COLLINS FOODS LIMITED

HY21 RESULTS

4 May 2020 – 18 October 2020 (24 weeks)

1 December 2020

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ACN 151 420781

Strong earnings growth delivered again despite COVID-19 turbulence

($m)	HY20 Underlying[(1)] (Pre AASB 16)	HY21 Statutory (Pre AASB 16)	HY21 Non trading[(2)] items	HY21 Underlying (Pre AASB 16)	Change	HY21 Statutory (Post AASB 16)
Revenue	448.8	499.6		499.6	11.3% ↑	499.6
EBITDA	57.7	60.9	2.8	63.7	10.5% ↑	79.6
EBIT	40.1	41.7	3.0	44.7	11.6% ↑	42.4
NPAT	23.9	23.3	4.2	27.5	15.1% ↑	16.5
Net Debt	217.3	170.7		170.7	$46.6m ↓	
Net Leverage Ratio	1.84	1.35		1.35	0.49 ↓	
Net Operating Cash Flow	33.7	57.3		57.3	$23.6m ↑	78.2
EPS Basic[(3)] (cents)	20.5	20.0	3.6	23.6	15.4% ↑	14.1
DPS (cents)	9.5	10.5		10.5	10.5% ↑	

(1) HY20 adjusted to exclude the pre-tax impact of make good expenses associated with equipment from a product exit, insurance money relating to material damages and marketing expenditure redirected to digital technology as well as post-tax impact of unamortised borrowing costs being expenses as a result of the refinancing.
(2) HY21 – Refer to Appendix.
(3) EPS basic adjusted for NPAT impact of Non trading items.

HY21 highlights

- Double digit revenue increase led by KFC Australia record same store sales growth of +12.4%
- KFC Europe demonstrating resilience in drive-thru restaurants despite COVID-19 headwinds
- Taco Bell now fully recovered to pre COVID-19 levels
- Sizzler Australia closure enabling clearer strategic focus on QSR
- Underlying (pre AASB 16) NPAT increase of 15.1% to $27.5m
- Net leverage ratio (pre AASB 16) down to 1.35 due to 70% increase in Net operating cash flow (pre AASB 16)
- Interim dividend up 10.5% to 10.5 cps fully franked

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Core foundational strengths go beyond COVID-19 resilience

KFC AUSTRALIA

- Same Store Sales (SSS) growth of 12.4%
- E-commerce sales (delivery, app) have doubled vs. prior year
- Delivery now available in 178 restaurants (>70% of portfolio) through partnerships with 3 delivery aggregators
- Excellent product innovation highlighted by the 'Slab'
- 2 new restaurant openings in first half
- SSS growth of 14.0% in first 5 weeks of second half

KFC EUROPE

- Same Store Sales (SSS) decline of 4.2% due to higher mix of in-line/food court restaurants impacted by COVID-19 restrictions
- Free-standing drive-thru performance of +5.8%
- Delivery now in 26 restaurants (63% of portfolio) using 3 aggregators
- 1 new restaurant opened in Netherlands
- Signed agreement to acquire 3 new restaurants in Netherlands
- SSS decline of 5.5% in first 5 weeks of second half (+10.3% in drive-thrus)

TACO BELL AUSTRALIA

- Sales fully recovered to pre COVID-19 levels. Victoria in-lines more impacted by government restrictions
- Delivery now available in all restaurants utilising multiple aggregators
- Menu adaptations include bigger bundle value meal deals
- Business model refinements allowing for streamlined operations
- Trial-driving product innovation highlighted by Naked Chicken Taco
- 1 new restaurant opened post half year

KFC AUSTRALIA

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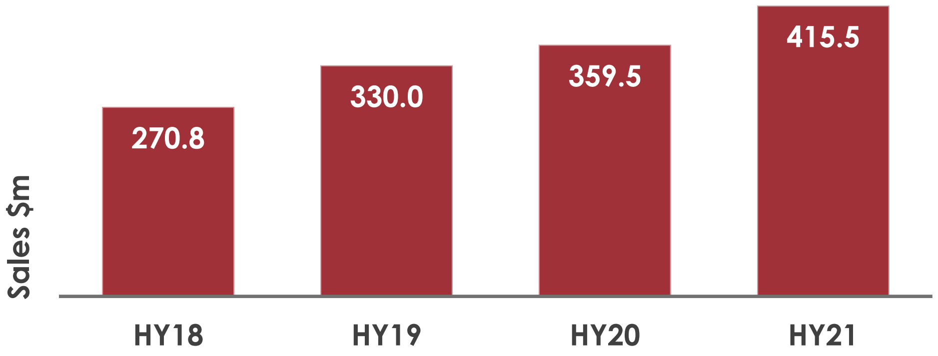
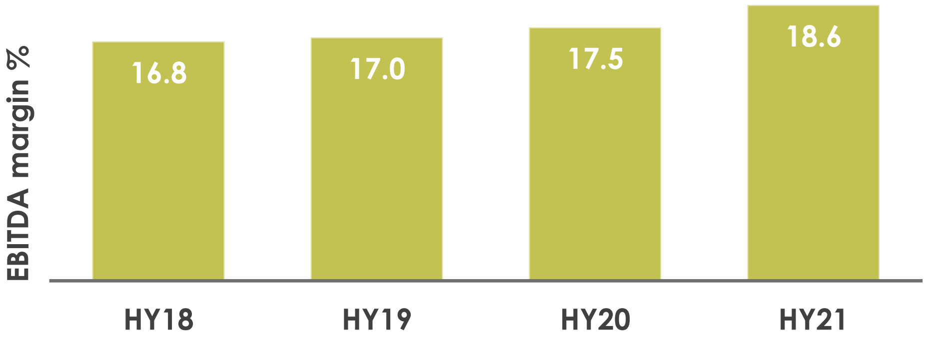
Sales and margins demonstrate continuing power of KFC Australia

($m)	HY20 Underlying[(1)] (Pre AASB 16)	HY21 Statutory (Pre AASB 16)	HY21 Non trading[(2)] items	HY21 Underlying (Pre AASB 16)	Change	HY21 Statutory (Post AASB 16)
Restaurants						
Half year end (no.)	233	242		242	9 ↑	
Revenue ($m)	359.5	415.5		415.5	15.6% ↑	415.5
% SSS	4.9%	12.4%		12.4%		
EBITDA ($m)	63.1	77.9	(0.8)	77.2	22.4% ↑	91.6
% margin	17.5%	18.8%		18.6%	104 bps ↑	22.0%
EBIT ($m)	50.3	65.1	(0.8)	64.4	28.0% ↑	66.0
% margin	14.0%	15.7%		15.5%	150 bps ↑	15.9%

(1) HY20 adjusted to exclude the pre-tax impact of make good expenses associated with equipment from a product exit, insurance money relating to material damages and marketing expenditure redirected to digital technology.
(2) HY21 adjusted to exclude the pre-tax impact of marketing expenditure redirected to digital technology.

- Revenue up 15.6% to $415.5m
- Same store sales (SSS) growth of 12.4%
- Underlying EBITDA (pre AASB 16) up 22.4% to $77.2m
- Underlying EBITDA margin of 18.6% driven mainly via strong flowthrough from exceptional SSS growth
- 2 new restaurants opened
- Delivery available in 178 restaurants through Deliveroo, Menulog and DoorDash





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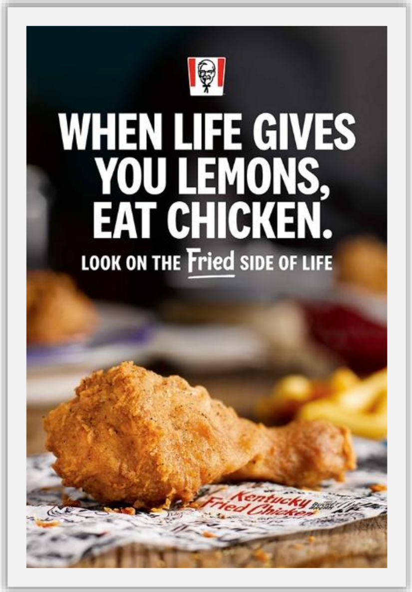
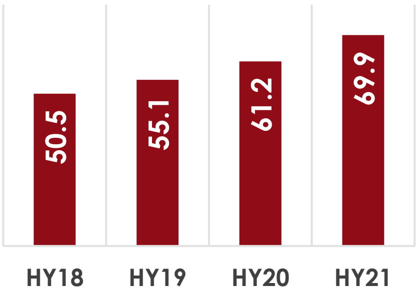
Stellar marketing and consistent operations underpin core brand strength...

- Accessibility of take-away channels during COVID-19 more than offset loss of dine-in channel in the early months of the crisis
- High brand trust enabled KFC to grow sales and market share while total foodservice spend declined nearly 10%
- Permanent value layer combined with new products like the 'Slab' continue to provide innovation and excitement while driving transactions
- Re-launch of 'Kentucky Fried Chicken' and consistent, always-on brand layer across food, music, and sport has driven Brand consideration to new levels
- COVID-19 disruptions have enabled KFC to grow its user base and re-engage lapsed users, supporting confidence around sustainability of sales levels
- Guest Experience Survey (GES) results at an all-time high, reflective of high customer satisfaction nationwide
- Other performance indicators, including Speed of Service and operational audits, continue to improve



Guest Experience Survey
(% highly satisfied)



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… while acceleration of Delivery and Digital initiatives support future growth

Long-term trends toward the ease and convenience of digital channels have accelerated during COVID-19, leading to a doubling of e-commerce sales and further expansion of digital initiatives:

- Delivery: Sales have more than tripled vs HY20, with 178 restaurants now offering Delivery with at least one aggregator (up from 138 at end of FY20)
- App (click and collect) sales increased 64% vs HY20
- E-commerce sales channels (delivery, web, app) now account for over 12% of total sales
- External digital menu board roll out programme continues, expected to be in one-third of drive-thru restaurants by year-end and all restaurants within 3 years
- Kiosk rollout commencing in second half of FY21

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On track to open 9 to 12 new KFC restaurants in FY21

- HY21 capex of circa $4.8m for network development:
  - 2 new restaurant openings
  - 1 major remodel and 8 minor remodels completed
- HY21 sustaining capital and other capital circa $3.2m - being used to unlock capacity growth at restaurant level
- Digital menu board rollout for drive-thru continuing in all new builds
- Targeting to build a total of 7 to 10 new restaurants in second half of FY21 with an innovation included in each new restaurant
- Currently finalising extension of Development Agreement to build minimum 66 new restaurants by 2028 (incl. 2020-21)

Redlynch QLD

Buderim QLD

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KFC EUROPE

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Drive-thru growth helping to reduce negative impact of COVID-19 in KFC Europe

($m)	HY20 Statutory (Pre AASB 16)	HY21 Statutory (Pre AASB 16)	HY21 Non trading[1] items	HY21 Underlying (Pre AASB 16)	Change	HY21 Statutory (Post AASB 16)
Restaurants						
Half year end (no.)	40	41		41	1 ↑	
Revenue ($m)	63.7	64.3		64.3	1.1% ↑	64.3
% SSS	0.1%	(4.2)%		(4.2)%		
EBITDA ($m)	2.7	1.0	0.5	1.5	43.6% ↓	5.0
% margin	4.3%	1.7%		2.4%	191 bps ↓	7.7%
EBIT ($m)	(0.4)	(2.5)	0.5	(2.0)	380.9% ↓	(2.8)
% margin	(0.7)%	(3.9)%		(3.2)%	251 bps ↓	(4.3)%

(1) HY21 adjusted to exclude the pre-tax impact of Netherlands development agreement fees.
HY21 average exchange rate of AUD $1 : EURO €0.6094.

- Overall Europe SSS decline of 4.2%, due to the ongoing impact of COVID-19:
  - Germany SSS at +0.8% due to stronger marketing campaigns and lighter restrictions
  - Germany drive-thru SSS at +7.9%
  - Netherlands SSS decline of 7.0%, mainly due to higher proportion of city centre (inc. Damrak restaurant in Amsterdam), and inline restaurants in portfolio
  - Netherlands drive-thru SSS at +4.4%
- Second wave restrictions tightened again in early November; likely to slow sales recovery in Netherlands during second half of FY21
- Overall EBITDA (pre AASB 16) margin of 2.4% down on HY20

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Despite COVID-19, KFC Europe remains a significant opportunity for growth

- Sales showed ability to bounce back strongly (+3% SSS across 2 months) once government COVID-19 related restrictions were eased during the first half, boding well for when restrictions fully ease
- Significant shift towards drive-thru channel, particularly in Germany (drive-thru channel sales doubled to nearly 40%), which is expected to have some medium-term margin benefits
- All in-line restaurants (apart from 2 transit locations) now have delivery capability and are set up to take advantage of consumer shift to digital channels
- Strong value and retail offers launched in Germany in early weeks of second half lifting SSS to +7.8% – reaffirming the strategic proof point on value
- Strong leadership team now in place, with new CEO Hans Miete (previously GM of Burger King Netherlands) supported by strong Finance and Operations capability

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Development efforts continue in Europe, focused on Netherlands

- Capex of circa $2.5m for KFC Europe network development covering 1 new restaurant opening and 1 renovation in the Netherlands
- Expecting to build 1 to 3 additional new drive-thru restaurants during second half of FY21
- New restaurant development pipeline building towards minimum of 3 to 4 openings per year, all drive-thrus
- Development Agreement negotiations underway in Netherlands to extend term to end of calendar year 2025 and provide greater incentives for growth
- Penetration of KFC restaurants to other major QSR players much lower in Europe compared to Australia, providing potential to double KFC presence during next 5+ years as QSR segment develops

QSR Market # Restaurants*	McDonald's	Burger King	Domino's	KFC
Netherlands	255	71	304	76
Germany	1,475	696	339	174
Australia	978	463	700	685

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

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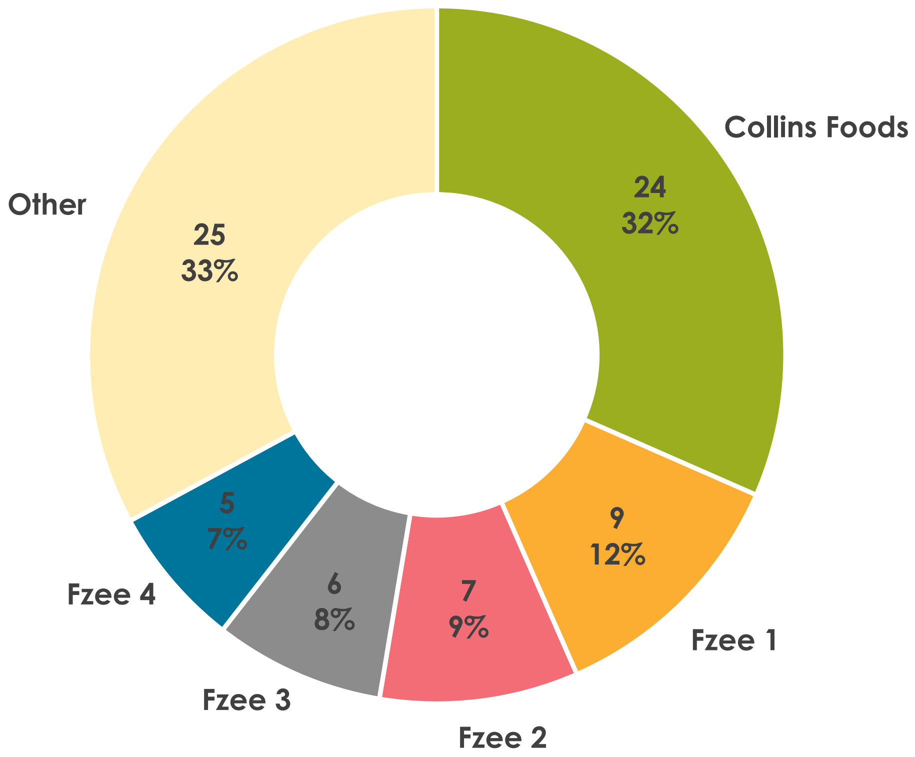
Acquisition opportunities emerging in Netherlands to support organic growth

- Signed agreement to acquire 3 KFC restaurants in Netherlands for €2.5m:
  - two of the KFC restaurants at ‘low-teens’ margins with the third KFC restaurant at breakeven and likely to close in June 2021
  - overall trailing EBITDA to 31 December 2019 of 3 KFC restaurants €0.6m
  - transaction expected to complete within the next 2 months
- Collins Foods well placed to acquire more franchisees across the Netherlands market, securing access to additional trade zones for development

KFC Veenendaal

KFC Utrecht

Netherlands Franchisee landscape



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TACO BELL

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High awareness and consumer enthusiasm for the brand continues

- Exceptional consumer response to innovative Naked Chicken Taco promotion:
  - highly successful launch on ‘International Taco Day’ (4 October)
  - product sold out 3 weeks early due to significant sales lift and high menu mix
- Very strong opening of first free-standing drive thru restaurant in Melbourne (Roxburgh Park) on 10 November, despite dine-in restrictions; opening week sales exceeded $100k.

Roxburgh Park, VIC

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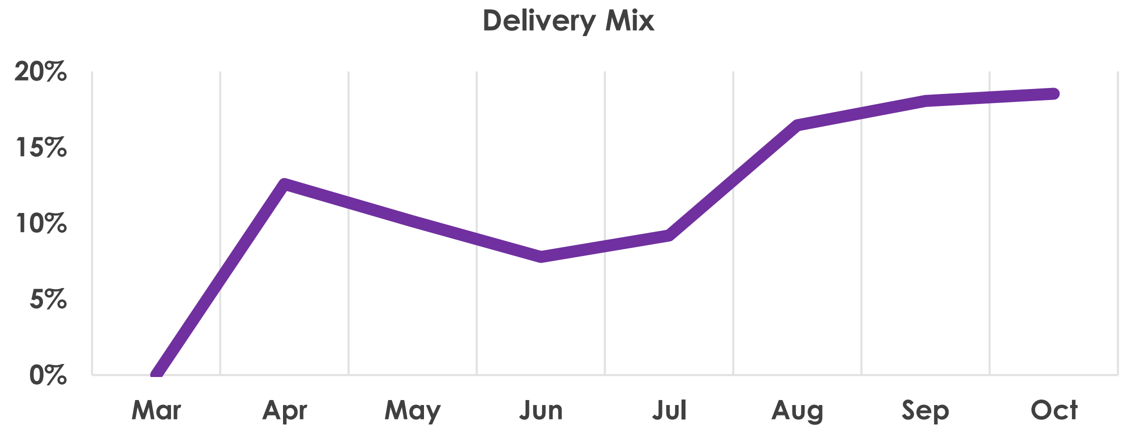
Solid progress on refining business model, focusing on trial and ops efficiencies

- Strong focus on growing brand awareness and brand trial through strong Value offers
- Steadily increasing delivery sales, with delivery channel now representing over 15% of sales:
  - Menulog partnership in place since April, DoorDash introduced as second aggregator from August
  - larger group meal offerings established to support delivery occasion
- Menu pricing reviewed to improve margins while retaining parity with QSR competitors
- Streamlined operational processes delivering cost efficiencies



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Growing to scale within the next 3-5 years

- COVID-19 impacted the pace of development during HY21
- Total restaurant count now at 13 with recent opening of Roxburgh Park:
  - 10 in Queensland
  - 3 in Victoria
- Innovative development model provides opportunity in select locations for new build capex below $1m
- Strong pipeline of sites in place for 2021, with focus on reaching scale in South-East Queensland and Melbourne
- Renewed ramp up in development underway, planning to open 3 further new restaurants in second half of FY21 and additional 6 to 8 by end of calendar year 2021

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SIZZLER

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Significantly impacted by COVID-19, Sizzler Australia business has now closed

($m)	HY20 Statutory (Pre AASB 16)	HY21 Statutory (Pre AASB 16)	HY21 Non trading[1] items	HY21 Underlying (Pre AASB 16)	Change	HY21 Statutory (Post AASB 16)
Restaurants						
Half year end (no.)[1]	10	9		9	1 ↓	
Revenue ($m)	20.2	8.7		8.7	57.1% ↓	8.7
% SSS	4.0%	(50.7)%		(50.7)%		
EBITDA ($m)	2.8	(3.7)	3.1	(0.6)	122.3% ↓	(3.5)
% margin	13.7%	(42.5)%		(7.1)%		(39.9)%
EBIT ($m)	2.3	(4.3)	3.3	(1.0)	143.6% ↓	(4.3)
% margin	11.4%	(49.9)%		(11.6)%		(49.5)%

(1) Sizzler Australia only (excludes Sizzler Asia)

- Sizzler Australia closed on 15 November 2020
- Sizzler Australia exit costs of $3.1m including redundancy payments, lease exit costs and other provisions associated with brand closure
- Sizzler Asia remains profitable and will continue to be operated as usual:
  - Thailand and Japan improving after COVID-19 significantly impacted dining restrictions
  - 64 restaurants as at HY21
  - Royalty revenue down 49% compared with HY20 as a result of COVID-19

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Financial overview

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Strong growth in operating cash flow, up 70.0% to $57.3m

($m)	HY20 (Pre AASB 16)	HY21 (Pre AASB 16)	HY21 (Post AASB 16)
Net operating cash flows before interest and tax	49.0	76.5	97.5
Net interest paid	(5.3)	(4.8)	(4.8)
Income tax paid	(10.1)	(14.4)	(14.4)
Net operating cash flows	**33.7**	**57.3**	**78.2**
Payments for intangibles	(0.9)	(1.9)	(1.9)
Payments for plant and equipment [1]	(23.3)	(12.4)	(12.4)
Proceeds from sale of property, plant and equipment	0.4	-	-
Net cash flow from investing	**(23.7)**	**(14.3)**	**(14.3)**
Refinance fees paid	(1.0)	-	-
Cashflows attributable to leases	-	-	(20.9)
Dividends paid	(12.2)	(12.2)	(12.2)
Net cash flow from financing	**(13.3)**	**(12.2)**	**(33.1)**
NET CASH FLOW	**(3.3)**	**30.8**	**30.8**

(1) Payments reflects actual capital cash spend

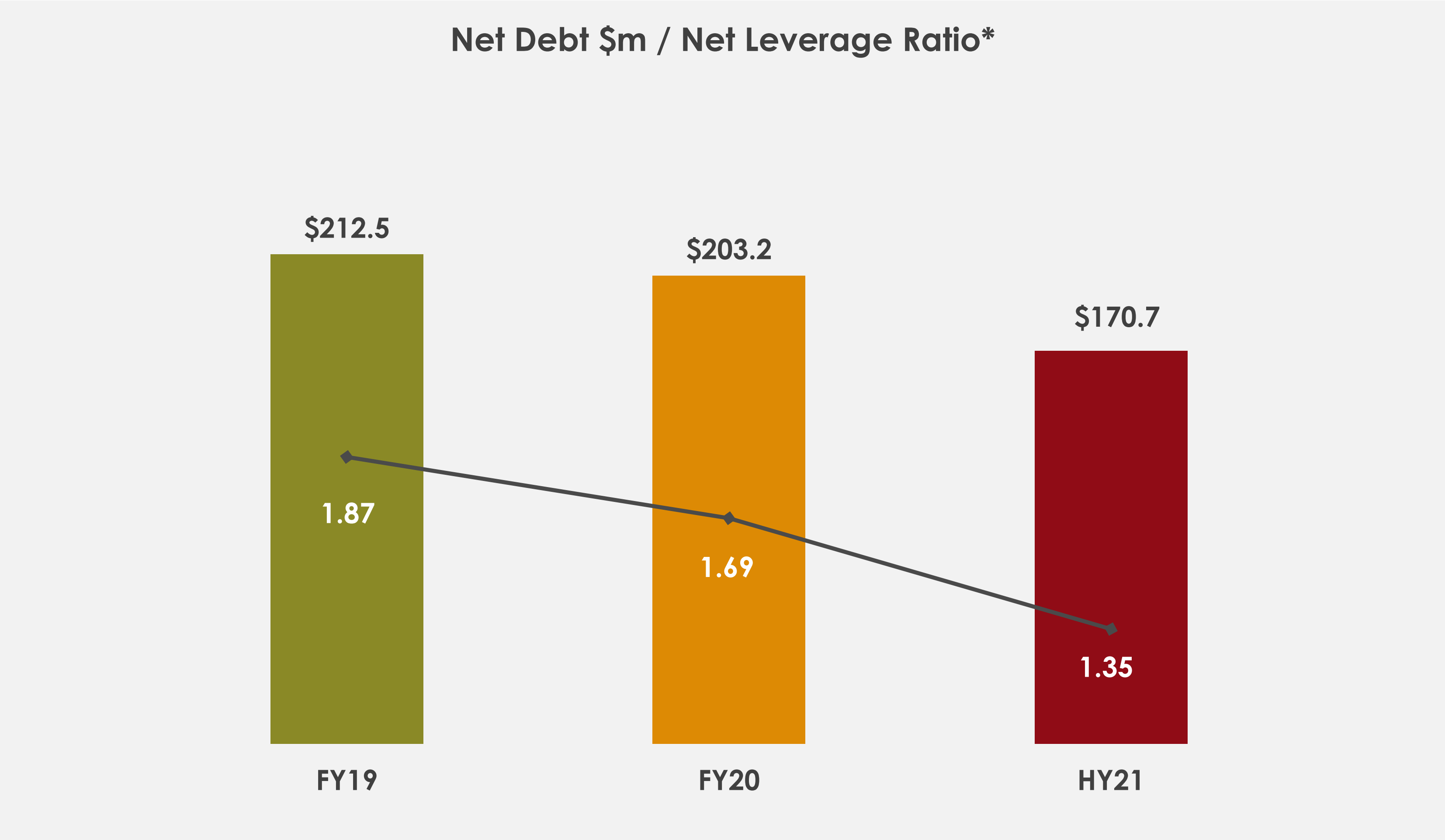
- Net operating cash flow (pre AASB 16) of $57.3m, up $23.6m on HY20, due to strong earnings and some working capital timing benefit, which is expected to reverse during second half of FY21
- Capex cash spend of $12.4m:
  - new restaurants and remodels circa $8.5m
  - sustaining and other capital circa $3.9m
- Net cashflow of $30.8m
- No impact to net cash flow from new accounting leasing standard (AASB 16)
- Strong cash flows enabling a HY21 fully franked dividend of 10.5 cps

Balance sheet

($m)	3-May-20 (Pre AASB 16)	18-Oct-20 (Pre AASB 16)	18-Oct-20 (Post AASB 16)
Cash and equivalents	116.3	145.8	145.8
Total current assets	132.5	162.5	157.7
Property, plant and equipment	187.5	183.3	183.3
Right of use assets	-	-	356.4
Total non-current assets	681.2	677.0	1,038.4
Total assets	**813.6**	**839.6**	**1,196.6**
Lease liabilities	-	-	28.6
Total current liabilities	111.6	130.4	152.5
Debt	317.3	314.5	314.5
Lease liabilities	-	-	354.2
Total non-current liabilities	328.4	326.1	683.1
Total liabilities	**440.0**	**456.5**	**835.6**
NET ASSETS	**373.7**	**383.1**	**361.1**

- Cash balance (pre AASB 16) up $29.5m to $145.8m
- Property, plant and equipment down $4.2m due to lower than expected capex spend
- Right of use assets of $356.4m and lease liabilities of $382.8m as a result of AASB 16
- Net assets (pre AASB 16) is up $9.4m from 3 May 2020 to $383.1m

Substantial funding capacity and covenant headroom to support growth initiatives



- Net leverage ratio (pre AASB 16) at 1.35 – significant headroom to covenant maximum of 2.75
- Net debt of $170.7m(1) – significant headroom to current facility of circa $400.0m(2)
- Reduced net debt and reduced net leverage ratio supported by:
  - strong operating cashflows
  - lower than anticipated capex, expected to be partially caught up during second half of FY21
  - working capital timing benefit, expected to reverse during second half of FY21

* Pre AASB 16
(1) Net debt including ~$2.0m unamortised bank fees and fair value on debt modification.
(2) Exchange rate of AUD $1 : EURO €0.6056 as at 18 October 2020.

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Key second half of FY21 strategic priorities underpin further growth

- ✓ Accelerate customer-facing and operational digital initiatives to support core SSSG and streamline operations
- ✓ Validate key energy-saving projects for FY22 system rollout
- ✓ Build 7 to 10 new restaurants in second half of FY21, total of 9 to 12 in FY21

- ✓ Continue to build on sales momentum in Germany; strengthen Value in Netherlands
- ✓ New restaurant builds – 1 to 3 in second half of FY21, total of 2 to 4 in FY21
- ✓ Pursue acquisitions in Netherlands as opportunities arise

- ✓ Drive awareness and trial via bold marketing promotions
- ✓ Finalise pricing and margin initiatives to support revised business model performance
- ✓ Build 3 new restaurants in second half of FY21, to achieve 4 in FY21

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Questions

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Appendix

HY21 non trading items summary

($m)	EBITDA	EBIT	NPAT
Sizzler closure provision	3.1	3.3	2.3
Sizzler DTA derecognition	-	-	0.9
Netherlands development agreement fee	0.5	0.5	0.4
Netherlands DTA derecognition	-	-	1.1
Marketing expenditure redirected to digital technology	(0.8)	(0.8)	(0.5)
Total non trading items	**2.8**	**3.0**	**4.2**

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This presentation contains the financial results presented to include and exclude the impact of AASB 16.

Any discrepancies between totals, sums of components and differences in tables and percentage variances calculated contained in this presentation are due to rounding.