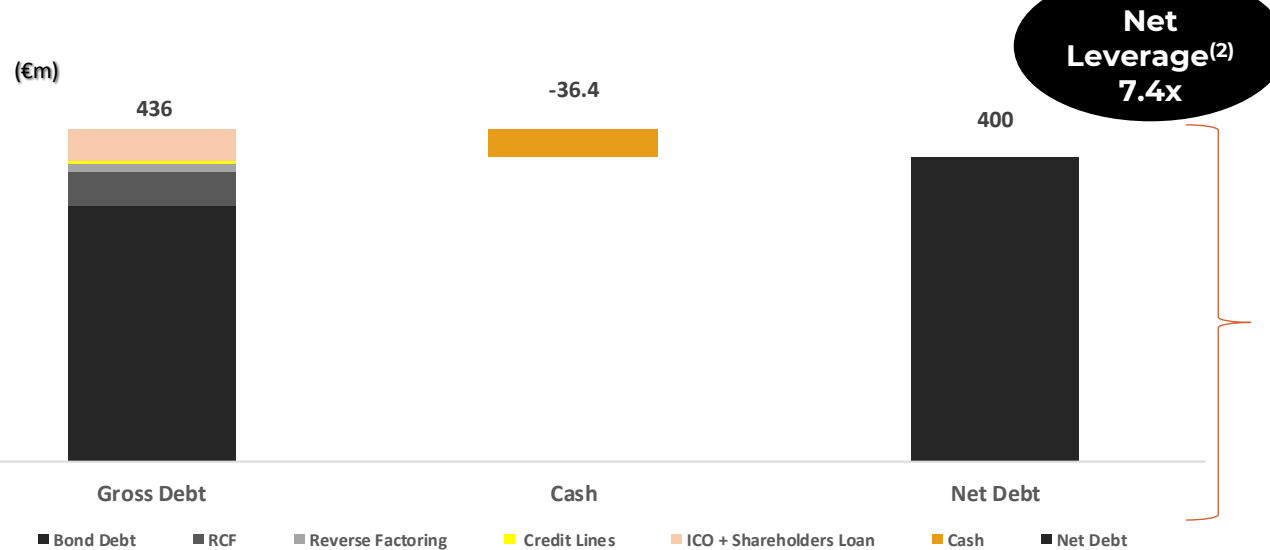
€m	6M FY21	6M FY22
Cash Balance		
Cash BoP ⁽⁵⁾	45.1	58.2
Δ Cash	25.2	-21.8
Cash EoP	70.3	36.4

Note:

1. Maintenance capex is recurring capex for existing stores required to support continued operation
2. Expansion capex is growth capex associated with i) new store openings, relocations, refurbishment, ii) IT & digital improvements, iii) investments in factories and iv) other growth initiatives. Excludes non-cash out capex (e.g. buybacks)
3. Cash Flow Available for Debt Service defined as Cash Flow from Operations less Cash Flow from Investing
4. Underlying free cash flow is Adjusted EBITDA minus tax, Discont. Ops, expansion incentive and maintenance capex
5. Cash position with Tasty Bidco perimeter
6. Tax includes payments of CIT, local taxes as well as WHT (mostly recoverable against future CIT payments)
7. WC includes net VAT payments (€6.4m and €7.7m in YTD 2021 and 2022 respectively)
8. Discontinued Ops includes losses and one offs costs related to the closing of the Equity Spain PH stores

FINANCIAL UPDATE

NET DEBT AND LEVERAGE – 6M FY22



CAPITAL STRUCTURE

Bond Debt:	€335m
RCF:	€45m
ICO Loan:	€39.2m
Shareholders Loan:	€3.8m
Reverse Factoring:	€10.5m
Credit Lines:	€2.8m

CREDIT METRICS

	FY21	6M FY22
Fixed charge Coverage ⁽²⁾	1.7x	1.7x
Gross Leverage	8.5x	8.1x
Net Leverage ⁽¹⁾	7.3x	7.4x

LTM ADJUSTED EBITDA METRIC

€m	
LTM up to June 30, 2022 Adjusted EBITDA	51.5

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Notes:

1. Net Leverage is the ratio between Senior Secured Indebtedness minus cash and cash equivalents and LTM adjusted EBITDA. LTM EBITDA does not include any pro forma on investments
2. Fixed charge coverage ratio is the ratio between LTM Adjusted EBITDA and Consolidated Interest Expense



6M FY22 RESULTS PRESENTATION

CLOSING REMARKS



CLOSING REMARKS



- **Sound double digit system sales growth vs. PY, in line with Q1 performance, despite global uncertainty**
- **Pressure from COGS and inflation persists without clear signs of loosening so far**
- **No change in EBITDA's guidance for 2022, CFADS adjusted to negative €0-5m due to one-off costs related to PH closures**
- **Preserving Group Liquidity remains as the key priority, above expansion targets or other business commitments**



6M FY22 RESULTS PRESENTATION

APPENDIX



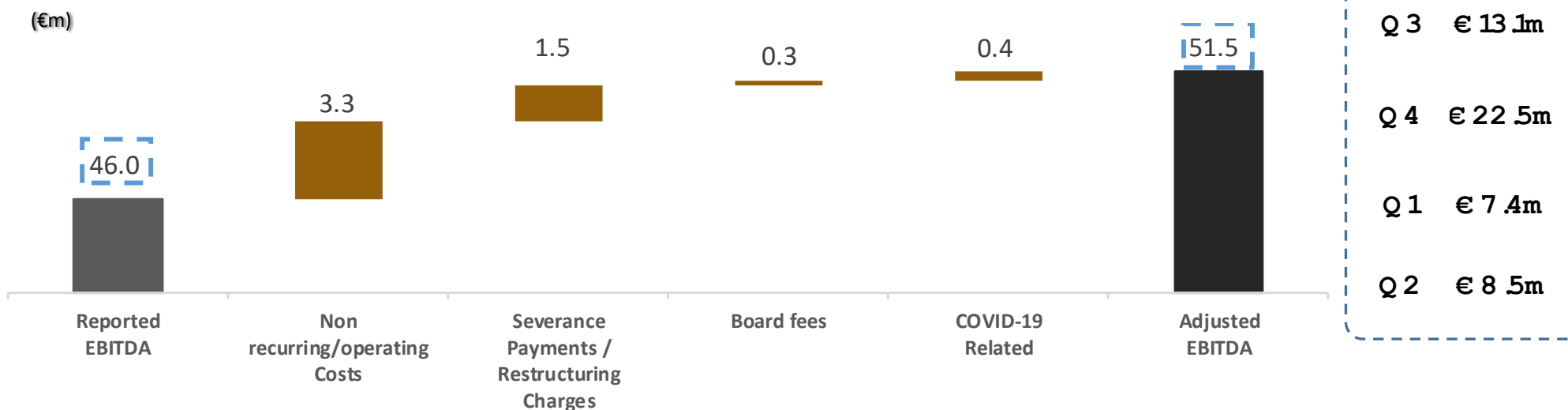
6M FY22 RESULTS PRESENTATION

ADJUSTED LTM 6M FY22 EBITDA¹

RECONCILIATION

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ADJUSTED EBITDA BY QUARTER



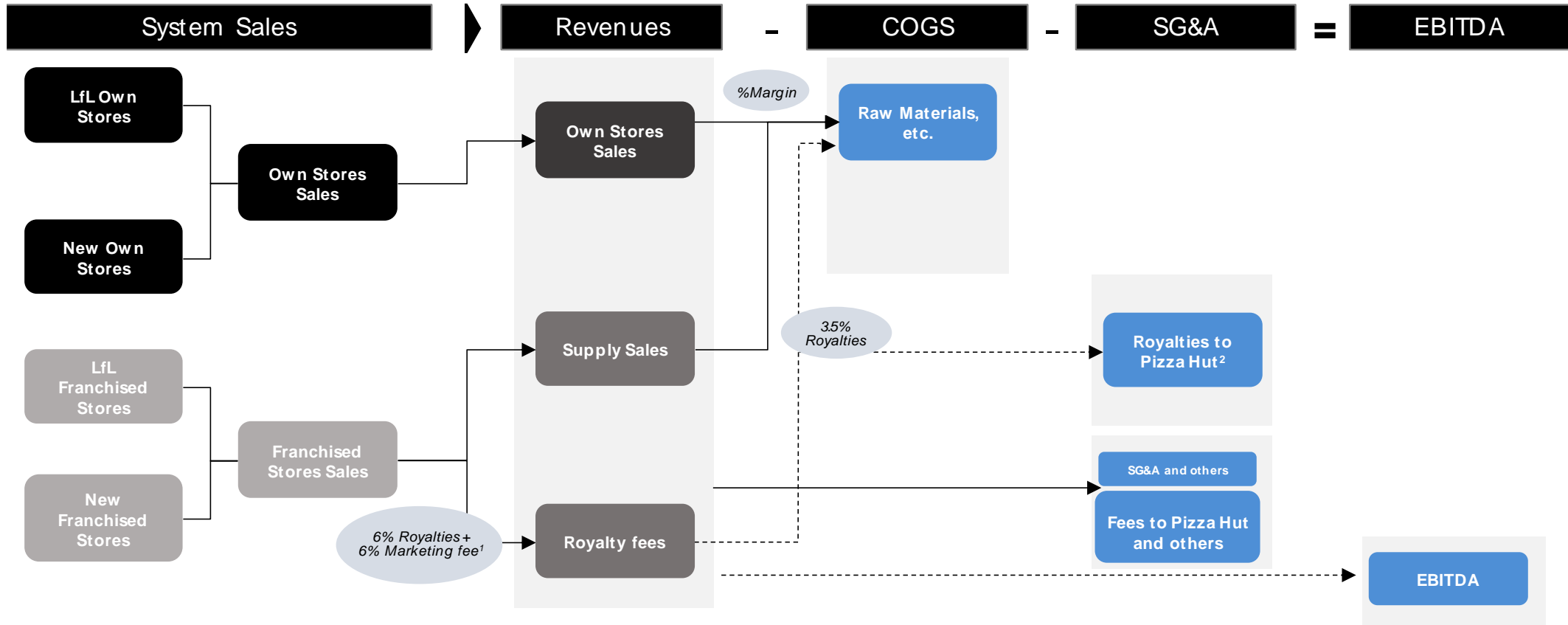
Note:

1. Financial information excluding impact of IFRS-16 and calculated as per the definition of Consolidated EBITDA in the indenture

6M FY22 RESULTS PRESENTATION

REVENUES TO EBITDA BRIDGE

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STORE COUNT

STORE COUNT¹ – 6M FY22

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	Actual		
	6M FY22	Ow ned stores	Franchise stores
TELEPIZZA	1,378	177	1,201
EMEA	1,063	89	974
Spain	717	38	679
Portugal	157	51	106
Ireland	182	-	182
Rest of EMEA	7	-	7
LATAM	315	88	227
Chile	105	78	27
Colombia	46	10	36
Ecuador	-	-	-
Rest of Latam	164	-	164



	Actual		
	6M FY22	Ow ned stores	Franchise stores
PIZZA HUT	1,154	350	804
EMEA	129	-	129
Spain	28	-	28
Portugal	101	-	101
LATAM EQUITY	465	350	115
Chile	90	79	11
Colom bia	37	37	-
Ecuador	72	70	2
Mexico	266	164	102
LATAM MF	560	-	560
Peru	117	-	117
El Salvador	65	-	65
Guatem ala	54	-	54
Costa Rica	57	-	57
Honduras	58	-	58
Puerto Rico	58	-	58
Panam a	12	-	12
Rest of Latam	62	-	62
Caribbean	77	-	77
TOTAL GROUP	2,532	527	2,005

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Notes:

- Includes stores within the MF YUM! perimeter plus other geographies (Ireland)

- **System sales / chain sales:** System sales / chain sales are own store sales plus franchised and master franchised store sales as reported to us by the franchisees and master franchisees
- **LfL system sales growth:** LfL system sales growth is system sales growth after adjustment for the effects of changes in scope and the effects of changes in the euro exchange rate as explained below
 - **Scope adjustment.** If a store has been open for the full month, we consider that an “operating month” for the store in question; if not, that month is not an “operating month” for that store. LfL system sales growth takes into account only variation in a store’s sales for a given month if that month was an “operating month” for the store in both of the periods being compared. The scope adjustment is the percentage variation between two periods resulting from dividing (i) the variation between the system sales excluded in each of such periods (“excluded system sales”) because they were obtained in operating months that were not operating months in the comparable period, by (ii) the prior period’s system sales as adjusted to deduct the excluded system sales of such period (the “adjusted system sales”). In this way, we can see the actual changes in system sales between operating stores, removing the impact of changes between the periods that are due to store openings and closures; and
 - **Euro exchange rate adjustment.** We calculate LfL system sales growth on a constant currency basis in order to remove the impact of changes between the euro and the currencies in certain countries

where the Group operates. To make this adjustment, we apply the monthly average euro exchange rate of the operating month in the most recent period to the comparable operating month of the prior period

- **Reported EBITDA:** EBITDA is operating profit plus asset depreciation and amortization and other losses, excluding the effect of IFRS 16
- **Adjusted EBITDA:** Adjusted EBITDA is Reported EBITDA adjusted for costs that are non-operating in nature, non cash adjustments, and non-recurring costs related to; severance payments of restructuring processes, the Pizza Hut alliance, the new corporate structure, the refinance and COVID related expenses
- **Non-operating items:** Certain expenses, mainly related to onerous leases that are non-operating in nature
- **Non-recurring costs:** Extraordinary expenses related to the set-up of the Pizza Hut alliance (strategy consulting, legal fees, performance bonuses and other expenses), also extraordinary expenses related to the set-up of new corporate structure (finance consulting, legal fees and other expenses), severance payments of restructuring process, non-recurring COVID related expenses, onerous leases and minor impact related to discontinued operations



- **Accounting adjustments:** It refers to the expense in 2019 for the cancellation of a management share-based incentive plan resulting from the acceleration of vesting due to the takeover bid
- **Cash Flow Available for Debt Service (“CFADS”):** Cash Flow Available for Debt Service defined Cash Flow from Operations less Cash Flow from Investing
- **Underlying free cash flow:** Underlying free cash flow is Adjusted EBITDA minus tax and others, expansion incentive and maintenance capex
- **Net debt:** Net debt is total outstanding amount of issued senior secured notes and bank debt (including the RCF, Chilean credit line, and reverse factoring lines) minus cash position at the end of the period
- **Net Leverage:** Ratio between Senior Secured Indebtedness minus cash and cash equivalents and LTM adjusted EBITDA
- **Maintenance Capex:** Maintenance capex is recurring capex for existing stores to support their continued operation
- **Expansion Capex:** expansion capex is growth capex associated with i) new store openings, relocations, refurbishment, ii) IT & digital improvements, iii) investments in factories and iv) other growth initiatives

THANK YOU

