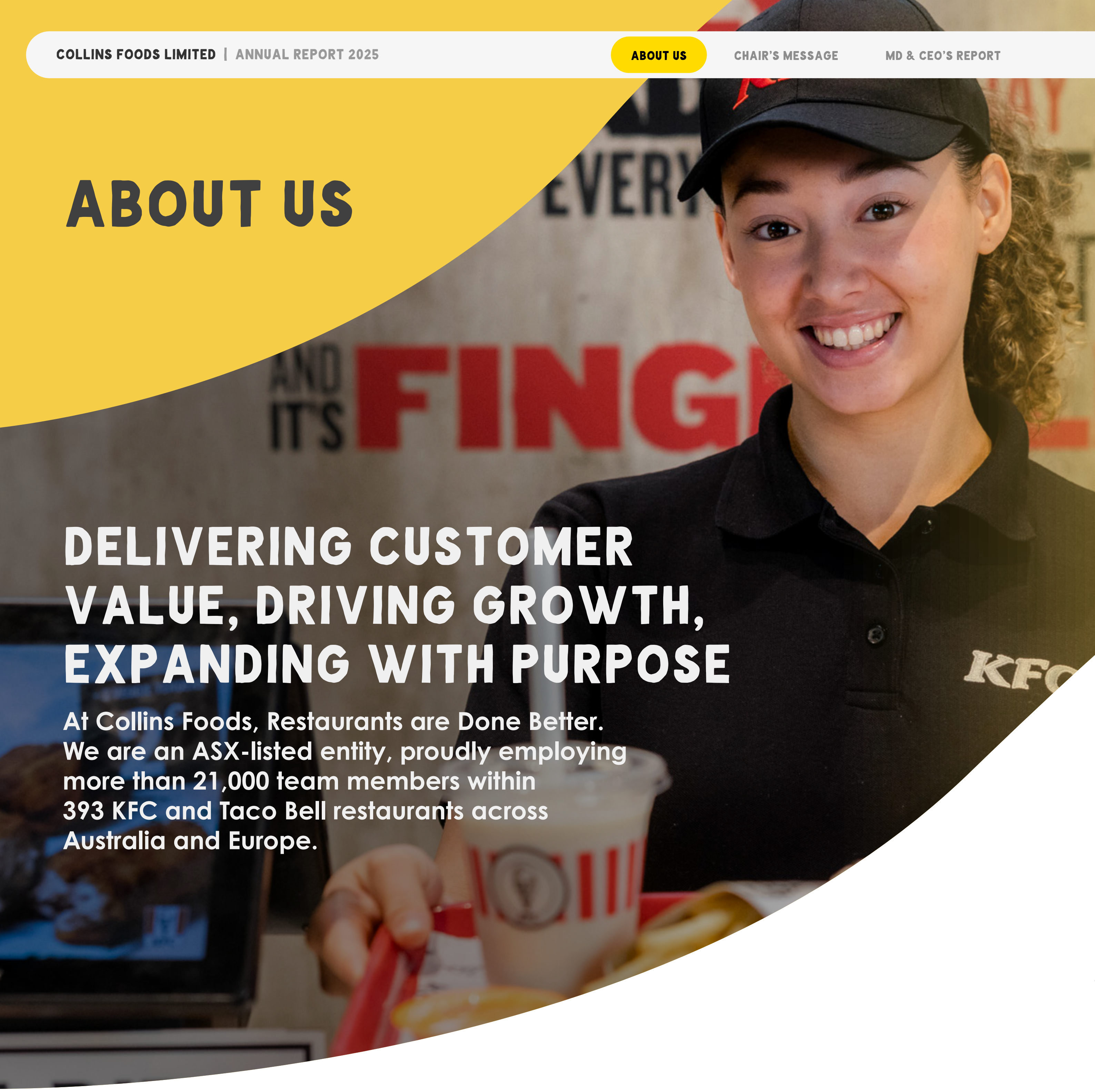
ANNUAL REPORT 2025

Collins Foods Limited

COLLINS FOODS LIMITED ACN 151 420 781

COLLINS FOODS LIMITED

ABOUT US



DELIVERING CUSTOMER VALUE, DRIVING GROWTH, EXPANDING WITH PURPOSE

At Collins Foods, Restaurants are Done Better. We are an ASX-listed entity, proudly employing more than 21,000 team members within 393 KFC and Taco Bell restaurants across Australia and Europe.

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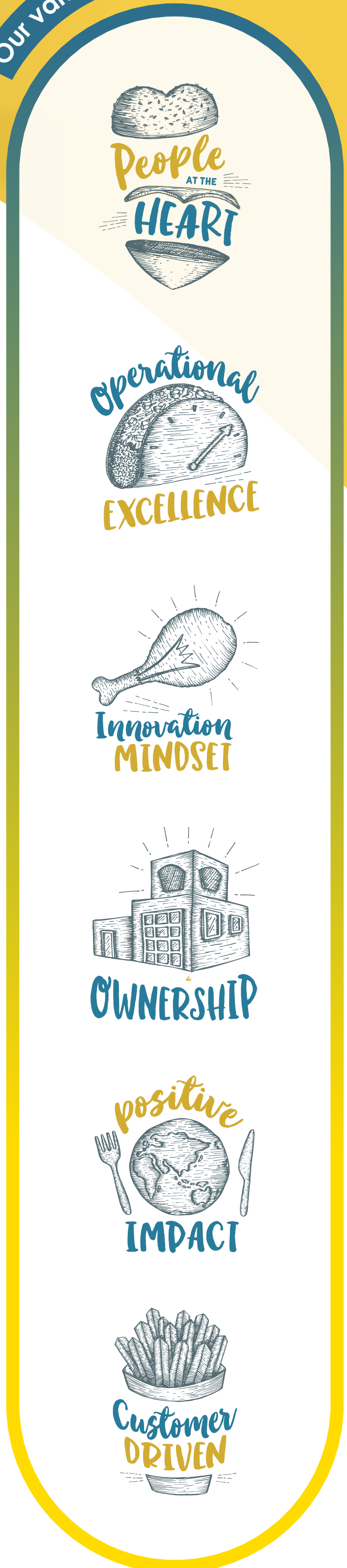
RESTAURANTS done BETTER.

Our values



Our vision

TO BECOME THE WORLD'S TOP RESTAURANT OPERATOR.

We create unmatched experiences for our customers and 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.

Key dates

End of financial year 2025	Sunday 27 April 2025
Full year 2025 results announcement	Tuesday 24 June 2025
Record date for final dividend	Tuesday 8 July 2025
DRP election date	Wednesday 9 July 2025
Final dividend pricing period	Thursday 10 to Wednesday 23 July 2025
Final dividend payment	Tuesday 5 August 2025
DRP issue date	Tuesday 5 August 2025
Annual General Meeting	Tuesday 2 September 2025
End of half year 2026	Sunday 12 October 2025
Half year 2026 results announcement	Tuesday 2 December 2025
Record date for interim dividend	Monday 8 December 2025
DRP election date	Wednesday 10 December 2025
Interim dividend pricing period	Friday 12 to Monday 29 December 2025
Interim dividend payment	Monday 5 January 2026
DRP issue date	Monday 5 January 2026

HIGHLIGHTS

Collins Foods delivered a resilient performance in a challenging consumer environment with record revenues, and improving metrics in the second half.

REVENUE

$1,519.5M

↑ 2.1% vs (FY24: $1,488.9m)

UNDERLYING[1] EBITDA

$228.5M

↓ 0.6% (FY24: $229.8m)

UNDERLYING[1] NPAT

$51.1M

↓ 14.8% (FY24: $60.0m)

STATUTORY NPAT

$8.8M

↓ 88.5% vs (FY24: $76.7m)

NET OPERATING CASH FLOW

$181.4M

↑ $5.1m vs (FY24: $176.4m)

TOTAL FULLY FRANKED DIVIDEND

26.0 CPS

↓ Final: 15.0 cps (FY24: 28.0 cps)

NET DEBT

$137.9M

↓ $27.6M (FY24: $165.5m)

1. Underlying results excludes impairments, wage compliance provision, Taco Bell closure and net investment hedge.

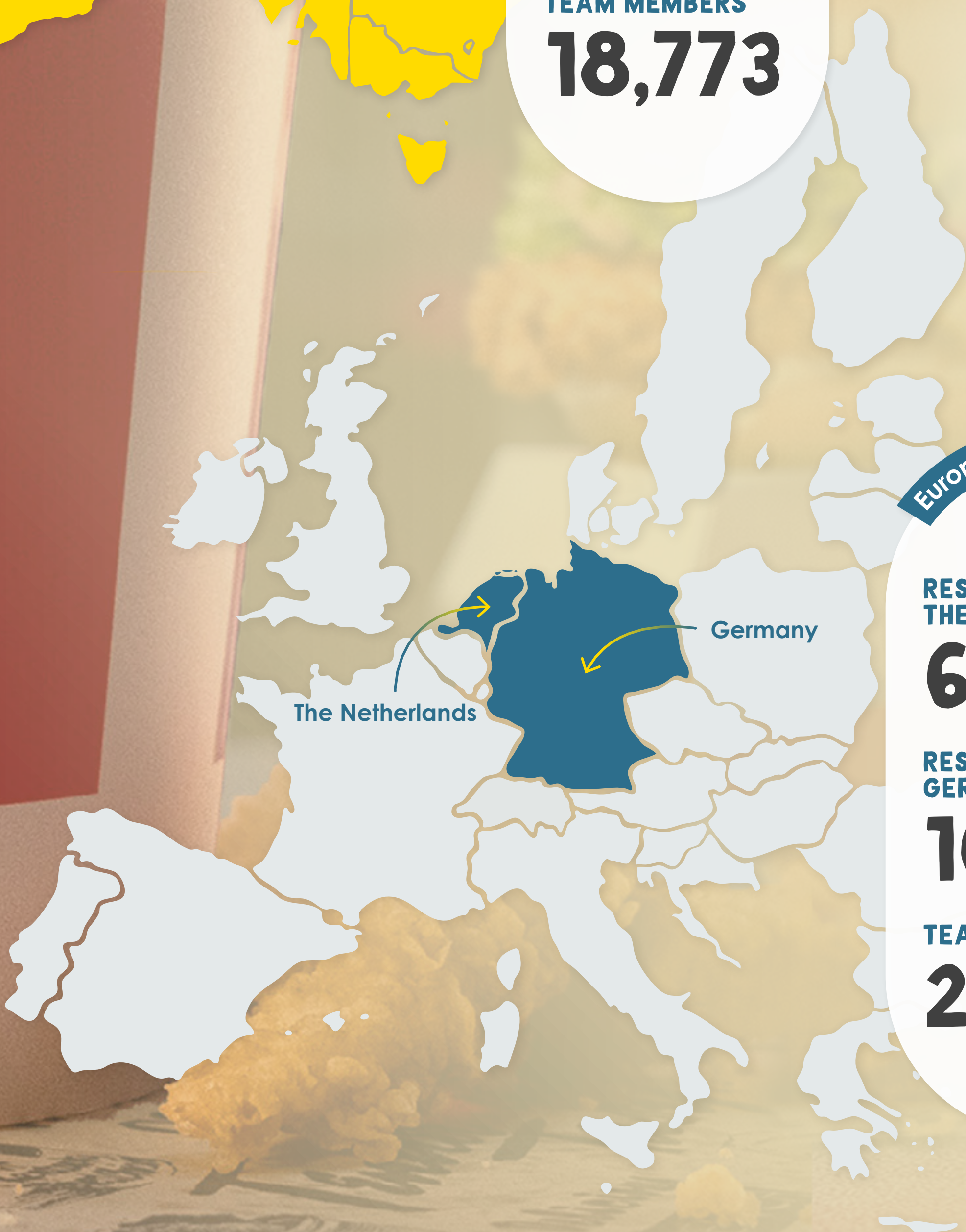
Australia

KFC RESTAURANTS
288

TACO BELL RESTAURANTS
27

TEAM MEMBERS
18,773

393
RESTAURANTS
OPERATED IN AUSTRALIA, THE NETHERLANDS AND GERMANY
(FY24: 381)



Europe

RESTAURANTS THE NETHERLANDS
62

RESTAURANTS GERMANY
16

TEAM MEMBERS
2,915

OUR SUSTAINABILITY STRATEGY AND FOCUS

We updated our sustainability strategy this year in preparation for upcoming mandatory reporting requirements (ASRS & CSRD) and reconfirmed our '<u>beyond-compliance</u>' positioning across our material topics.

Sustainability Pillars – material topics

Environmental action

- Climate change
- Waste and resource use
- Biodiversity
- Animal welfare

Our focus

We continuously focus on minimising our environmental impact and increasing the resilience of our food system. We do so by accelerating sustainable and responsible business practices across our operations and value chain, together with our franchisor and other strategic partners.

Social catalyst

- Working conditions
- Talent and development
- Equity, inclusion and belonging
- Workplace health and safety

Our focus

As the employer of more than 21,000 people globally, our people are at the heart of everything we do. We are committed to providing a remarkable people experience and sense of belonging, and empower and enable our employees with knowledge, skills and opportunities to advance and excel in their careers as well as in life.

Thriving communities

- Consumer health and safety
- Affected communities
- Ethical value chain

Our focus

We aim to positively impact the communities in which we operate by taking ownership and operating responsibility, being the best neighbour we can be and supporting those in need.

Governance

- Business conduct

Our focus

Ensuring we maintain a corporate culture and business practices, including cyber security and transparency, that instils trust and support our business growth.

Reporting and compliance progress

- ✓ Regulatory development roadmap established to align regulatory strategies across all our jurisdictions.
- ✓ Double materiality analysis conducted to reinforce strategic goals reflected in an updated 2030 ambition.
- ✓ Climate risk assessment underway to understand risks and opportunities across various scenarios, and set groundwork for climate transition plan.
- ✓ In the process of enhancing our data methodology and quality and strengthening our sustainability governance.

For more information on our sustainability strategy, key actions and performance, please refer to our Sustainability Report 2025.

OUR BRANDS

KFC Australia

RESTAURANTS
288

REVENUE
$1,154.2M

SAME STORE SALES GROWTH
0.3%

EBITDA MARGIN (POST AASB 16)
19.3%

KFC Europe

RESTAURANTS
78

REVENUE
$312.3M

SAME STORE SALES GROWTH
(2.7)%

EBITDA MARGIN (POST AASB 16)
12.6%

Taco Bell

RESTAURANTS
27

REVENUE
$53.0M

SAME STORE SALES GROWTH
(1.7)%

EBITDA MARGIN (POST AASB 16)
(3.0)%

CHAIR'S MESSAGE

FY25 was an important year for Collins Foods. Under the leadership of our new Managing Director and CEO, Xavier Simonet, and his executive team, we delivered strategic clarity for our business, creating future value by focusing on profitable expansion of the KFC brand in Australia and Germany. We also made the difficult decision to exit the Taco Bell business. Underpinning our growth strategy is the consistent delivery of operational excellence across our operations.

REVENUE

$1,519.5M

↑ Up 2.1%

Our Australian KFC operations will continue to drive growth and profitability for the foreseeable future through further network expansion and innovation.

Germany has become our second growth pillar. The binding agreement signed with Yum! Brands will see us accelerate restaurant development, targeting 40-70 new KFC restaurants in the next five years. Home to more than 80 million consumers, Germany is a large and attractive consumer market with low levels of KFC penetration, and where, despite being sub-scale, our restaurant economics are strong. We are excited about the potential of this business.

In the Netherlands, improved profitability is the key priority. High-quality customer experiences are expected to drive sales, support brand health, and improve productivity. Consequently, our development aspirations in this market have been moderated in the short term.

LEADERSHIP CHANGES

The Board appointed Xavier Simonet as Managing Director and Chief Executive Officer in November 2024. A highly experienced global executive, Xavier has a proven track record of growing sales and profitability across multiple geographic sites and has hit the ground running at Collins Foods. Previous roles include Group CEO and Managing Director of Kathmandu Holdings, CEO of Austrade, and CEO of Radley London. His hands-on business transformation and M&A experience will be invaluable moving forward.

During the year, we added deeper operational expertise to our executive team, to assist in delivering best-in-class operational performance across our businesses. The Board is now confident we have the right executive team in place, focused on clear priorities.

We also retained the expertise of Interim Managing Director and CEO Kevin Perkins, who resumed his Non-executive Director role after Xavier's appointment. On behalf of the Board, I'd like to thank Kevin for his steady leadership during a challenging period for the QSR sector.

UNDERLYING NPAT

$51.1M

↓ Down 14.8%

FY25 RESULTS

Collins Foods continues to demonstrate the underlying strength of its business, delivering a robust financial performance in a challenging consumer environment. Group revenue reached a record $1,519.5 million in FY25 with underlying EBITDA relatively stable at $228.5 million despite the dual impacts of cost inflation and weaker consumer sentiment. Underlying NPAT was $51.1 million, with performance strengthening in the second half.

Following a strategic review, the outcomes of which I referred to earlier, the Company decided to impair the value of a portion of its Netherlands portfolio. In the Netherlands, cost-of-living pressures and significantly more pronounced cost inflation, particularly labour, impacted financial performance. As a result of lower profitability, 16 Netherlands restaurants were impaired with a non-cash impact of $35.0 million. The Company will now focus on lifting profitability in the Netherlands, while delivering profitable scale in Germany.

As part of our commitment to delivering value to our shareholders, we are pleased to announce a final dividend of 15.0 cents per share taking the total dividend for FY25 to 26.0 cents reflecting strong cash generation, the strength of our financial performance and our dedication to returning value to our shareholders.

ROBERT KAYE SC
Chair

WAGE REMEDIATION

Collins Foods is committed to meeting its obligations under the Fair Work Act, recognising that people are at the heart of the business. The Company is reviewing historical employment and wage data to determine whether employees may have been entitled to additional payments.

We are constructively and proactively liaising with the Fair Work Ombudsman in relation to these matters and are committed to fully remediating any impacted team members.

FY26 PRIORITIES & OUTLOOK

The year ahead will see the Company execute on our strategic priorities, notably delivering profitable growth in Australia, developing and scaling Germany, driving improved profitability in Netherlands, and transitioning our Taco Bell operations to new ownership in partnership with Taco Bell International. All of this will be underpinned by a relentless focus on operational excellence.

In FY26, Collins Foods is targeting year-on-year Group underlying NPAT (post AASB16) growth in the low to mid-teens (percentage basis).

TOTAL FULLY FRANKED DIVIDEND

26.0 CPS

WELL POSITIONED IN IMPROVING MARKET

Collins Foods is well-positioned to capitalise on improving market conditions with a clear roadmap for long-term growth, a KFC brand in good health, and deep operational expertise. Our strong balance sheet and disciplined capital allocation framework will support investment in current and future growth opportunities.

SUSTAINABILITY

Sustainability is a key component of long-term consumer trust and brand value. In FY25, the Company refined its sustainability priorities and remains committed to meaningful change while complying with upcoming Australian and European Sustainability Reporting Standards.

Our significant sustainability progress over the past year and plans for the future are detailed in Collins Foods' Sustainaiblity Report 2025.

THANK YOU

The Board acknowledges the hard work and dedication of our more than 21,000 team members, who continue to lift operational and customer service standards. FY25 has been a challenging year for the QSR sector, and our ability to deliver a robust result is testament to our entire team and skilled leadership.

I would also like to thank my fellow Directors for their guidance and counsel over the course of the year. And finally, thank you to our loyal shareholders for your ongoing support. Your Company enters FY26 in a strong financial position, with clear strategic priorities, and focused on creating long-term shareholder value.

ROBERT KAYE SC
Independent Non-executive Chair

MANAGING DIRECTOR & CEO'S REPORT

Since joining Collins Foods in November, my focus has been on sharpening our strategic priorities, engaging with our restaurant teams, and aligning the organisation behind a clear roadmap to improve profit performance.

We now have clear strategic direction for our current businesses focused on continuing to grow our profitable KFC Australia operations, accelerating expansion in Germany as a second growth pillar, improving the profitability of our Netherlands business, and driving operational excellence to deliver even better customer experiences.

RECORD GROUP REVENUE

$1,519.5M

↑ Up 2.1%

We refreshed our leadership, prioritising operations, with Krystal Zugno promoted to lead KFC Australia, and Chris Johnson returning to run our European operations. We also made the difficult decision to exit our Taco Bell operations. We're working with Taco Bell International to transition the business to new ownership in FY26.

As well as resetting our strategic priorities, during the year, we continued to expand and modernise our store network. We lifted operational performance as FY25 progressed into the second half and leveraged the world-class KFC brand to support sales in a tough trading environment. Innovation, compelling marketing, and a focus on value translated into market share gains and strengthened KFC brand health in key markets.

NET CASH FLOW

$181.4M

↑ Up from $176.4M

FINANCIAL PERFORMANCE

In a challenging market, we delivered a solid underlying financial result with Group revenue at a record $1,519.5 million. Cost inflation across key input lines and softer consumer spending meant margins were under pressure, with underlying EBITDA flat at $228.5 million. Encouragingly, macro shifts, including easing commodity prices, interest rate cuts and early signs of a consumer-led recovery, emerged in the second half of the financial year.

Higher depreciation relating to restaurant additions, capex and leases impacted underlying EBIT, down 5.7% on prior year to $117.1 million. As a result, underlying NPAT of $51.1 million was down 14.8% on the prior year.

Statutory NPAT of $8.8 million included a $35.0 million impairment of 16 KFC Netherlands restaurants, as foreshadowed earlier this fiscal year, and impairments to a single restaurant in each of Australia and Germany. In addition, a $3.2 million top-up for potential wage underpayments was provided. This result compares with Statutory NPAT of $76.7 million in FY24, which included a $20.2 million gain from the sale of Sizzler Asia.

Our balance sheet remains very strong providing capacity for investment in future growth opportunities. Strong cash flows enabled net debt reduction and facilitated network and technology re-investment. Net operating cash flow was $181.4 million, with cash conversion at 120.2%. The Company reduced net debt during the year by $27.6 million to $137.9 million, ending the period with a net leverage ratio of 0.93 (FY24: 1.07).

OPERATIONAL PERFORMANCE

KFC AUSTRALIA

Australia remains our largest and most profitable market, delivering $1,154.2 million in revenue in FY25 – up 3.0% over the prior year. Growth was assisted by 10 new builds and 40 remodeled restaurants, including eight supercharged formats. These new and upgraded restaurants unlock operational capacity, supporting sales growth while delivering improved efficiency and customer experience.

Digital continues to represent a larger proportion of revenues, accounting for 34.2% of sales in FY25. This was up from 29.4% for the same period last year, with greater kiosk availability and app penetration the key growth drivers. Kiosks were installed in an additional 106 restaurants, and exclusive one-day offers such as '9 for $9.95 Chicken' and 'Double Burger Lunch' drove record engagement across the app.

Importantly, KFC continues to lead its QSR peers on key brand metrics, including brand index, taste and consideration – which reached a four-year high. Menu innovation remains key to growth and brand health with successful new product launches such as Waffle Double Chicken and Zinger Nachos, alongside the return of fan favourites. Value perception improved in the second half, bolstered by targeted offers such as the $7.95 Stacked Snack and $24.95 Burger Dinner Box.

STATUTORY NET PROFIT AFTER TAX (NPAT)

$8.8M

↓ Down from $76.7M

XAVIER SIMONET
MD & CEO

KFC EUROPE

Challenging consumer conditions, exacerbated by regional conflicts and cost inflation, impacted sales and profitability of our European operations in FY25, resulting in underperformance in the Netherlands. Revenue of $312.3 million was down slightly on the prior corresponding period with same store sales (SSS) declining 2.5% in the Netherlands and 3.3% in Germany. Both markets were cycling strong growth in the prior period. SSS performance improved modestly in the second half of the financial year. Sales in Germany were impacted by the transition of the management of the German market between Yum! Brands and the previous master franchisee.

Despite being subscale, average restaurant revenues in Germany of $4.44m and FY25 margins are comparable to KFC Australia. Encouragingly, there is significant investment in capability, including marketing, by Yum! Brands after a period of instability.

We continued to invest in digital capabilities with these channels representing more than 60% of sales in both markets. Local product innovation continued to lift brand perception in the region with awareness now at 70% and consideration up 0.9 percentage points over the same period last year.

FY25 saw us sharpen our priorities in Europe. In the Netherlands, soft consumer spending coupled with significant labour inflation over the last three years, impacted profitability. In addition, finding profitable development opportunities has become increasingly challenging given energy grid constraints, and a more restrictive regulatory environment. As a result, we have moderated our development aspirations in the short to medium term. The priority for the Netherlands team in FY26 is to focus on innovation and operational excellence to drive SSS and profitability.

In Germany we signed a binding agreement with Yum! Brands to accelerate expansion with 40–70 new restaurants targeted over the next five years. Germany is an under-penetrated market for the KFC brand with only 207 restaurants serving a population of over 80 million. Despite being sub-scale, unit restaurant economics remain attractive, and combined with more favourable regulatory conditions and significant brand owner investment, support our commitment to Germany becoming a long-term growth opportunity for our Company.

Initially, we are focused on two large German states with significant development potential – North Rhine Westphalia and Baden-Württemberg – where a single KFC restaurant currently services 391,000 and 407,000 people respectively. In time, we will look at penetrating other states with targeted acquisitions and development. We look forward to leveraging our operational expertise to scale this market, working with Yum! Brands to build KFC as a powerhouse QSR brand in Germany.

TACO BELL

Our refreshed growth strategy sees us aligning capital with profitable opportunities which will deliver value for shareholders. As a result, we made the difficult decision to exit our Taco Bell operations. We're working closely with Taco Bell International ensure a smooth and responsible transition to new ownership. Our intention is to complete this transition within the next 12 months, but we will continue to evaluate all available options.

SUSTAINABILITY

Our commitment to 'restaurants done better' continues to guide our sustainability agenda. In FY25, we advanced our sustainability program, while preparing for upcoming mandatory reporting through enhanced data quality, governance, and compliance readiness.

Environmental progress was underpinned by more responsible resource use. We now operate 196 restaurants with solar panels, 13 more than last year – and have reduced emissions per store by 21% since 2019. We diverted 23% of waste from landfill, cut single-use plastics in Europe by 37%, and planted over 10,000 trees through local initiatives.

Our people remain central to our long-term success. Through the Collins Family Fund, more than $250,000 was donated to employees in need, while nearly $1 million was raised for charity partners.

OUTLOOK

While market conditions remain challenging, H2 performance was markedly stronger than H1 with absolute revenue, EBITDA and EBIT all up on prior year. Pleasingly, sales growth in the first eight weeks of FY26 improved again with KFC total sales up 4.9% in Australia, 2.6% in the Netherlands and 2.4% in Germany. KFC SSS for the same period was 1.6% in Australia, (0.2)% in the Netherlands and 1.3% in Germany.

We remain focused on operational excellence to further improve customer engagement and grow sales, while labour productivity and disciplined cost management will deliver margin improvement. KFC Australia will continue to benefit from deflation across some product inputs categories while other inputs are expected to grow broadly in line with inflation. Pressure on European poultry costs, due to avian flu, is expected to continue in FY26.

In FY26, we are targeting year-on-year/ Group underlying NPAT (post AASB16) growth in the low to mid-teens (percentage basis).

XAVIER SIMONET
Managing Director & CEO

FINANCIAL REPORT

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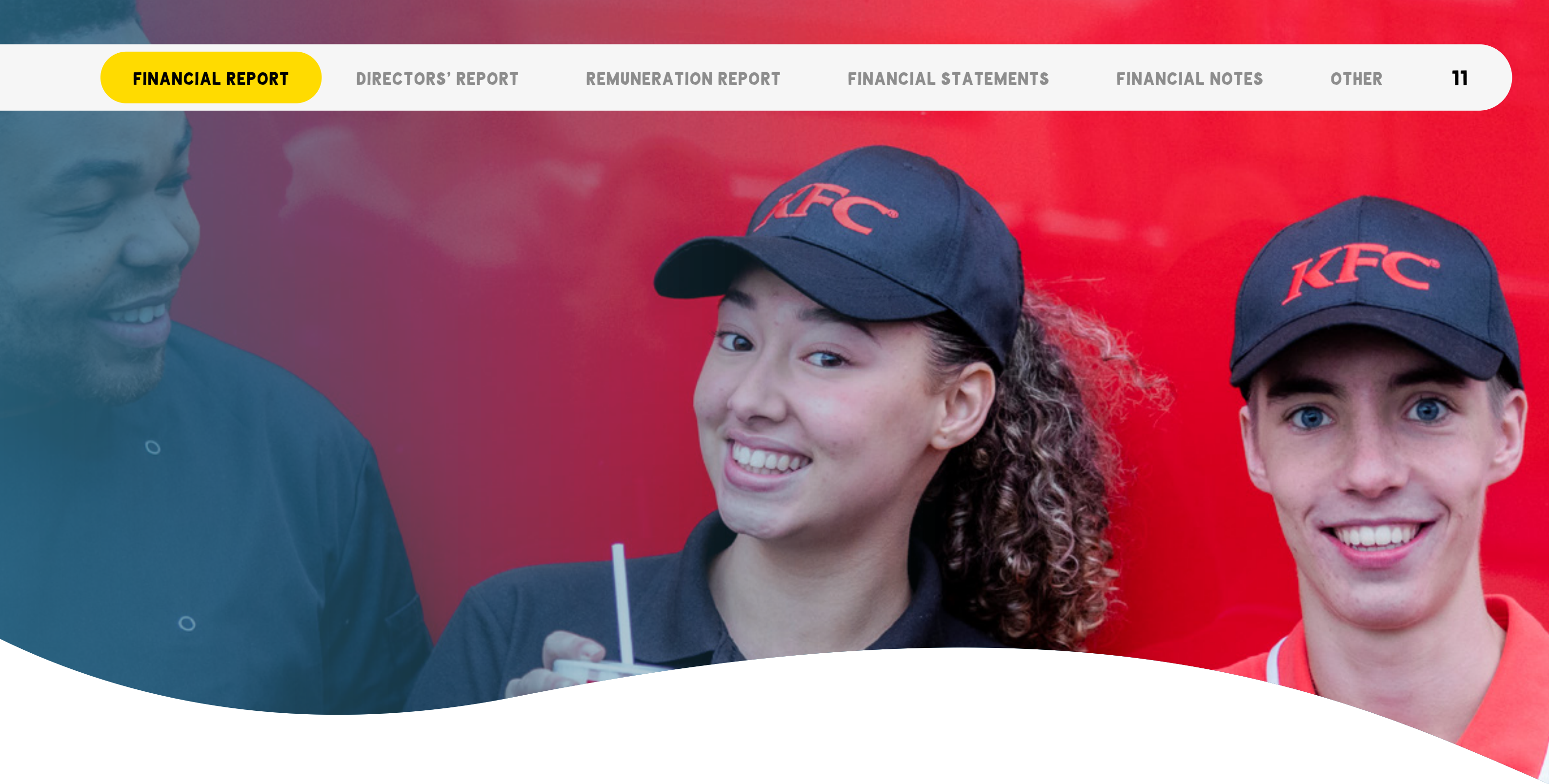

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DIRECTORS' REPORT

Your Directors present their report on the consolidated entity consisting of Collins Foods Limited (the Company) and the entities it controlled at the end of, or during, the period ended 27 April 2025 (referred to hereafter as the Group).

Directors

The names of the Directors of the Company during or since the end of the financial period are as follows:

Name	Date of appointment
Robert Kaye SC	7 October 2014
Xavier Simonet [1]	4 November 2024
Nicki Anderson	13 January 2023
Nigel Clark	1 September 2023
Mark Hawthorne	23 December 2021
Christine Holman	12 December 2019
Kevin Perkins [2]	15 July 2011
Drew O'Malley [3]	29 June 2021

1. Xavier Simonet appointed Managing Director and Chief Executive Officer, effective 4 November 2024.
2. Kevin Perkins appointed Interim Managing Director and Chief Executive Officer effective 5 February 2024 to 4 November 2024. At completion of secondment, resumed duties as Non-executive Director.
3. Drew O'Malley resigned as Managing Director and Chief Executive Officer, effective 1 July 2024.

Principal activities during the period

During the period, the principal activity of the Group was the operation, management and administration of restaurants in Australia and Europe. There were no significant changes in the nature of the Group's activities this financial year.

Operating and financial review

GROUP OVERVIEW

The Group's business is the management and operation of quick service restaurants, currently comprising the KFC and Taco Bell brands. Owned globally by Yum!, these brands are two of the world's largest restaurant chains. In Australia, Collins Foods is the largest franchisee of KFC restaurants.

At the end of the period, the Group operated 288 KFC and 27 Taco Bell restaurants in Australia, 62 KFC restaurants in the Netherlands, and 16 KFC restaurants in Germany.

GROUP FINANCIAL PERFORMANCE

Key statutory financial metrics in respect of the current financial period and the prior financial period are summarised in the following table:

Statutory financial metrics	2025 $m	2024 $m	Change $m
Total revenue from continuing operations	1,519.5	1,488.9	30.6
Earnings before interest, tax, depreciation, amortisation and impairment (EBITDA) from continuing operations	226.4	229.5	(3.1)
Earnings before interest and tax (EBIT) from continuing operations	72.2	119.8	(47.6)
Profit before related income tax expense from continuing operations	31.3	81.3	(50.0)
Income tax (expense) from continuing operations	(22.5)	(25.6)	3.1
Net profit attributable to members (NPAT) from continuing operations	8.8	55.6	(46.8)
Profit from discontinued operations	–	21.1	(21.1)
Net assets	405.3	426.4	(21.1)
Net operating cash flow	181.4	176.4	5.0

Operating and financial review continued

Statutory financial metrics	2025 Cents per share	2024 Cents per share	Change Cents per share
Basic earnings per share from continuing operations	7.5	47.4	(39.9)
Basic earnings per share from discontinued operations	–	17.9	(17.9)
Total basic earnings per share attributable to members of Collins Foods Limited	7.5	65.3	(57.8)
Total dividends paid/payable in relation to financial period [1]	11.0	28.0	(17.0)

1. Dividends paid/payable is inclusive of dividends declared since the end of the relevant reporting period.

Group revenue increased 2.1% over the prior reporting period to a record $1,519.5 million, benefiting in part from 14 additional restaurants. A weaker consumer environment and significant cost inflation across labour, energy and commodities impacted profitability with EBITDA down $3.1 million over the prior reporting period to $226.4 million. Higher depreciation relating to new restaurants, capex, and leases saw lower EBIT of $72.2m, down from $119.8m in the prior year. Improving market conditions and operational enhancements delivered stronger revenue and profitability in the second half of the financial year.

Statutory EBITDA, EBIT, NPAT and EPS were impacted by the following non-trading items:

	EBITDA $000	EBIT $000	NPAT $000
Taco Bell restaurant closure costs	(556)	(556)	(377)
Taco Bell impairment – previously impaired restaurants	–	953	667
KFC Australia impairment	–	2,251	1,576
KFC Germany impairment – previously impaired restaurants	–	353	240
KFC Netherlands impairment – previously impaired restaurants	–	1,365	1,365
KFC Germany impairment	–	2,853	1,947
KFC Netherlands impairment	–	35,026	35,026
Wage compliance adjustments – previous years	2,226	2,226	1,558
Foreign exchange loss on ineffective net investment hedge	382	382	268
Total non-trading items – continuing operations	**2,052**	**44,853**	**42,270**

The consolidated NPAT effect of these non-trading items was $42.3 million. As a result, the Group delivered statutory NPAT from continuing operations of $8.8 million. Excluding these non-trading items (outlined in the table above), NPAT was $51.1 million on an underlying basis.

Underlying financial metrics, excluding non-trading items, are summarised as follows:

Underlying financial metrics from continuing operations	2025 $m	2024 $m	Change $m
Total revenue	1,519.5	1,488.9	30.6
Earnings before interest, tax, depreciation, amortisation (Underlying EBITDA)	228.5	229.8	(1.3)
Net profit attributable to members (Underlying NPAT)	51.1	60.0	(8.9)

Underlying financial metrics	2025 Cents per share	2024 Cents per share	Change Cents per share
Earnings per share (Underlying EPS) basic from continuing operations	43.4	51.0	(7.6)
Total Earnings per share (Underlying EPS) basic	43.4	51.5	(8.1)

Management considers that adjusting results for non-trading items allows the Group to more effectively compare performance against prior periods.

DIRECTORS' REPORT

Review of underlying operations

KFC AUSTRALIA

KFC Australia revenue increased 3.0% over the prior corresponding period to a record $1,154.2 million, driven by new restaurants, strong digital growth, product innovation, and continued operational improvements. Flat annual same store sales (SSS), at 0.3%, and ongoing cost inflation moderated underlying EBITDA, increasing 0.5% over the prior year to $222.6 million. Underlying margin was down 46 basis points to 19.3%. Underlying EBIT of $146.2m was down 2.4% over FY24 at a margin of 12.7%, impacted by higher depreciation in line with network growth. SSS and profitability both improved in the second half of the year.

Digital channels continue to grow, representing 34.2% of total sales in FY25 – up 4.8 percentage points on the prior period. Higher app adoption and greater kiosk availability were the key digital drivers. Menu, digital and marketing innovation improved brand health with KFC leading QSR peers on brand metrics.

Collins Foods continues to expand and improve its KFC Australia portfolio, adding 10 new builds, remodelling 40 restaurants, and closing 1 due to a better location becoming available. The Company's national footprint now stands at 288 restaurants. New and remodelled restaurants have unlocked operational capacity and improved customer experience across all sales channels.

KFC EUROPE

KFC Europe contributed revenue of $312.3 million, down 0.4% on the prior reporting period, reflecting challenging market conditions as cost-of-living pressures persist. SSS for the region declined 2.7%, following two consecutive years of strong growth. Revenue and SSS improved in the second half of FY25. Underlying EBITDA decreased 7.5% over the prior financial year to $39.4 million with margins down 96 basis points to 12.6%. Lower EBITDA and higher depreciation on restaurant additions impacted underlying EBIT, down 37.1% over the prior year to $7.6 million.

Investment in in-store kiosks and third-party delivery channels improved brand accessibility and supported market share gains in the Netherlands. Product innovation and taste also lifted key brand metrics, with awareness now at 70% and consideration improving 0.9 percentage points over the prior year.

Collins Foods opened 4 new restaurants in the Netherlands in FY25. Its European network now totals 78 restaurants, comprising 62 in the Netherlands and 16 in Germany.

TACO BELL

Taco Bell revenue declined 2.5% over the prior financial year to $53.0 million, impacted by a weaker and more competitive consumer environment. SSS fell 1.7%, cycling growth in the prior corresponding period. Underlying EBITDA declined to $1.6 million while lower sales, marketing investment, and cost inflation all affected profitability at a restaurant level.

Collins Foods operates 27 Taco Bell restaurants in metro geographies – 14 in Queensland, nine in Victoria, and four in Western Australia.

Strategy and future performance

GROUP

The Group's strategy is focused on running high quality restaurants, and delivering profitable restaurant expansion in Australia and Europe. In addition, the Group will continue to pursue selective acquisition opportunities in existing markets and new geographies to assist in building scale and profitability.

KFC AUSTRALIA

KFC Australia will continue to focus on profitable network expansion and delivering operational excellence across its network to drive sales and efficiency. Product innovation, operational excellence and investment in digital channels are expected to enhance customer experience and support brand health.

KFC EUROPE

In Europe, the focus is on accelerating profitable scale in Germany, and driving absolute and relative profitability in the Netherlands. Marketing, digital and operational initiatives are expected to continue to strengthen brand health, improving customer experience, sales, and efficiency.

TACO BELL

Collins Foods has made the strategic decision to exit its Taco Bell business. The Company is in discussions with Taco Bell International regarding a potential transition of this business to new operators – a process which is expected to be completed within 12 months. If new operators cannot be identified, other exit options will be explored.

DIRECTORS' REPORT

KEY RISKS

The key risks faced by the Group that have the potential to impact its financial performance, position and future prospects, and how the Group manages these risks are outlined below. Management and the Board regularly review these risks in line with the Group's Risk Management Framework.

FOOD SAFETY

There is a risk to public health and safety arising from contaminated or unsafe food products. This risk is managed through rigorous food safety and sanitation practices, regular internal and external audits, robust supplier selection protocols and effective customer complaint processes.

WORKPLACE HEALTH AND SAFETY

The Group addresses the risk of not providing a safe environment for its people, contractors and customers by implementing workplace health and safety programs, identifying hazards proactively, offering preventative training and providing targeted support for high-risk areas.

PEOPLE AND CULTURE

There is a risk of being unable to attract, develop or retain a sustainable workforce and ensure compliance with employment laws. We address this risk through modern HR practices, employee engagement initiatives, reward and recognition programs, and continuous compliance monitoring, including payroll audits.

SUPPLY CHAIN DISRUPTION

Disruptions in the supply of key food, consumables or energy may impact operations. This is managed through supplier diversification, geographic spread of supply chains, and leveraging our franchisor's procurement capabilities and exploring alternative energy solutions.

MARKET COMPETITION

The Group operates in a competitive QSR market subject to pricing and product innovation pressures. The Group seeks to differentiate itself through product innovation, service quality and digital transformation.

CHANGING CONSUMER PREFERENCES

Shifts in customer trends, including demand for sustainable and ethical sourcing, may impact brand perception. The Group collaborates with its franchisor and supply partners to ensure its offerings evolve with market expectations.

ECONOMIC CONDITIONS

Adverse economic conditions may result in reduced consumer spending. The Group focuses on cost efficiencies, menu value and promotional activity to maintain customer demand.

CLIMATE RISKS

Environmental factors, including floods, droughts, bushfires, or cyclones, have the potential to disrupt our operations. The Group actively monitors climate-related risks and implements sustainability initiatives to mitigate the environmental impact of its activities. These efforts are detailed in our annual Sustainability Report.

CYBER THREATS

Cyber incidents can affect the availability of restaurant systems and disrupt operations. The Group leverages both is own and the franchisor's cyber security control frameworks, complemented by comprehensive business continuity and disaster recovery plans.

INFORMATION SECURITY

There is a risk of unauthorised access to, or disclosure of, sensitive information. This is mitigated through the implementation of a group-wide information security plan, enhanced external assurance activities and cyber security simulations.

REGULATORY COMPLIANCE

There is a risk of failing to identify and respond to material regulatory changes that impact the business. This is addressed through regular monitoring of legislative developments and obtaining expert legal and regulatory advice.

STRATEGY EXECUTION

There is a risk of failing to execute the Group's growth strategy effectively. Mitigating actions include maintaining an experienced executive team, developing detailed strategic and operational plans, and working closely with our franchisor through the participation in relevant advisory groups and committees.

MODERN SLAVERY AND ETHICAL SOURCING

There is a risk of human rights violations within the supply chain. The Group is committed to ethical sourcing and will publish its 2025 Modern Slavery Statement in the second half of 2025.

REPUTATIONAL RISK

Adverse media, social commentary, or public incidents can damage brand perception. The Group actively manages communications and monitors public sentiment, supported by crisis management protocols.

FRANCHISOR DEPENDENCY

The Group's operations are significantly dependent on its franchisor's systems, standards, and supply arrangements. To manage this dependency, Collins Foods maintains a collaborative relationship with its franchisor, with regular communication and engagement on operational matters and brand strategy.

In addition to relevant risk mitigation strategies and controls, the Group has insurance coverage to reduce the residual risk of financial losses and to safeguard its assets.

DIRECTORS' REPORT

Key risks continued

DIVIDENDS

Dividends paid to members during the financial period were as follows:

	Cents per share	Total amount $000	Franked/ Unfranked	Date of payment
Final ordinary dividend for the financial period ended 28 April 2024	15.5	18,233	Franked	6 August 2024
Interim ordinary dividend for the financial period ended 13 October 2024	11.0	12,960	Franked	6 January 2025
Total	**26.5**	**31,193**		

Since the end of the financial period, the Directors of the Company declared the payment of a fully franked final dividend of 15.0 cents per share ($17.7 million) to be paid on 5 August 2025 (refer to Note B4 of the Financial Report).

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

The Group is not aware of any matters or circumstances arising since the end of the financial year which have or may significantly affect operations and results.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Additional comments on expected results of operations of the Group are included in the operating and financial review section of this Report (refer above).

ENVIRONMENTAL REGULATIONS

The Group is subject to environmental regulation in respect of the operation of its restaurant sites. To the best of the Directors' knowledge, the Group complies with its obligations under environmental regulations and holds all licences required to undertake its business activities.

Information on Directors

ROBERT G. KAYE SC

Chair & Independent Non-executive Director

Appointed

7 October 2014

Special responsibilities

Board Chair

Audit and Risk Committee member

People, Culture and Nominations Committee member

Professional background

Robert Kaye SC is a barrister, mediator and professional Non-executive Director. Recognised for his strategic and commercially focused advice, Robert has acted for various commercial enterprises – both public and private – across retail, FMCG, property development, mining, engineering sectors and media.

Drawing on his experience as a senior member of the NSW Bar, including serving on the Professional Conduct Committee and Equal Opportunity Committee, Robert has a strong emphasis on Board governance and is well versed in Board processes. Robert has significant cross-border experience, including corporate restructuring, and mergers and acquisitions across North America, Europe, Asia, and the Australia and New Zealand region.

In addition to his role as Non-executive Chair of Collins Foods, Robert is a Non-executive Director of Magontec Limited and FAR Limited. He was formerly Non-executive Chair of Spicers Limited and Non-executive Director of Electro Optic Systems Holdings Limited, UGL Limited, HT&E Limited and the Chair of the Macular Disease Foundation Australia.

Other current listed public company directorships

Magontec Limited (appointed July 2013)

FAR Limited (appointed June 2021)

Former listed public company directorships (last 3 years)

Electro Optic Systems Holdings Limited (September 2022 – March 2023)

Qualifications

Master of Laws (LLM)

Bachelor of Laws (LLB)

Information on Directors continued

XAVIER M. O. SIMONET

Managing Director & Chief Executive Officer

Appointed
4 November 2024

Special responsibilities
Nil

Professional background
Xavier is a highly experienced global CEO and Managing Director, with a proven track record of formulating and implementing strategic plans across multi-site retail operations. He has successfully grown sales and profitability across multiple geographies and brings diversity of experience across a range of sectors and companies. Xavier has a global mindset and a track record of delivering operational performance, leading business transformation and executing mergers and acquisitions.

Prior to joining Collins Foods, Xavier was the Chief Executive Officer of Austrade – the Australian Government agency responsible for the promotion of international trade and investment within the Department of Foreign Affairs and Trade (DFAT) portfolio – where he successfully partnered with government and businesses to grow Australian business globally.

Previously he was Group CEO and Managing Director of ASX-listed Kathmandu Holdings for six years, where he managed growth and diversification of the Kathmandu, Rip Curl and Oboz brands. Prior to that he was CEO of Radley London and spent four years at Seafolly Group where he was International Director. Earlier in his career Mr Simonet held various management roles over 11 years with Louis Vuitton Moet Hennessy (LVMH) in Europe, Asia and Australia.

Xavier speaks English and French and has studied German.

Other current listed public company directorships
Nil

Former listed public company directorships (last 3 years)
Nil

Qualifications
Master in Law, Economics and Public Administration

Master in International Management

Master's Diploma in Business Administration and Management

Harvard Business School Executive Management qualification in Strategic Marketing Management

NICKI ANDERSON

Independent Non-executive Director

Appointed
13 January 2023

Special responsibilities
People, Culture and Nominations Committee Chair

Professional background
Nicki has over 25 years' experience working in Oceania, Asia, Europe and America and has hands on leadership experience in strategy, sales, marketing, customer experience and innovation within the food, beverage, consumer goods and agribusiness sectors. Her leadership roles include Vice President Innovation at Cadbury Schweppes Americas (Dr Pepper Snapple) based in New York, Marketing & Innovation Director for Coca Cola Amatil and McCain Foods, and CEO for Powerforce, DemoPlus, Artel and Retail Facts.

Nicki is currently a Non-executive Director and Chair of the Remuneration & Nomination Committee for Craig Mostyn Group and Geraldton Fishermen's Co-Operative, Deputy Chair and Chair of the Nomination Committee for Australian Made Campaign Limited, and Non-executive Director for Prostate Cancer Foundation of Australia. Nicki is also an Advisory Board Member for NSW Tourism & Visitor Economy Policy Committee. She was previously a Non-executive Director, and Chair of the Remuneration & Nomination Committee for ASX listed GrainCorp Limited and is a former Chair and Member of the Monash University Advisory Board for the Marketing faculty.

Other current listed public company directorships
Nil

Former listed public company directorships (last 3 years)
GrainCorp Limited (October 2021 – February 2025)

Toys 'R' Us Limited (October 2018 – August 2022)

Select Harvests Limited (January 2016 – February 2022)

Qualifications
Bachelor of Business (Marketing)

AGSM Master of Business Administration (Executive)

Fellow of the Australian Institute of Company Directors (FAICD)

DIRECTORS' REPORT

Information on Directors continued

NIGEL J. CLARK
Independent Non-executive Director

Appointed
1 September 2023

Special responsibilities
Audit and Risk Committee member

Professional background
A qualified lawyer in both Australia and the United Kingdom, Nigel spent almost 20 years advising on cross border finance, restructuring, and mergers and acquisitions. He lived and worked in Australia, Asia and Europe. He now consults to businesses along the Australia/Asia Pacific/Europe/UK axis and sits on boards.

Nigel started his career as a solicitor in the City of London and was an associate and partner with Minter Ellison in Sydney, London, Beijing and Hong Kong.

More recently, Nigel has built and led 2 professional services businesses. He co-founded and managed Peregrine Law in the UK, which was acquired by Nexa in January 2020, where he served as CEO until 2024 (he remains on the board as a non-executive shareholder director).

Other current listed public company directorships
Nil

Former listed public company directorships (last 3 years)
Nil

Qualifications
Bachelor of Science (BSc) (Human Geography)

Post-Graduate Diploma in Law (PGDipL) Solicitor (NSW) 2007

Solicitor (England & Wales) 1999

MARK J. HAWTHORNE
Independent Non-executive Director

Appointed
23 December 2021

Special responsibilities
Audit and Risk Committee member
People, Culture and Nominations Committee member

Professional background
Mark has extensive experience as an executive, that has lead franchisee centric brands in different scenarios including start up, founder led, large multi-national, private equity ownership in different countries and cultures around the World.
His more than 28 years of retail and franchising experience has been gained as the CEO and executive director of Guzman y Gomez from 2015 to 2020 and prior to that, leading McDonalds in various markets including the United Kingdom, New Zealand, the Middle East and Africa.

Mark achieved his Chartered Accountant qualification in 1997 and is a Graduate of the Australian Institute of Company Directors.

Other current listed public company directorships
Nil

Former listed public company directorships (last 3 years)
Nil

Qualifications
Bachelor of Financial Administration
Chartered Accountant (CA)

Graduate of the Australian Institute of Company Directors (GAICD)

Information on Directors continued

CHRISTINE F. HOLMAN
Independent Non-executive Director

Appointed
12 December 2019

Special responsibilities
Audit and Risk Committee Chair

Professional background
Christine is a non-executive director with over 35 years of experience across media, property, industrial, infrastructure and technology sectors. She is on the Boards of two ASX companies, AGL Limited and Collins Foods Limited, one private company, Indara Pty Ltd, which is a joint venture between Australian Super and Singtel.

Christine also sits on the Boards of not-for-profit organisations, which include the State Library of New South Wales Foundation, the McGrath Foundation and recently appointed to the Football Australia Board.

In her previous executive capacity as both CFO and commercial director of Telstra Broadcast Services, Christine brings a deep understanding of legacy and emerging technologies and digital transformations. During her time in private investment management, Christine assisted management and the Board of investee companies on strategy development, mergers and acquisitions, leading due diligence teams, managing large complex commercial negotiations, and developing growth opportunities.

Christine has an MBA and Post-Graduate Diploma in Management from Macquarie University and is a Graduate of the Australian Institute of Company Directors (AICD) including a member of the AICD's Corporate Governance Committee.

Other current listed public company directorships
AGL Limited
(appointed November 2022)

Former listed public company directorships (last 3 years)
Metcash Limited
(October 2020 – September 2024)

CSR Limited
(October 2016 – November 2022)

Qualifications
Post-Graduate Diploma in Management (PGDipBA)

Master of Business Administration (MBA)

Graduate of the Australian Institute of Company Directors (GAICD)

KEVIN W. PERKINS
Non-executive Director

Appointed
21 December 2017 (Non-Executive Director)

15 July 2011 (Executive Director)

Special responsibilities
People, Culture and Nominations Committee member

Interim Managing Director & CEO (5 February 2024 – 4 November 2024)

Professional background
Kevin is a highly experienced executive in the quick service restaurant and casual dining segments of the Australian restaurant industry. He has had more than 40 years' experience with the Collins Foods Group, having overseen its growth both domestically and overseas over that time.

Kevin is the Non-executive Chair of Sizzler USA Acquisition, Inc. Sizzler USA Acquisition, Inc. operates or franchises Sizzler restaurants across the United States and Puerto Rico.

Other current listed public company directorships
Nil

Former listed public company directorships (last 3 years)
Nil

Qualifications
Master of Business Administration

DIRECTORS' REPORT

Information on Directors continued

DREW T. O'MALLEY
Former Managing Director & CEO

Appointed
29 June 2021

Resigned
1 July 2024

Professional background
An accomplished executive with over 20 years' experience in the Quick Service Restaurants (QSR) industry, Drew joined Collins Foods after serving nearly two decades as an executive team member with AmRest, during which time it grew to become the largest independent restaurant company in Europe. In his time there, Drew served in various senior roles, including Chief Operating Officer, Chief Digital Officer, and Brand President KFC.

Additionally, Drew served as President of the Central Europe Division, in which he was responsible for over 500 restaurants across 4 brands (KFC, Pizza Hut, Starbucks and Burger King) and seven countries. Prior to his former role as Managing Director & CEO, Drew served three years at Collins Foods as the Chief Operating Officer for Australia. He has also worked as a consultant with McKinsey & Company and holds an MBA from the University of Michigan Business School.

Company Secretaries

TRACEY L. WOOD
Group Chief Legal and Risk Officer and Company Secretary

Appointed
27 September 2024

Professional background
Tracey has over 16 years of executive listed company experience in legal, governance and risk roles across various sectors. She previously held the position of Chief Legal, Quality & Risk Officer (and Company Secretary) at G8 Education Limited, and prior to that, was the International General Counsel & Company Secretary at ASX Listed Billabong International Limited.

Tracey specialises in mergers and acquisitions, corporate advice and transactions, governance, risk management and compliance.

Qualifications
Graduate Diploma – Applied Corporate Governance
Graduate of the Australian Institute of Company Directors (GAICD)
Master of Laws (LLM)
Bachelor of Laws (LLB)
Bachelor of Arts (BA – Psychology)

CHRISTOPHER (CHRIS) J. BERTUCH

Appointed
16 October 2023 (Interim Company Secretary)

Resigned
27 September 2024

Professional background
Chris has more than 30 years of experience in corporate and commercial law, corporate governance, risk management and dispute resolution, gained in various roles, including as Group General Counsel and Company Secretary at IAG Limited and CSR Limited, and as a partner in the law firm Gadens Lawyers in Sydney. Chris has completed the Advanced Management Program at Harvard Business School and holds degrees in law (LLB and LLM) and economics (BEc).

Company Secretaries continued

PRIYAMVADA (PIA) S. RASAL

Appointed
12 April 2024 (Joint Company Secretary)

Resigned
19 June 2024

Professional background
Pia has over 14 years' experience in company secretarial consultancies across multiple geographies (Melbourne, Perth, and Mumbai) in governance, corporate secretarial and legal roles.

Meetings of Directors

The numbers of meetings of the Company's Board of Directors and of each Board Committee held during the FY25 and FY24 years, and the number of meetings attended by each Director, were:

	Board				Audit and Risk Committee				People, Culture and Nominations Committee			
	FY25 meetings [1]	Meetings attended	FY24 meetings [1]	Meetings attended	FY25 meetings [1]	Meetings attended	FY24 meetings [1]	Meetings attended	FY25 meetings [1]	Meetings attended	FY24 meetings [1]	Meetings attended
Robert Kaye SC	14	14	19	19	6	5	5	5	6	5	7	7
Nicki Anderson [2]	14	14	19	18	–	–	1	1	6	6	7	7
Nigel Clark [3]	14	13	10	9	6	6	3	3	–	–	–	–
Mark Hawthorne	14	14	19	19	6	6	5	4	6	6	7	7
Christine Holman [4]	14	14	19	19	6	6	5	5	–	–	3	3
Kevin Perkins [5]	14	13	19	18	–	–	2	2	6	5	7	7
Russell Tate [6]	–	–	9	7	–	–	2	2	–	–	3	3
Xavier Simonet [7]	8	8	–	–	–	–	–	–	–	–	–	–
Drew O'Malley [8]	–	–	13	11	–	–	–	–	–	–	–	–

1. FY25 and FY24 represents the number of meetings held during the time the Director held office or membership of a Committee during the period.
2. As a result of changes to the composition of the Committees, appointed People, Culture and Nominations Committee Chair and ceased to be a member of the Audit and Risk Committee, effective 1 September 2023.
3. Appointed as Independent Non-executive Director and member of the Audit and Risk Committee effective 1 September 2023.
4. As a result of changes to the composition of the Committees, ceased to be a member of the People, Culture and Nominations Committee, effective 1 September 2023.
5. Appointed Interim Managing Director & CEO for the period 5 February 2024 to 4 November 2024. During that time, he maintained membership in the People, Culture and Nominations Committee. As a result of changes to the composition of the Committees, ceased to be a member of the Audit and Risk Committee, effective 1 September 2023.
6. Retired as Independent Non-executive Director effective 1 September 2023.
7. Appointed Managing Director & CEO effective 4 November 2024. Not a member of the Audit and Risk Committee or the People, Culture and Nominations Committee.
8. Retired as Managing Director & CEO effective 1 July 2024. During FY25, was on a leave of absence effective 5 February 2024. Until that time, was not a member of the Audit and Risk Committee or the People, Culture and Nominations Committee.

REMUNERATION REPORT

Letter from the Chair of the People, Culture and Nominations Committee

Dear Shareholders

On behalf of the Board, I present our Remuneration Report for FY25.

During the year, Collins Foods and our customers faced challenging economic conditions. We are acutely aware of the cost-of-living pressures and are determined to deliver trust and value for our customers. Despite the challenging operating environment, we continue to make progress on our strategic agenda and will focus on driving growth in our core growth market of Australia, accelerating expansion in Germany, which is under-penetrated and presents a significant opportunity for growth, and driving profitability in the Netherlands.

Our continued focus on culture and engagement remains central to our strategy, fostering a workplace where our people feel safe, valued, connected, and empowered to contribute to our long term success.

FY25 REMUNERATION FRAMEWORK

Our remuneration framework is based on market competitive fixed pay, a Balanced Scorecard for short term incentive (STI); which measures performance against four categories critical to our success; Financial, Customer, Safety and Sustainability; and a long term incentive (LTI) that aligns pay with disciplined financial management, strengthening Collins Foods' reputation, and delivering sustainable shareholder returns. The Board retains discretion on all STI and LTI outcomes.

The Balanced Scorecard reflects our commitment to promoting a culture of accountability, transparency, and performance excellence. In addition to the Balanced Scorecard for STI, a Risk Modifier is applicable to ensure demonstration of thought, work and action informed by what has happened in the past, why it happened and what steps have been taken to manage known exposures.

FY25 REWARD OUTCOME: SHORT TERM INCENTIVE (STI)

The STI scorecard outcome for FY25 was 42% of maximum.

Category	Weighting	Key Performance Indicator (KPI)	% of Maximum Achieved
Financial	60%	Group Statutory Net Profit After Tax (post AASB16)	15%
Safety	15%	Group Total Reportable Injury Frequency Rate	64%
Customer	15%	Customer Satisfaction	96%
Sustainability	10%	Reduction in waste sent to landfill	89%

As a result of the outcome for the Group, the Board, in accordance with the FY25 STI Plan Rules, determined no payment of STI for KMP and the Executive Team.

FY24 REWARD OUTCOME: LONG TERM INCENTIVE (LTI)

As communicated in the FY24 Remuneration Report, the vesting determination decision for the FY22 LTI grant occurred post release of FY24 audited financial results. In 2021, Relative Total Shareholder Return (Relative TSR or rTSR) was introduced as a second performance measure for inclusion in the FY22 LTI grant, in addition to Earnings per Share (EPS) growth, with both measures equally weighted to determine vesting outcomes. Relative TSR for the FY22 grant was determined against the VWAP benchmark ten days either side of the release of the audited financial results on 25 June 2024.

Relative TSR is calculated by comparing Collins Foods' TSR against the performance of the constituents of the ASX 200. The Relative TSR result for the FY22 grant was 30.7%, below the 50% threshold required to trigger vesting of the Relative TSR portion of the LTI grant. As a result, all performance rights relating to this vesting component were forfeited.

EPS growth was calculated based on the statutory, pre-AASB 16 profit or loss attributable to shareholders of the Company in the financial year (NPAT), divided by the weighted average number of ordinary shares outstanding on an undiluted basis. EPS growth relating to the FY22 grant was 6.33%, representing a performance level between Threshold and Target, which triggered a pro-rata payout of 28.77% under the LTI plan rules for KMP and other Executives.

FY25 REWARD OUTCOME: LONG TERM INCENTIVE (LTI)

Relative TSR for the FY23 grant will be determined against the VWAP benchmark ten days either side of the release of the audited financial results on 24 June 2025, which will result in the vesting determination decision occurring post release of audited financial results for FY25. LTI performance outcomes relating to the FY23 Grant will be included in the FY26 Remuneration Report.

NICKI ANDERSON

Chair – People, Culture & Nominations Committee

FY26 REWARD OUTCOME: LONG TERM INCENTIVE (LTI)

As part of the FY24 LTI grant, the timing of the Relative TSR calculation has been adjusted to occur based on the VWAP benchmark ten days either side of the end of the financial reporting year for the period ended 3 May 2026. As a result, it is intended that the vesting determination decision relating to the FY24 grant will be communicated in the FY26 Remuneration Report.

FY26 OUTLOOK – OUR APPROACH AND FRAMEWORK

Following the comprehensive review of the Group's incentive framework undertaken in FY24, the STI framework for FY26 will continue to be based on Balanced Scorecard methodology introduced for FY25. Following a review of the LTI measures, we have determined that the current metrics of Earnings per Share Growth and Relative TSR remain appropriate and aligned with shareholders.

The Board reviewed the fees payable to the Non-executive Directors having regard to benchmark data, market position and relative fees and, following consideration, no changes were made to the Chair, Non-executive Directors or any of the Board committee fees for the FY25 year.

EXECUTIVE LEADERSHIP SUCCESSION

After an extensive international search process, we were pleased to announce Xavier Simonet as our Managing Director and Chief Executive Officer and he commenced in November 2024. Xavier has a proven track record of formulating and implementing strategic plans across multi-site retail operations. He has successfully grown sales and profitability across multiple geographies and brings diversity of experience across a range of retail sectors and companies. Xavier has a global mindset and a track record of delivering operational performance, leading business transformation and executing M&A. Xavier's remuneration arrangements were determined by the Board with consideration to external benchmarks and his skills and experience.

Xavier reviewed the strategic priorities and the needs of the business and made leadership changes in April 2025. Hans Miete, Chief Executive Officer – Europe, stepped down from his role and Chris Johnson, Chief Operating Officer – Europe was appointed as Acting General Manager – Europe while a formal recruitment process is undertaken. Helen Moore, Chief Operating Officer – KFC Australia left the business and Krystal Zugno, General Manager of Taco Bell, (and previously Interim General Manager for the KFC Australia Division at Collins Foods), was promoted to General Manager of Australian Operations, leading operations for both KFC and Taco Bell. These changes and appointments reflect Collins Foods' commitment to operational excellence.

IN SUMMARY

The Board is committed to supporting remuneration outcomes that appropriately drive and reflect the underlying performance of our business and experience of our shareholders, our teams and our customers.

Our remuneration framework is aligned to our strategic imperatives and organisational values, ensuring we remain poised to navigate the complexities of the contemporary business landscape with confidence and conviction. We believe Collins Foods, enabled by our team, is well placed to meet these challenges with a continued focus on value and operational excellence.

At Collins Foods we have an obsession for raising the bar on what people think a restaurant experience should be, creating unmatched experiences for our customers and people. With a workforce spanning over 21,000 team members across Australia, Germany and The Netherlands, people are at the heart of our business and our commitment to driving sustainable, profitable growth, whilst fostering a culture of excellence and inclusivity, remains unwavering.

I invite you to read our Remuneration Report for FY25, and I look forward to engaging with our stakeholders in FY26.

NICKI ANDERSON
Independent Non-executive Director
Chair – People, Culture & Nominations Committee

REMUNERATION REPORT

1: Persons covered by this Remuneration Report

This Remuneration Report outlines the Collins Foods Limited remuneration framework and the outcomes for the year ended 27 April 2025 for Key Management Personnel (KMP). KMP have authority and accountability for planning, directing and controlling the activities of the consolidated entity. The FY25 KMP are:

	Name	Position	People, Culture and Nominations Committee	Audit and Risk Committee
Non-executive KMP	Robert Kaye SC	Independent Non-executive Chair	Member	Member
	Nicki Anderson	Independent Non-executive Director	Chair	
	Nigel Clark	Independent Non-executive Director		Member
	Mark Hawthorne	Independent Non-executive Director	Member	Member
	Christine Holman	Independent Non-executive Director		Chair
	Kevin Perkins [1]	Non-executive Director	Member	
Executive KMP	Xavier Simonet [2]	Managing Director and Chief Executive Officer (Managing Director & CEO)		
	Andrew Leyden	Group Chief Financial Officer (Group CFO)		
Former Executive KMP	Drew O'Malley	Former Managing Director and Chief Executive Officer (Former Managing Director & CEO) (resigned effective 1 July 2024)		
	Hans Miete	Former Chief Executive Officer – Collins Foods Europe (CEO – CF Europe) (resigned effective 14 April 2025)		
	Helen Moore	Former Chief Operating Officer – KFC Australia (COO – KFC Australia) (resigned effective 15 April 2025)		

1. Appointed Interim Managing Director & CEO for the period 5 February 2024 to 4 November 2024. At completion of secondment, resumed duties as Non-executive Director.
2. Appointed Managing Director & CEO effective 4 November 2024.

2: FY25 Remuneration at a glance

REMUNERATION PRINCIPLES

In FY25, a number of changes to the Executive Remuneration Framework were introduced with the objectives of:

– ensuring stronger alignment between shareholder outcomes and executive remuneration outcomes;
– creating greater transparency around the process, including how we make remuneration decisions; and
– introducing clear balanced scorecard measures relating to our key drivers of sustainable shareholder value: financial performance, safety, sustainability and customer satisfaction.

PRINCIPLE 1

Enable Collins Foods Limited to attract and retain capable and experienced Executives who create value for shareholders.

PRINCIPLE 2

Reward the achievement of both annual and long term performance objectives appropriate to the Company's circumstances and goals.

PRINCIPLE 3

Provide Executives with transparency, and demonstrate a clear relationship between performance and remuneration.

PRINCIPLE 4

Motivate Executives to pursue sustainable growth and innovation aligned with shareholder's interests.

PRINCIPLE 5

Promote appropriate employee behaviour aligned to the Company's Risk Management Framework and Code of Conduct.

PRINCIPLE 6

Ensure Executive remuneration remains competitive and complies with applicable legal and regulatory requirements.

As part of this review we evolved our remuneration principles to provide a better reflection of our approach.

FY25 REMUNERATION FRAMEWORK

Total Fixed Remuneration (TFR)

TFR consists of base salary, superannuation and other benefits.[1]

TFR is set in relation to the external market and considers:

– strategic value, size and complexity of the role
– experience, skills and performance of the incumbent
– internal relativities.

TFR is positioned around the median of our comparator group, which includes the ASX200 plus additional reference to major industry comparators, as required.

Short Term Incentive (STI)

50% of the STI is delivered in cash and the remaining 50% is deferred as restricted rights for one year.[2]

STI rewards Executives for annual business performance outcomes.

Business performance is measured through a balanced STI scorecard, with 60% weighted in financial performance and 40% on non-financial objectives:

– financial – 60%
– safety – 15%
– customer – 15%
– sustainability – 10%.

Long Term Incentive (LTI)

Performance rights vesting based on Group performance over three years.

LTI aligns and rewards Executives for their focus on the contribution of long term shareholder value.

LTI is measured by performance against two vesting conditions:

– three-year compound earnings per share (EPS) growth performance (50%)
– three-year Relative TSR (50%).

1. Other benefits being any cash benefits beyond Base Salary, allowances (such as car allowance), any applicable non-cash fringe benefits (such as payment of health insurance premiums on behalf of the executive) and salary sacrifice arrangements, but excluding leave entitlement and short term and long term incentive awards.
2. Deferral of 50% of STI award will apply for the Managing Director & CEO and other new Executives for FY25, however, a transitional approach to deferral will apply to existing Executives (including KMP), as outlined in the STI section.

REMUNERATION REPORT

2: FY25 Remuneration at a glance continued

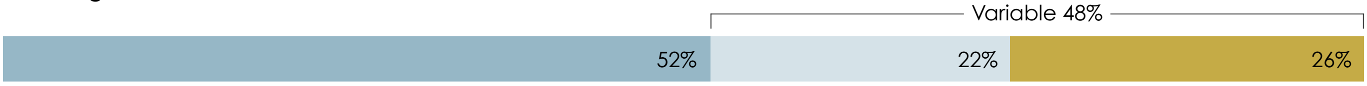
FY25 EXECUTIVE KMP REMUNERATION MIX

The Board continually reviews the remuneration mix for the Managing Director & CEO and other Executive KMP. The remuneration mix for FY25 is consistent with FY24.

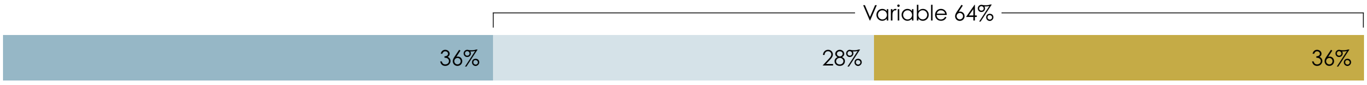
The following table shows the range of remuneration mix that was offered for current Executive KMP during FY25, for maximum performance.

MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

Total target remuneration

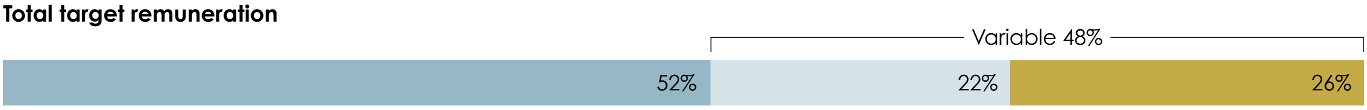


Total maximum remuneration

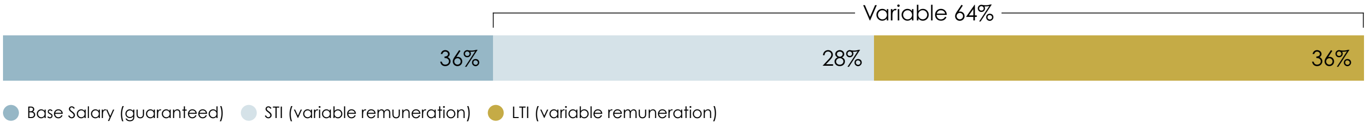


OTHER EXECUTIVE KMP

Total target remuneration



Total maximum remuneration



The Board considers that the remuneration mix for the Managing Director & CEO and other Executive KMP (Base Salary, STI and LTI) in FY25 resulted in appropriately weighted remuneration aligned to our remuneration principles.

3: Company performance

The Company's performance during the reported period and the previous four reporting periods in accordance with the requirements of the Corporations Act follow:

						Short term change in shareholder value over 1 year (SP change + dividends)		Long term (cumulative) 3 years change in shareholder value	
FY end date	Revenue $m	Profit after tax $m	Share price	Change in share price	Dividends [1]	Amount	%	Amount	%
FY25	$1,519.49	$8.83	$8.24	($1.61)	$0.265	($1.35)	(14%)	($1.10)	(11%)
FY24 [2]	$1,488.88	$55.64	$9.85	$1.16	$0.280	$1.44	17%	($0.73)	(6%)
FY23 [2]	$1,348.61	$11.28	$8.69	($1.46)	$0.270	($1.19)	(12%)	$2.48	36%
FY22 [2]	$1,181.70	$54.08	$10.15	($1.22)	$0.245	($0.98)	(9%)	$3.22	42%
FY21 [3, 4]	$1,065.90	$32.61	$11.37	$4.43	$0.210	$4.64	67%	$6.61	124%

1. Dividends used are the cash amount (post franking).
2. Excludes Sizzler Asia revenues and profit after tax.
3. Excludes Sizzler Australia revenues and profit after tax.
4. FY21 restated as a result of a change in accounting policy for the recognition of cloud computing arrangements.

4: Executive KMP remuneration

SHORT TERM INCENTIVE PLAN (STIP)

We believe that aligning our Short Term Incentive (STI) programs from the Managing Director & CEO to our restaurant teams is essential in recognising the shared responsibility for performance across Collins Foods. Individual STI outcomes reflect business performance against the Executive STI scorecard, ensuring continued alignment with the organisation's strategic priorities. A risk modifier may be applied when determining STIP outcomes for Executive KMP to ensure that the rewards are appropriately adjusted for risk, in line with the Risk Management Framework, and to prevent undue customer, team member, or financial risks in the pursuit of business objectives. To ensure the STI remains effective, all measures and targets are reviewed annually, driving the right outcomes each year.

All Executive KMP were offered a target-based STI opportunity equivalent to 50% of TFR for target performance, with a maximum opportunity of up to 75% of TFR. The metrics used to measure performance for the STIP are detailed below.

AWARD GATES
Group Financial Performance
Individual Performance

→

STI SCORECARD
Financial | Customer Satisfaction
Safety | Sustainability

→

RISK MODIFIER

= **STI OUTCOME**

AWARD GATES

To trigger STI Awards, the following minimum requirements must be met before evaluation of Key Performance Indicators (KPIs):

- At least 95% of Group Statutory Net Profit After Tax post AASB 16 (NPAT)
- Performance and behavioural standards of 'On Target' and 'Lives Consistently'

STI SCORECARD

Depending on performance against each scorecard metric, straight line payouts will apply between Threshold and Target, and between Target and Stretch.

- Zero for below Threshold performance
- 100% of Target for Target performance
- 150% of Target for Stretch performance

RISK MODIFIER

A Risk Modifier may be applied at the discretion of the MD & CEO and Board, to modify/reduce total STI Award Outcomes by up to 10% in the event that risks are not appropriately managed in accordance with the Group's risk framework.

DELIVERING STI OUTCOMES

Executive KMP STI awards are delivered:

- 50% as cash
- 50% deferred as Restricted Rights for one year.

  Deferral will commence for existing Executives from FY26 on a transitional basis, as outlined in the table.

Note:
Deferral of 50% STI award will apply to MD & CEO from commencement.

	Year 1	Year 2
	Performance Period	Vesting Period
FY2025	100% Cash	
FY2026	70% Cash	30% Restricted Rights
FY2027+	50% Cash	50% Restricted Rights

REMUNERATION REPORT

4: Executive KMP remuneration continued

ASSESSING BUSINESS PERFORMANCE

The STI balanced scorecard reflects a mix of financial and non-financial measures, with 60% weighting on financial performance and 40% weighting on non-financial metrics.

FINANCIAL 60%

With effect from FY25, the Group financial metric transitioned to Group Statutory Net Profit After Tax (NPAT) (post AASB 16) with the Brand financial metric transitioning to Earnings Before Interest and Tax (EBIT).

The transition to NPAT is aligned with our focus on profitability, with the profits flowing to enable organisational growth, as well as growth to shareholders through dividends and long-term share price growth. The shift to EBIT for Brand financial metrics provides greater transparency in the calculation of awards.

SAFETY 15%

Our safety focus supports our unqualified commitment to fostering a safe and secure work environment for all.

Safety performance is measured by Group Total Reportable Injury Frequency Rate (TRIFR).

TRIFR is calculated based on the number of recordable injuries (those requiring medical treatment, restrictions at work or lost time) among our team members. The safety performance outcome is subject to a zero fatality gateway.

CUSTOMER SATISFACTION 15%

We have an unwavering focus on delivering exceptional customer experiences and delivering on our customer promise. Customer Satisfaction is measured through the use of two survey tools – KFC Listens (80%) and Fonto (20%), with top box (very satisfied) scores used to determine outcomes.

SUSTAINABILITY 10%

Sustainability is an important focus for our business, and the inclusion of this metric aligns our sustainability efforts with our business objectives.

Sustainability performance in FY25 is measured by the reduction of general waste sent to landfill (in tonnes).

4: Executive KMP remuneration continued

LONG TERM INCENTIVE PLAN (LTIP)

Consistent with prior years, LTIP is an annually offered, at risk, equity component of remuneration for Executive KMP and nominated senior executives ensuring that their interests in enhancing the mid to longer term growth potential of the Company are aligned with the interests of shareholders.

In line with prior years, both Relative TSR and EPS growth were the metrics that apply as vesting conditions for the FY25 grant over a three-year performance period under the LTIP.

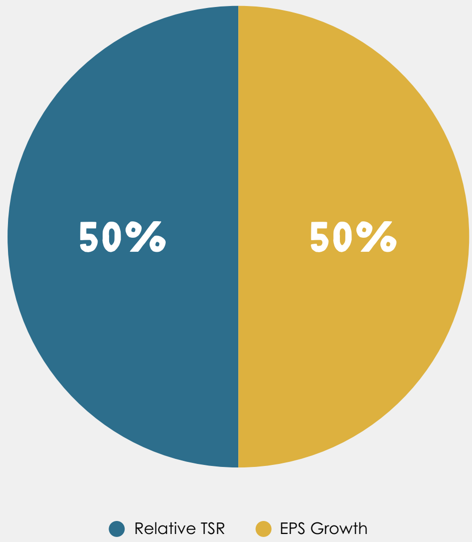
RELATIVE TSR

Relative TSR is calculated by comparing Collins Foods' TSR against the performance of the constituents of the ASX 200. The Board retains discretion to review the comparator group used for the measurement of TSR. TSR for the FY23 grant will be determined against the VWAP benchmark ten days either side of the release of the audited financial results. TSR will continue as a performance measure under the LTIP; however from the FY24 LTI grant, the timing of the relative TSR calculation will be based on the VWAP benchmark ten days either side of the end of the financial reporting year for the period ended 30 April 2026.

EPS GROWTH

Compound EPS growth is measured by calculating the compound growth in the Company's underlying basic EPS over the performance period. The underlying (pre AASB 16) basic EPS is disclosed in the Operating and Financial Review of the Directors Report within the Group's annual audited financial reports and will continue as a performance measures under the LTIP.

The Board retains a discretion to adjust the EPS performance conditions to ensure that participants are not penalised nor provided with a windfall benefit arising from matters outside of management's control that affect EPS (for example, excluding one-off non-recurrent items or the impact of significant acquisitions or disposals).



FY25 VESTING SCHEDULE

The following vesting scales apply to the performance rights offered in FY25.

Earnings per share (EPS) Growth

Performance level	Annualised EPS growth (CAGR)	% of max/stretch/grant vesting
Stretch/Maximum	16.5%	100%
Between Target and Stretch	>11%, <16.5%	Pro-rata
Target	11%	50%
Between Threshold and Target	>5.5%, <11%	Pro-rata
Threshold	5.5%	25%
Below Threshold	<5.5%	0%

Relative Total Shareholder Return (Relative TSR) performance

Performance Level	Relative TSR of Collins Foods Limited	Proportion of performance rights to vest
Stretch	At or above the 75th percentile	100%
Between Target and Stretch	Between the 50th percentile and 75th percentile	3% for each 1% > 50%, < 75%
Target	At the 50th percentile	25%
Below Target	Below the 50th percentile	0%

REMUNERATION REPORT

4: Executive KMP remuneration continued

Key aspects of the FY25 LTI Plan

LTIP terms	Description
Form of equity	Performance rights plan. The performance rights confer the right (following valid conversion) to the value of a share at the time, either settled in shares that may be issued or settled in the form of cash at the discretion of the Board (a feature intended to ensure appropriate outcomes in the case of separation). There is no entitlement to dividends during the measurement period.
LTI value	The Board retains discretion to determine the value of LTI to be offered each reporting period, subject to shareholder approval in relation to Directors. For performance rights to be granted in FY25 with a performance period including FY25, FY26 and FY27, the number of performance rights granted will be based upon a dollar value divided by the volume weighted average share price (VWAP) five trading days before and five trading days after the announcement of the Company's audited financial results. This VWAP basis of measurement is consistent with the prior year.
Measurement period	Three years, unless otherwise determined by the Board.
Vesting conditions	The Board has discretion to set vesting conditions for each offer. Performance rights that do not vest will lapse.
Retesting	The plan rules do not contemplate retesting and therefore retesting is not a feature of the Company's current LTIP offers.
Exercising of Rights and Exercise Restrictions	Rights will be subject to manual exercise ("Exercise Notice"). Rights will have a minimum exercise restriction of 180 days.
Term (from grant to automatic expiry)	Rights issued under the LTIP will include a default term of 15 years, allowing for flexibility for participants regarding when to exercise. Rights that have not been exercised by the end of the term will lapse automatically.
Clawback and Malus	The company may apply malus under its Variable Remuneration (VR) plans LTIP and STIP Deferral), allowing the Board to exercise malus powers if it determines that certain material events ('Reduction Events') have occurred. This may include any (or a combination of) the following: – postponing vesting of any VR where an investigation is in progress, or pending final determination in relation to an investigation; – lapsing of forfeiting all or a portion of any unvested VR; and/or – determining that an adjustment will be made to an Employee's VR (including to zero if appropriate) and/or that they will be ineligible for VR in any year.
Cessation of employment	In the event of cessation of employment within 12 months of the date of grant, unvested performance rights are forfeited. In the event of cessation of employment after 12 months but before the conclusion of the vesting period, unvested performance rights are considered forfeited, unless otherwise determined by the Board, in which case any service condition will be deemed to have been fulfilled as at the testing date and the performance rights remain subject to performance testing along with other participants. It is noted that the Board has discretion to allow 'Good Leavers' to retain their participation in the LTIP beyond the date of cessation of employment when deemed appropriate to the circumstances.
Change of control of the Company	If in the opinion of the Board a change of control event has occurred, or is likely to occur, the Board may declare a performance right to be free of any vesting conditions and, if so, the Company must issue or transfer shares in accordance with the LTIP rules. In exercising its discretion, the Board will consider whether measurement of the vesting conditions (on a pro-rata basis) up to the date of the change of control event is appropriate in the circumstances.

5: Statutory remuneration disclosures

EXECUTIVE KMP REMUNERATION

The following table outlines the remuneration received by Executive KMP of the Company during FY25 and FY24 prepared according to statutory disclosure requirements and applicable accounting standards.

Executive KMP remuneration for FY25 (with FY24 comparatives) is reported in four components being Base Salary (including superannuation), Other Benefits, awarded values of STI remuneration and awarded values of LTI remuneration.

						Short Term Incentive		Long Term Incentive [1]				
Name	Role	Year	Base Salary (incl. super-annuation)	Other benefits	Total fixed remun-eration	Amount	% of Total Reward	Amount	% of Total Reward	Total Reward [2]	Change in accrued leave [3]	Termination benefits
Xavier Simonet [4]	MD & CEO	2025	$576,923	$25,721	$602,644	–	0%	$38,780	6%	$641,424	$2,770	–
		2024	–	–	–	–	0%	–	0%	–	–	–
Andrew Leyden [5]	Group CFO	2025	$683,259	$27,884	$711,143	–	0%	$68,348	9%	$779,491	$19,595	–
		2024	$362,500	$15,551	$378,051	$268,125	39%	$41,340	6%	$687,516	$21,920	–
Former Executive KMP												
Drew O'Malley [6]	Former MD & CEO	2025	$166,216	$6,203	$172,419	–	0%	($735,220)	131%	($562,801)	($31,672)	$877,106
		2024	$959,676	$38,130	$997,806	–	0%	$410,458	29%	$1,408,264	$1,327	–
Kevin Perkins [7]	Former Interim MD & CEO	2025	$444,616	–	$444,616	–	0%	–	0%	$444,616	($14,523)	–
		2024	$196,154	–	$196,154	–	0%	–	0%	$196,154	$14,523	–
Hans Miete [8, 13]	Former CEO – CF Europe	2025	$534,211	$35,761	$569,972	–	0%	($34,685)	(6%)	$535,287	$34,523	$517,003
		2024	$488,794	$35,132	$523,926	$270,076	28%	$162,522	17%	$956,524	$6,651	–
Helen Moore [9]	Former COO – KFC Aust	2025	$560,307	$27,026	$587,333	–	0%	$124,592	18%	$711,925	($13,540)	$410,159
		2024	$529,887	$27,884	$557,771	$291,665	29%	$163,323	16%	$1,012,759	$7,977	–
Nigel Williams [10]	Former Group CFO	2025	–	–	–	–	0%	–	0%	–	–	–
		2024	$150,224	$8,566	$158,790	–	0%	–	0%	$158,790	($10,249)	$350,762
Michael Dernier [11]	Former Acting Group CFO	2025	–	–	–	–	0%	–	0%	–	–	–
		2024	$70,838	–	$70,838	$38,077	34%	$3,525	3%	$112,440	–	–
Dawn Linaker [12]	Former CPO	2025	–	–	–	–	0%	–	0%	–	–	–
		2024	$279,346	$21,694	$301,040	–	0%	($134,892)	(81%)	$166,148	($9,362)	$506,184

1. The LTI value reported in this table is the amortised accounting charge of all grants that were not lapsed or vested at the start of the reporting period measured in accordance with AASB 2 *Share-based Payment*. Where a market-based measure of performance is used such as Relative TSR, no adjustments can be made to reflect actual LTI vesting. However, in relation to non-market conditions, such as EPS, adjustments must be made to ensure the accounting charge matches the number vested.
2. Excludes change in accrued leave balance.
3. The changes in accrued leave are measured in accordance with AASB 119 *Employee Benefits*.
4. Appointed Managing Director & CEO effective 4 November 2024.
5. Appointed Group Chief Financial Officer effective 9 October 2023.
6. Resigned as Managing Director & CEO effective 1 July 2024.
7. Appointed Interim Managing Director & CEO for the period 5 February 2024 to 4 November 2024. Remuneration disclosed in this table relates to period as Interim Managing Director & CEO. For remuneration related to the period as Non-executive Director, refer to the table on page 41.
8. FY25 salary converted at exchange rate of AUD $1: EURO €0.6040 (FY24: AUD $1: EURO €0.6065). Resigned as CEO – CF Europe effective 14 April 2025.
9. Resigned as COO – KFC Australia effective 1 July 2024.
10. Resigned as Group CFO effective 14 July 2023.
11. Appointed Acting Group CFO effective for the period 17 July to 9 October 2023. Remuneration disclosed is only for the period considered to be KMP.
12. Resigned as Chief People Officer effective 17 November 2023.
13. Termination benefits of €312,277 ($517,003) are accrued obligations as at 27 April 2025. These amounts will be paid during FY26.

REMUNERATION REPORT

5: Statutory remuneration disclosures continued

Both target and awarded values of STI and LTI remuneration are outlined in the relevant sections of the Remuneration Report to assist shareholders to obtain a more complete understanding of remuneration as it relates to Executive KMP.

EXECUTIVE KMP REMUNERATION OPPORTUNITY FOR FY25 (NON-STATUTORY DISCLOSURE)

The following table is provided to shareholders as an illustration of the actual remuneration that was received by Executive KMP during FY25. The amounts disclosed below will differ from the amounts in the above table, which are calculated in accordance with accounting standards, however, the Board has determined that it will provide relevant remuneration information for the Executive KMP.

Name	Role	Fixed remuneration [1]	Awarded STI [2]	Vested LTI [3]	Total value
Xavier Simonet [4]	MD & CEO	$602,644	–	–	$602,644
Andrew Leyden	Group CFO	$711,143	–	–	$711,143
Former Executive KMP					
Drew O'Malley [5]	Former MD & CEO	$1,049,525	–	–	$1,049,525
Hans Miete [6]	Former CEO – CF Europe	€656,548	–	€29,048	€685,596
Helen Moore [7]	Former COO – KFC Aust.	$997,492	–	$45,189	$1,042,681
Kevin Perkins [8]	Former Interim MD & CEO	$444,616	–	–	$444,616

1. Fixed remuneration includes base salaries received, payments made to superannuation funds, the taxable value of non-monetary benefits received and any once-off payments such as sign-on bonuses or termination benefits.
2. The awarded STI benefits represent the short term bonuses that were awarded to each KMP in relation to FY25. As the minimum gate was not met, no STI outcomes were triggered for KMP.
3. The Vested LTI represents the vesting of performance rights that were granted to the KMP in September 2021. As the vesting determination decision for this grant had not occurred prior to the release of the FY24 Remuneration Report, the outcomes disclosed above relate to this Grant. As the vesting determination decision for the grant of performance rights issued to KMP in September 2022 has not occurred prior to to the release of the FY25 Remuneration Report, the outcomes relating to this grant will be disclosed in the FY26 Remuneration Report.
4. Appointed Managing Director & CEO effective 4 November 2024.
5. Resigned as Managing Director & CEO effective 1 July 2024.
6. Resigned as CEO – CF Europe effective 14 April 2025.
7. Resigned as COO – KFC Australia effective 15 April 2025.
8. Appointed Interim Managing Director & CEO for the period 5 February 2024 to 4 November 2024. Remuneration disclosed in this table relates to period as Interim Managing Director & CEO. For remuneration related to the period as Non-executive Director, refer to the table on page 41.

6: Performance outcomes for FY25 and FY24 including STI and LTI assessment

SHORT TERM INCENTIVES

A balanced scorecard approach, comprising of financial and non-financial measures is used to measure performance linked to STI outcomes. A minimum gate of 95% achievement of target Group statutory net profit after tax (NPAT) must be achieved for STI to be triggered.

A risk modifier may be applied at the discretion of the Board to any STI payment, whereby up to 10% in the event that risks are not appropriately managed by the KMP in accordance with the Group's risk framework. The modifier aims to develop a comprehensive assessment of potential risk and align KMP behaviour with long term organisational objectives, mitigating undue risk-taking. This has been introduced in FY25 to reflect the maturity of the Group and to recognise the presence of safety and sustainability in the overarching scorecard.

The risk modifier will be determined by the Group Chief Legal and Risk Officer following the close of the financial year using a number of quantitative and qualitative factors.

In FY25, the minimum gate was not met, and therefore STI outcomes were not triggered for KMP. Please refer to the tables below for STI performance outcomes for FY25.

FY25 STI SCORECARD – FINANCIAL OUTCOMES

KMP	KPI Description	Weighting	Threshold	Target	Stretch	Actual
Xavier Simonet	Group Statutory Net Profit After Tax (NPAT) ($M)	60%	$54.9	$57.8	$60.5	$8.8
Andrew Leyden	Group Statutory NPAT ($M)	60%	$54.9	$57.8	$60.5	$8.8

FY25 STI SCORECARD – NON-FINANCIAL OUTCOMES

Category	KPI Description	Weighting	Threshold	Target	Stretch	Actual
Safety	Group Total Reportable Injury Frequency Rate (TRIFR)	15%	N/A	No fatalities < 14.68	< 13.9	18.89
Customer	KFC Listens Customer Satisfaction Survey – Top Box Very Satisfied (80%)	15%	N/A	40.0%	42.0%	40.9%
	Fonto Customer Satisfaction Survey – Top Box Very Satisfied (20%)		N/A	35.8%	37.7%	33.9%
Sustainability	Reduction in general waste sent to landfill (tonnes)	10%	N/A	Each brand achieves: [1] KFC < 10,000 EU < 2,700 TB < 640	Each brand achieves: [1] KFC < 9,500 EU < 2,565 TB < 608	11,136 2,733 656

1. All brand sustainability targets (KFC, EU and TB) must be met for the 10% sustainability KPI to be achieved.

FY25 STI AWARDS

The tables below set out details of STI performance outcomes for FY25 and FY24.

		FY25 Company level KPI Summary					Award outcomes FY25, paid FY26
Name	Role	STI Target $	Financial	Customer	Safety	Sustainability	Total STI award [1]
Xavier Simonet [2]	Managing Director & CEO	$288,462	–	–	–	–	–
Andrew Leyden	Group CFO	$341,630	–	–	–	–	–

1. The Board determined that in FY25, Risk was used as a modifier, where up to 10% of STI may be reduced should risk not be appropriately managed. In FY25, as the minimum gate was not met, no STI was payable and the Board did not apply this modifier.
2. FY25 STI Award for the MD & CEO reflects eligibility from commencement of employment (4 November 2024).

REMUNERATION REPORT

6: Performance outcomes for FY25 and FY24 including STI and LTI assessment continued

		FY24 Company level KPI Summary					Award outcomes FY24 paid FY25
Name	Role	KPI summary	Average weighting	EBITDA target ($M)	% of target achieved	Awarded	Total STI award (EBITDA, ESG)
Drew O'Malley	MD & CEO	EBITDA	100%	–	0%	–	–
		ESG (STI modifier)[1]	0%	–	0%	–	
Hans Miete	CEO – CF Europe	EBITDA	100%	$149.97	110.0%	$270,076	$270,076
		ESG (STI modifier)[1]	0%	–	0%	–	
Andrew Leyden[2]	Group CFO	EBITDA	100%	$149.97	110.0%	$268,125	$268,125
		ESG (STI modifier)[1]	0%	–	0%	–	
Helen Moore	COO – KFC Aust	EBITDA	100%	$149.97	110.0%	$291,665	$291,665
		ESG (STI modifier)[1]	0%	–	0%	–	

1. The Board determined that in FY24, ESG was used as a modifier, where up to 15% of STI was at risk for non-achievement of ESG related activities. In FY24, the Board did not apply this modifier.
2. FY24 STI Award for Group CFO reflected eligibility from 24 July 2023, as outlined in contract of employment.

For the purposes of the STI awarded in FY24, pre AASB 16 underlying EBITDA was adjusted for non-trading items relating to: debt refinancing costs, the reversal of Taco Bell restaurant closure costs and Sizzler Asia closure costs totalling $1.5m, to $152.9m.

LONG TERM INCENTIVES

During the 2022 financial year, grants under the LTIP were made on 14 September 2021 with a performance period of FY22, FY23 and FY24 (FY22 Grant). The performance period for the FY22 Grant commenced on 3 May 2021 and ended on 28 April 2024 (Vesting Rights). A second performance condition of Relative TSR was included in the FY22 LTIP Grant. Measurement of Relative TSR for the FY22 Grant was against the VWAP benchmark ten days either side of the release of the audited financial results on 25 June 2024. As a result, the vesting determination decision for the FY22 Grant occurred post release of the audited financial results and therefore were not included in the FY24 Remuneration Report. These LTI performance outcomes for the FY22 Grant have been included below. The table does not include the former MD & CEO, whose performance rights granted in FY22 lapsed on 1 July 2024, prior to the vesting determination decision.

The table below outlines the FY22 performance rights that were subject to the vesting determination decision:

Name	Role	Tranche	Weighting	Number of eligible to vest in FY25 for FY24 completion	% of max/ stretch/ grant vested	Number vested	Grant date VWAP	$ Value of LTI that vested (as per grant date VWAP)
Former Executive KMP								
Hans Miete[1]	Former CEO – CF Europe	EPSG	50%	14,404	29%	4,144	$11.6049	48,091
		rTSR	50%	14,404	0%	–	$11.6049	–
Helen Moore[2]	Former COO – KFC Aust	EPSG	50%	13,535	29%	3,894	$11.6049	45,189
		rTSR	50%	13,534	0%	–	$11.6049	–
Nigel Williams[3]	Former Group CFO	EPSG	50%	13,699	29%	3,941	$11.6049	45,735
		rTSR	50%	13,699	0%	–	$11.6049	–
David Timm[4]	CMO	EPSG	50%	4,454	29%	1,281	$11.6049	14,866
		rTSR	50%	4,454	0%	–	$11.6049	–

1. Resigned as CEO – CF Europe effective 14 April 2025.
2. Resigned as COO – KFC Australia effective 15 April 2025.
3. Resigned as Group CFO effective 14 July 2023. Number of performance rights retained on-foot in consideration of remaining with the company until the release of the FY23 full year results.
4. No longer considered KMP, effective 1 May 2023, however, included in above table as still retains rights on-foot from when considered KMP.

6: Performance outcomes for FY25 and FY24 including STI and LTI assessment continued

During the 2023 financial year, grants under the LTIP were made on 21 September 2023 with a performance period of FY23, FY24 and FY25 (FY23 Grant). The performance period for the FY22 Grant commenced on 2 May 2022 and ended on 27 April 2025 (Vesting Rights). The Relative TSR measurement for the FY23 Grant will be against the VWAP benchmark ten days either side of the release of the audited financial results on 24 June 2025. Similar to the FY22 Grant above, the vesting determination decision for the FY23 Grant will occur post release of the audited financial results and therefore the LTI performance outcomes will be included in the in the FY26 Remuneration Report.

The table below outlines the FY23 performance rights that are subject to the vesting determination decision:

Name	Role	Tranche	Weighting	Number of eligible to vest in FY26 for FY25completion	Grant date VWAP
Former Executive KMP					
Hans Miete [1]	Former CEO – CF Europe	EPSG	50%	17,049	$9.59
		rTSR	50%	17,048	$9.59
Helen Moore [2]	Former COO – KFC Aust	EPSG	50%	21,163	$9.59
		rTSR	50%	21,162	$9.59
Nigel Williams [3]	Former Group CFO	EPSG	50%	8,496	$9.59
		rTSR	50%	8,496	$9.59
David Timm [4]	CMO	EPSG	50%	16,254	$9.59
		rTSR	50%	16,254	$9.59

1. Resigned as CEO – CF Europe effective 14 April 2025. 100% of rights granted in FY23 retained on-foot as a result of the Board exercising their discretion.
2. Resigned as COO – KFC Australia effective 15 April 2025. 100% of rights granted in FY23 retained on-foot as a result of the Board exercising their discretion.
3. Resigned as Group CFO effective 14 July 2023. Number of performance rights retained on-foot in consideration of remaining with the company until the release of the FY23 full year results.
4. No longer considered KMP, effective 1 May 2023, however, is included in above table as still retains rights on-foot from when considered KMP.

The tables below set out the annualised compound EPS growth and Relative TSR hurdles applicable to the FY23 Grants:

Performance level	Annualised EPS growth (CAGR)	% of max/ stretch/grant vesting
Stretch/Maximum	16.5%	100%
Between Target and Stretch	>11%, <16.5%	Pro-rata
Target	11%	50%
Between Threshold and Target	>5.5%, <11%	Pro-rata
Threshold	5.5%	25%
Below Threshold	<5.5%	0%

Performance Level	Relative TSR of Collins Foods Limited	Proportion of performance rights to vest
Stretch	At or above the 75th percentile	100%
Between Target and Stretch	Between the 50th percentile and 75th percentile	3% for each 1% > 50%, < 75%
Target	At the 50th percentile	25%
Below Target	Below the 50th percentile	0%

REMUNERATION REPORT

6: Performance outcomes for FY25 and FY24 including STI and LTI assessment continued

OTHER PERFORMANCE RIGHTS INFORMATION

The table below outlines the expiry dates of performance rights issued. Performance rights, the vesting of which are subject to EPS growth over defined reporting periods ending in 2023 and 2024, expire in July 2025 and 2026. Additionally, performance rights, the vesting of which are subject to EPS growth and Relative TSR hurdles over reporting periods ending in 2025, expire in September 2039.

Reporting period ended	Expiry date	Exercise price
27 April 2025	26 September 2039	Nil
28 April 2024	30 July 2026	Nil
30 April 2023	25 July 2025	Nil

There were two tranches of performance rights issued during the reporting period ended 27 April 2025. It should be noted that the fair value used for accounting purposes is not used to determine LTI allocations, which adopt a volume weighted average price of the Company's shares as described in the LTI summary above.

The fair values at grant date for the EPS performance condition grants were determined using a Black-Scholes-Merton model incorporating the assumptions below:

	Grant date	
Assumption	27 September 2024	19 November 2024
Tranche	17A	17B
Fair value	$8.02	$7.86
Share price at Grant date	$8.69	$8.48
Term (years)	3	3
Dividend yield	3.00%	3.00%
Risk free interest rate	3.44%	4.08%

The fair values at grant date for the Relative TSR performance condition grants were determined using a Monte-Carlo simulation model incorporating the assumptions below:

	Grant date	
Assumption	27 September 2024	19 November 2024
Tranche	17A	17B
Fair value	$3.90	$3.61
Expiry date	26 September 2039	19 November 2039
Share price at Grant date	$8.69	$8.48
Expected dividend yield	3.00%	3.00%
Risk free interest rate	3.44%	4.08%

There was one tranche of performance rights issued during the reporting period ended 28 April 2024. It should be noted that the fair value used for accounting purposes is not used to determine LTI allocations, which adopt a volume weighted average price of the Company's shares as described in the LTI summary above. The fair value at grant date for the EPS performance condition grants was determined using a Black-Scholes-Merton model incorporating the assumptions below:

	Grant date
Assumption	27 September 2023
Tranche	16
Fair value	$8.73
Share price at Grant date	$9.51
Term (years)	3
Dividend yield	3.00%
Risk free interest rate	3.98%

6: Performance outcomes for FY25 and FY24 including STI and LTI assessment continued

The fair value at grant date for the Relative TSR performance condition grants was determined using a Monte-Carlo simulation model incorporating the assumptions below:

	Grant date
Assumption	27 September 2023
Tranche	16
Fair value	$6.06
Expiry date	30 July 2026
Share price at Grant date	$9.51
Expected dividend yield	3.00%
Risk free interest rate	3.98%

REMUNERATION REPORT

7: Employment terms for Executive KMP

SERVICE AGREEMENTS

A summary of contract terms in relation to Executive KMP is presented below:

Name	Position held at close of FY25	Duration of contract	Period of notice [1] From Company	From KMP	Termination payments [2]
Xavier Simonet [3]	Managing Director & CEO	Open ended	6 months	6 Months	Up to 12 months
Andrew Leyden	Group CFO	Open ended	6 months	6 months	Up to 12 months

1. Provision is also made for the Group to be able to terminate these agreements on three months' notice in certain circumstances of serious ill health or incapacity of the Executive KMP.
2. Under the *Corporations Act 2001*, the Termination Benefit Limit is 12 months average Salary (last three years) unless shareholder approval is obtained.
3. Appointed Managing Director & CEO effective 4 November 2024.

The treatment of incentives in the case of termination is addressed in separate sections of this report that give details of incentive design.

On appointment to the Board, or the Board of any subsidiaries, all Non-executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation relevant to the office of the director. Non-executive Directors are not eligible to receive termination payments under the terms of the appointments.

VESTING RIGHTS AND OTHER PAYMENTS FOR THE FORMER MANAGING DIRECTOR & CEO AND OTHER EXECUTIVE KMP

Performance rights

The former Managing Director & CEO has not retained any performance rights granted in FY22, FY23 and FY24 and consequently 277,923 performance rights were forfeited during FY25.

The former CEO – CF Europe has retained the performance rights granted in FY23 which are due for a vesting determination decision in FY26 and has forfeited 86,371 performance rights relating to the grants in FY24 and FY25 during FY25.

The Board has determined that the former COO – KFC Australia participation in the LTIP will continue after 14 April 2025 on a pro-rata basis for unvested rights previously granted. Those performance rights are:

- 42,235 performance rights granted in FY23 for the performance period FY23, FY24 and FY25. These rights will be subject to the vesting determination decision in FY26 and the COO – KFC Australia has retained 100% of these performance rights;
- 47,774 performance rights granted in FY24 for the performance period FY24, FY25 and FY26. These rights are eligible for vesting in FY26 and the COO – KFC Australia has retained 66.66% or 31,846 performance rights;
- 48,950 performance rights granted in FY25 for the performance period FY25, FY26 and FY27. These rights are eligible for vesting in FY27 and the COO – KFC Australia has retained 33.33% or 16,315 performance rights.

There is no acceleration of the rights expense for those granted in FY23 as the measurement period concluded on 27 April 2025 and all rights granted in FY23 have been fully expensed. For the rights granted in FY24 and FY25, the retained rights expense has been accelerated and recognised in FY25, offset by the reversal of previously recognised expense related to forfeited rights.

In line with the position for all other holders of the above performance rights, vesting would not occur until the performance period has been completed, and only if vesting rights have been triggered. The Board has also considered that, in line with all other performance rights holders, a voluntary holding lock would not be applied to any shares if performance rights were to vest in future financial years.

Other payments

The former MD & CEO announced his resignation during FY24, effective 1 July 2024. The former CEO – CF Europe resigned effective 14 April 2025 and the former COO – KFC Australia resigned effective 15 April 2025. The Board agreed that the following payments would be paid to the former KMP:

Name	Role	Year	Termination benefits
Drew O'Malley	Former Managing Director & CEO	2025	$877,106
Hans Miete [1]	Former CEO – CF Europe	2025	$517,003
Helen Moore [2]	Former COO – KFC Australia	2025	$410,159

1. Termination benefits of €312,277 ($517,003) are accrued obligations as at 27 April 2025. These amounts will be paid during FY26. Amounts disclosed converted at exchange rate of AUD $1: EURO €0.6040. The amount includes other benefits, including legal fees and outplacement consultancy expenses.
2. Termination benefits include outplacement consultancy expenses.

Unless otherwise disclosed, the above amounts were paid during FY25.

8: Non-executive Director fee rates and fee limit

NON-EXECUTIVE DIRECTOR REMUNERATION

The remuneration for Non-executive Directors is set taking into consideration factors including:

– the level of fees paid to Board members of other publicly listed Australian companies of similar size;
– operational and regulatory complexity; and
– the accountability and workload requirements of each Board member.

Non-executive Directors' remuneration comprises the following components:

– board and committee fees; and
– superannuation (compulsory contributions).

Board fees are structured by having regard to the accountabilities of each role fulfilled by a Director within the Board. The Company's constitution allows for additional payments to be made to Directors where extra or special services are provided.

Non-executive Director fees are managed within the current annual fees limit of $1,500,000 which was approved by shareholders at the 2024 Annual General Meeting.

The following table outlines the Non-executive Director fee rates that were applicable during the reported period:

Function	Role	Fee including superannuation from 29 April 2024
Main Board	Chair (inclusive of committee memberships)	$320,000
	Member	$127,400
Audit and Risk Committee	Committee Chair	$30,000
	Committee Members	$14,500
People, Culture and Nominations Committee	Committee Chair	$30,000
	Committee Members	$12,500

Remuneration received by Non-executive Directors in FY25 and FY24 is disclosed below:

Name	Role	Year	Board and Committee Fees	Super-annuation	Other benefits	Termination benefits	Total
Robert Kaye, SC	Independent, Non-executive Chair	2025	$290,458	$29,542	–	–	$320,000
	Independent, Non-executive Chair	2024	$292,925	$27,075	–	–	$320,000
Nicki Anderson [1]	Independent, Non-executive Director	2025	$141,264	$16,136	–	–	$157,400
	Independent, Non-executive Director	2024	$140,973	$15,400	–	–	$156,373
Nigel Clark [2, 6]	Independent, Non-executive Director	2025	$138,973	$2,927	$80,000	–	$221,900
	Independent, Non-executive Director	2024	$91,788	$2,812	$51,708	–	$146,308
Mark Hawthorne	Independent, Non-executive Director	2025	$138,571	$15,829	–	–	$154,400
	Independent, Non-executive Director	2024	$139,253	$15,147	–	–	$154,400
Christine Holman [3]	Independent, Non-executive Director	2025	$141,264	$16,136	–	–	$157,400
	Independent, Non-executive Director	2024	$145,763	$15,986	–	–	$161,749
Kevin Perkins [4]	Non-executive Director	2025	$59,840	$7,129	–	–	$66,969
	Non-executive Director	2024	$101,576	$11,003	–	–	$112,579
Russell Tate [5]	Independent, Non-executive Director	2025	–	–	–	–	–
	Independent, Non-executive Director	2024	$58,559	–	–	–	$58,559

1. Ceased to be a member of the Audit and Risk Committee effective 1 September 2023.
2. Appointed as Independent Non-executive Director effective 1 September 2023.
3. Ceased to be a member of the People, Culture and Nominations Committee effective 1 September 2023.
4. Appointed Interim Managing Director & CEO for the period 5 February 2024 to 4 November 2024. Remuneration disclosed in this table relates to the period as Non-executive Director. Refer to the table on page 33 for remuneration related to the period as Interim Managing Director & CEO.
5. Retired as Independent Non-executive Director effective 1 September 2023.
6. Other benefits represents Board fees received for sitting on the Boards of the Group's European entities. During FY25, the Group performed a review of all Non-Executive Director remuneration arrangements and noted the omission of this element from the FY24 financial statements. The amount of $51,708 being other benefits for the period 1 September 2023 to 28 April 2024, while KMP.

REMUNERATION REPORT

9: Changes in KMP held equity

The following table outlines the changes in the amount of equity held by Executive KMP over the reporting period:

Name	Security	Number held at open 2025	Granted as compensation	Performance Rights forfeited	Received on exercise of Performance Rights	Acquisition/ (Disposal)	Number held at close 2025
Xavier Simonet [1]	Shares	–	–	–	–	–	–
	Performance Rights	–	61,637	–	–	–	61,637
Andrew Leyden	Shares	–	–	–	–	23,000	23,000
	Performance Rights	45,045	56,666	–	–	–	101,711
Former Executive KMP							
Drew O'Malley [2]	Shares	76,054	–	–	–	(76,054)	–
	Performance Rights	277,923	–	(277,923)	–	–	–
Hans Miete [3]	Shares	11,000	–	–	4,144	(15,144)	–
	Performance Rights	106,536	42,740	(111,035)	(4,144)	–	34,097
Helen Moore [4]	Shares	4,166	–	–	3,894	(8,060)	–
	Performance Rights	117,168	48,950	(71,738)	(3,894)	–	90,486
Nigel Williams [5]	Shares	–	–	–	3,941	(3,941)	–
	Performance Rights	44,390	–	(23,457)	(3,941)	–	16,992
	Total	**682,282**	**209,993**	**(484,153)**	**–**	**(80,199)**	**327,923**

1. Appointed as Managing Director & CEO, effective 4 November 2024.
2. Resigned as Managing Director & CEO effective 1 July 2024. The performance rights held at the end of FY24 lapsed on his resignation. The number of shares disclosed under Disposal represents the number of ordinary shares held at resignation date.
3. Resigned as CEO – CF Europe effective 14 April 2025. Number of rights retained on-foot is in accordance with the LTIP rules. The number of shares disclosed under Disposal represents the number of ordinary shares held at resignation date.
4. Resigned as COO – KFC Australia effective 15 April 2025. Number of rights retained on-foot is in accordance with the LTIP rules. The number of shares disclosed under Disposal represents the number of ordinary shares held at resignation date.
5. Resigned as Group CFO effective 14 July 2023. Number of rights retained on-foot in consideration of remaining with the Company until the release of the FY23 full year results. The number of shares received during FY25 represents the vesting of the FY22 grant of rights (refer to Section 6). The number disclosed under Disposal represents these ordinary shares.

The following table outlines the changes in the amount of equity held directly or indirectly by Non-executive Directors over the reporting period:

Name	Security	Number held at open 2025	Additions	Disposals	Other	Number held at close 2025
Robert Kaye, SC	Shares	67,903	3,000	–	–	70,903
Nicki Anderson	Shares	–	2,590	–	–	2,590
Nigel Clark	Shares	–	4,000	–	–	4,000
Mark Hawthorne	Shares	18,000	10,000	–	–	28,000
Christine Holman	Shares	22,153	4,777	–	–	26,930
Kevin Perkins	Shares	7,241,484	–	–	–	7,241,484
	Total	**7,349,540**	**24,367**	**–**	**–**	**7,373,907**

9: Changes in KMP held equity continued

2025 Equity Grants

Name	Role(s)	FY in which Rights may vest	Maximum value yet to vest ($)[6]
Xavier Simonet[1]	Managing Director & CEO	2028	171,183
Andrew Leyden[2]	Group CFO	2027	45,495
		2028	135,396
Former Executive KMP			
Nigel Williams[3]	Former Group CFO	2026	–
Hans Miete[4]	Former CEO – CF Europe	2026	–
Helen Moore[5]	COO – KFC Australia	2026	–
		2027	16,077
		2028	38,983

1. Appointed Managing Director & CEO, effective 4 November 2024.
2. Appointed as Group CFO effective 9 October 2023.
3. Resigned as Group CFO effective 14 July 2023. Number of rights retained on-foot in consideration of remaining with the Company until the release of the FY23 full year results.
4. Resigned as CEO – CF Europe effective 14 April 2025. 100% of rights granted in FY24 and FY25 lapsed on that date.
5. Resigned as COO – KFC Australia effective 15 April 2025. The maximum value yet to vest is based on the number of rights retained on-foot from the FY24 and FY25 grants.
6. The maximum value of performance rights yet to vest has been determined as the amount of the grant date fair value of the performance rights that is yet to be expensed.

REMUNERATION REPORT

10: FY26 Remuneration Framework

Each year, the Board reviews the metrics used to measure STI and LTI performance, ensuring that they remain aligned and deliver performance linked to the Group's strategy. Following the detailed review undertaken in FY24, the Board determined that the current remuneration framework remains fit for purpose, and therefore the Balanced Scorecard categories will remain unchanged in FY26, with the exception of a change to the Sustainability KPI and a minor adjustment to the Brand Financial metric.

Category	Weighting	KPI Description
Financial	60%	Group Statutory NPAT and Brand EBIT, excluding Lease Interest
Safety	15%	Group Total Reportable Injury Frequency Rate (TRIFR)
Customer	15%	Customer Satisfaction
Sustainability	10%	Group Food Waste as a % of Total Sales

A policy will be developed to outline items which would reasonably fall outside of normal business operations and underlying business performance as they relate to financial performance and STI outcomes for Executives and KMP. This will assist in providing greater clarity and consistency in the approach to determine STI Award outcomes.

FY26 LTI

The Board has determined that the current LTIP metrics, EPS Growth and Relative TSR will remain for the FY26 performance, noting that a review of the vesting scales will be undertaken ahead of the FY26 LTI offer to ensure the plan continues to incentivise performance of our Executives aligned to the best interests of our shareholders. A review of the Comparator Group used for the measurement of Relative TSR is also underway, ahead of the FY26 LTI offer. This review is considering a number of comparator groups including the ASX300, Consumer Staples Index and a Market Capitalisation Comparator Group.

11: Governance and related policies

THE ROLE OF THE PEOPLE AND CULTURE NOMINATIONS COMMITTEE

The performance of the Group is contingent upon the calibre of its Directors and Executives. The People, Culture and Nominations Committee (PCNC) is accountable for making recommendations to the Board on the Group's remuneration framework.

In carrying out its accountabilities, the PCNC is authorised to obtain external professional advice as it determines necessary. As at the end of the reporting period, the PCNC was comprised of Non-executive Directors only, with a majority being independent. The role and accountabilities of the committee are outlined in the PCNC Charter, available on the Company's website together with other remuneration governance policies.

The Board has ultimate accountability for signing off on remuneration policies, practices and outcomes. The PCNC operates in accordance with the aims and aspirations of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 4th Edition (Principles and Recommendations) and seeks input regarding remuneration governance from a wide range of sources. These include shareholders, PCNC members, stakeholder groups (including proxy advisors, external remuneration consultants, other experts and professionals such as tax advisors and lawyers) and Company management to understand roles and issues facing the Company.

REMUNERATION REPORT

11: Governance and related policies continued

Group Securities Trading Policy	The Group Securities Trading Policy is available on the Company's website. It contains the standard references to insider trading restrictions that are a legal requirement under the Corporations Act, as well as conditions associated with good corporate governance. The Group Securities Trading Policy follows the recommendations set out in ASX Guidance Note 27, 'Trading Policies'. The policy specifies 'trading windows' during which Directors and restricted employees of the Company may trade in the securities of the Company. It requires Directors and restricted employees to obtain prior written clearance for any trading in the Company's securities and prohibits trading at all other times unless an exception is granted following an assessment of the circumstances (for example financial hardship). Trading windows remain open for 30 days. The first day of the trading window is the trading day after each of the following events: – announcement to the ASX of the Company's full or half-year results; – Annual General Meeting; or – release of a disclosure document offering equity securities in the Company. The Board may suspend all dealings in the Company's securities at any time, should it be appropriate.
Securities Holding Policy	The Board currently sees a Securities Holding Policy as unnecessary since Executives receive a significant component of remuneration in the form of equity. All of the Directors hold equity in the Company voluntarily. The Company's constitution states that Directors are not required to be a shareholder in order to be appointed as a director. The Board continues to encourage Executives to hold vested LTI rights post vesting, to support ongoing alignment.
Executive Governance & Remuneration Policy	The Executive Governance and Remuneration Policy is available on the Company's website. The policy outlines the organisation's governance approach and key principles relating to the employment and remuneration of KMP and other Executives.
Remuneration Consultant Engagement Policy	The Company has adopted a Remuneration Consultant (RC) Engagement Policy which is intended to manage the interactions between the Company and RCs. This is to support the independence of the PCNC and provide clarity regarding the extent of any interactions between management and the RC. This policy enables the Board to state with confidence whether the advice received has been independent, and why that view is held. The Policy states that RCs are to be approved and engaged by the Board before any advice is received, and that such advice may only be provided to an independent Non-executive Director. Any interactions between management and the RC must be approved and overseen by the PCNC.
External Remuneration Consultant advice	Where appropriate the Board and the PCNC consult external RCs. When such external RCs are selected, the Board considers potential conflicts of interest. RCs' terms of engagement regulate their access to, and (where required) set out their independence from, members of Collins Foods management. The requirement for external RC services is assessed in the context of matters the PCNC needs to address. External advice is used as a guide, and does not serve as a substitute for Directors' thorough consideration of relevant matters. No remuneration recommendations as defined in section 9B of the *Corporations Act 2001* were obtained from external RCs during the FY25.
Indemnification and insurance of officers	The Company's Constitution provides that it must in the case of a person who is or has been a Director or Secretary of the Group and may in the case of an officer of the Company, indemnify them against liabilities incurred (whilst acting as such officers) and the legal costs of that person to the extent permitted by law. During the period, the Company has entered into a Deed of Indemnity, Insurance and Access with each of the Company's Directors, executives and Company Secretary. No Director or officer of the Company has received benefits under an indemnity from the Company during or since the end of the period. The Company has paid a premium for insurance for officers of the Group. The cover provided by the insurance contract is customary for this type of insurance policy. Details of the nature of the liabilities covered or the amount of the premium paid in respect of this insurance contract are not disclosed as such disclosure is prohibited under the insurance contract.

12: Other remuneration related matters

There were no loans to Directors or other KMP at any time during the reporting period, and no relevant material transactions involving KMP other than compensation and transactions concerning shares and performance rights as discussed in this report.

MOST RECENT AGM – REMUNERATION REPORT COMMENTS AND VOTING

At the most recent AGM in 2024: 99.51% of votes cast at the meeting were in favour of the adoption of the Remuneration Report.

PROCEEDINGS ON BEHALF OF THE COMPANY

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

DIRECTORS' REPORT

Non-audit services

During the period, the Company's Auditor (PricewaterhouseCoopers) performed other services in addition to its audit responsibilities. Whilst their main role is to provide audit services to the Company, the Company does employ their specialist advice where appropriate.

The Board of Directors has considered the position and, in accordance with advice received from the Audit and Risk Committee (ARC), is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the ARC to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence, including not reviewing or auditing the auditor's own work, not acting in a management or a decision making capacity for the Company, not acting as advocate for the Company, or not jointly sharing economic risk or rewards.

During the period the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2025 Whole dollars $	2024 Whole dollars $
AUDIT AND OTHER ASSURANCE SERVICES		
Audit Services:		
PricewaterhouseCoopers Australian firm:		
Audit and review of financial reports and other audit work under the Corporations Act 2001	607,100	639,111
Audit and review of financial reports and other audit work for foreign subsidiary	–	–
Network firms of PricewaterhouseCoopers Australia:		
Audit and review of financial reports and other audit work for foreign subsidiary	559,154	687,541
	1,166,254	**1,326,652**
Other Assurance Services:		
PricewaterhouseCoopers Australian firm:		
Restaurant sales certificates	5,517	5,400
Agreed upon procedures for covenant calculations	8,505	8,100
ESG assurance	128,750	94,600
	142,772	**108,100**
Total remuneration for audit and other assurance services	**1,309,026**	**1,434,752**
Total Remuneration for services	**1,309,026**	**1,434,752**

It is the Group's policy to employ PricewaterhouseCoopers on assignments additional to their statutory audit duties where PricewaterhouseCoopers' expertise and experience with the Group are important. These assignments are principally tax advice, due diligence reporting on acquisitions and capital raisings, or where PricewaterhouseCoopers is awarded assignments on a competitive basis. It is the Company's policy to seek competitive tenders for all major consulting projects.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 50.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

AUDITOR

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001*. This report is made in accordance with a resolution of Directors.

ROBERT KAYE SC
Chair

24 June 2025

AUDITOR'S INDEPENDENCE DECLARATION

pwc

Auditor's Independence Declaration

As lead auditor for the audit of Collins Foods Limited for the period 29 April 2024 to 27 April 2025, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Collins Foods Limited and the entities it controlled during the period.

Michael Crowe
Partner
PricewaterhouseCoopers

Brisbane
24 June 2025

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CONSOLIDATED INCOME STATEMENT

For the reporting period ended 27 April 2025

	Notes	2025 $000	2024 $000
Revenue	A3	1,519,489	1,488,884
Cost of sales		(743,065)	(737,936)
Gross profit		776,424	750,948
Selling, marketing and royalty expenses		(345,373)	(327,809)
Occupancy expenses		(124,290)	(85,009)
Restaurant related expenses		(131,892)	(117,482)
Administrative expenses		(92,545)	(89,742)
Other expenses		(19,088)	(16,486)
Other income		8,369	5,329
Other gains/(losses) – net	G2	594	22
Profit from continuing operations before finance income, finance costs and income tax (EBIT)		**72,199**	**119,771**
Finance income	A4	2,628	2,400
Finance costs	A4	(43,531)	(40,918)
Profit from continuing operations before income tax		**31,296**	**81,253**
Income tax expense	G12	(22,462)	(25,616)
Profit from continuing operations		**8,834**	**55,637**
Profit from discontinued operation (attributable to equity holders of the Company)	F1(a)	–	21,084
Net profit attributable to members of Collins Foods Limited		**8,834**	**76,721**

		Cents per share	Cents per share
Basic earnings per share from continuing operations (cents)	G3	7.5	47.4
Basic earnings per share from discontinued operations (cents)	G3	–	17.9
Diluted earnings per share from continuing operations (cents)	G3	7.4	46.9
Diluted earnings per share from discontinued operations (cents)	G3	–	17.8

		Shares	Shares
Weighted average basic ordinary shares outstanding	G3	117,793,570	117,490,108
Weighted average diluted ordinary shares outstanding	G3	118,837,567	118,722,617

The above Consolidated Income Statement should be read in conjunction with the accompanying Notes.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the reporting period ended 27 April 2025

	Notes	2025 $000	2024 $000
Net profit attributable to members of Collins Foods Limited		**8,834**	**76,721**
Items that may be reclassified to profit or loss			
Other comprehensive income/(expense):			
Exchange differences on translation of foreign operations	G11	2,725	(552)
Exchange differences on translation of discontinued operations	F1(a)	–	(5,778)
Cash flow hedges	G11	(4,967)	(1,510)
Income tax relating to components of other comprehensive income	G12	1,490	453
Other comprehensive expense for the period, net of tax		**(752)**	**(7,387)**
Total comprehensive income for the reporting period		**8,082**	**69,334**
Total comprehensive income for the period is attributable to:			
Owners of the parent		8,082	69,334

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying Notes.

CONSOLIDATED BALANCE SHEET

As at 27 April 2025

	Notes	2025 $000	2024 $000
ASSETS			
Current assets:			
Cash and cash equivalents	B1	119,119	83,822
Receivables	G4	9,227	8,205
Inventories		10,272	9,464
Derivative financial instruments	C3	–	3,025
Other assets		7,641	5,080
Total current assets		**146,259**	**109,596**
Non-current assets:			
Property, plant and equipment	G5	247,370	255,302
Intangible assets	G6	514,583	502,832
Right-of-use assets	G8	503,254	489,098
Deferred tax assets	G12	70,583	60,201
Derivative financial instruments	C3	–	687
Other financial assets		611	291
Other assets		387	219
Total non-current assets		**1,336,788**	**1,308,630**
Total assets		**1,483,047**	**1,418,226**
LIABILITIES			
Current liabilities:			
Trade and other payables	G9	148,557	129,204
Lease liabilities	G8	55,393	47,844
Current tax liabilities		11,260	7,482
Derivative financial instruments	C3	682	–
Provisions	G10	19,430	15,195
Total current liabilities		**235,322**	**199,725**
Non-current liabilities:			
Borrowings	C2	257,222	248,847
Lease liabilities	G8	578,213	537,851
Derivative financial instruments	C3	722	–
Provisions	G10	6,244	5,360
Total non-current liabilities		842,401	792,058
Total liabilities		1,077,723	991,783
Net assets		**405,324**	**426,443**
EQUITY			
Contributed equity	D3	302,831	300,157
Reserves	G11	12,038	13,472
Retained earnings		90,455	112,814
Total equity		**405,324**	**426,443**

The above Consolidated Balance Sheet should be read in conjunction with the accompanying Notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the reporting period ended 27 April 2025

	Notes	2025 $000	2024 $000
Cash flows from operating activities			
Receipts from customers (inclusive of GST and VAT)		1,674,796	1,639,759
Payments to suppliers and employees (inclusive of GST and VAT)		(1,356,965)	(1,332,378)
Goods and services taxes (GST) and Value added taxes (VAT) paid		(67,561)	(73,963)
Interest received		2,628	2,400
Interest and other borrowing costs paid	B1	(11,353)	(10,037)
Interest paid on leases	B1	(32,238)	(28,888)
Income tax paid		(27,865)	(20,505)
Net operating cash flows	B1	**181,442**	**176,388**
Cash flows from investing activities			
Proceeds from sale of subsidiary, net of cash disposed and operating cash		–	23,061
Proceeds received from wind-up of Joint Venture		–	2,742
Proceeds on acquisition, working capital adjustment received		–	3,390
Payments for property, plant and equipment		(65,755)	(77,291)
Payments for intangible assets		(2,154)	(5,455)
Net investing cash flows		**(67,909)**	**(53,553)**
Cash flows from financing activities			
Refinance fees paid	B1	–	(1,278)
Proceeds from borrowings – bank loan facilities	B1	3,572	–
Repayment of borrowings and other obligations	B1	(10,000)	(41,012)
Payments for lease principal	B1	(42,239)	(46,611)
Dividends paid	B1	(29,308)	(30,001)
Net financing cash flows		**(77,975)**	**(118,902)**
Net increase in cash and cash equivalents		35,558	3,933
Cash and cash equivalents at the beginning of the reporting period		83,822	80,236
Effects of exchange rate changes on cash and cash equivalents		(261)	(347)
Cash and cash equivalents at end of reporting period	B1	**119,119**	**83,822**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying Notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the reporting period ended 27 April 2025

2025	Notes	Contributed equity $000	Reserves $000	Retained earnings $000	Total equity $000
Balance as at 28 April 2024		**300,157**	**13,472**	**112,814**	**426,443**
Profit for the reporting period		–	–	8,834	8,834
Other comprehensive expense		–	(752)	–	(752)
Total comprehensive income/(expense) for the reporting period		**–**	**(752)**	**8,834**	**8,082**
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs	D3	1,885	–	–	1,885
Share based payments	G11	–	107	–	107
Dividends provided for or paid	B4	–	–	(31,193)	(31,193)
Performance rights vested	D3	789	(789)	–	–
End of the reporting period		**302,831**	**12,038**	**90,455**	**405,324**

2024		$000	$000	$000	$000
Balance as at 30 April 2023		**297,372**	**18,741**	**68,385**	**384,498**
Profit for the reporting period		–	–	76,721	76,721
Other comprehensive expense		–	(7,387)	–	(7,387)
Total comprehensive income/(expense) for the reporting period		**–**	**(7,387)**	**76,721**	**69,334**
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs	D3	2,291	–	–	2,291
Share based payments	G11	–	2,612	–	2,612
Dividends provided for or paid	B4	–	–	(32,292)	(32,292)
Performance rights vested	D3	494	(494)	–	–
End of the reporting period		**300,157**	**13,472**	**112,814**	**426,443**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying Notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

A: FINANCIAL OVERVIEW

This section provides information relevant to explaining the Group's performance during the reporting period, and the accounting policies applied and significant estimates and judgements made.

A1: Segment Information
A2: Business combinations
A3: Revenue
A4: Material profit or loss items from continuing operations

A1: Segment Information

Operating segments have been reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker for the reporting period ended 27 April 2025 is responsible for allocating resources and assessing the performance of the operating segments, and has been identified as the Managing Director & CEO.

DESCRIPTION OF SEGMENTS
Three reportable segments have been identified: KFC Australia, KFC Europe and Taco Bell Australia, all competing in the quick service restaurant market.

Other represents Shared Services, which are administrative and management functions supporting the Group's restaurants and other stakeholders. This segment is not separately reportable due to its relative size.

SEGMENT INFORMATION PROVIDED TO THE MANAGING DIRECTOR & CEO
The following is an analysis of the results by reportable operating segment for the periods under review:

2025	KFC Australia $000	KFC Europe $000	Taco Bell Australia $000	Other [2] $000	Total $000
Total segment revenue	1,154,197	312,274	53,018	–	1,519,489
Underlying EBITDA [1]	222,601	39,355	(1,608)	(31,882)	228,466
Depreciation and amortisation	76,423	31,712	78	3,201	111,414
Impairment	2,251	39,596	954	–	42,801
Finance costs – net	25,554	8,692	1,589	5,068	40,903
Income tax expense	–	–	–	22,462	22,462
2024	**$000**	**$000**	**$000**	**$000**	**$000**
Total segment revenue	1,121,034	313,474	54,376	–	1,488,884
Underlying EBITDA [1]	221,411	42,525	(733)	(33,453)	229,750
Depreciation and amortisation	71,711	30,376	435	3,158	105,680
Impairment	–	1,702	2,374	–	4,076
Finance costs – net	22,350	8,440	1,735	5,993	38,518
Income tax expense	–	–	–	25,616	25,616

1. Refer below for a description and reconciliation of Underlying EBITDA.
2. Other represents Shared Services.

LOCATION OF REVENUE AND NON-CURRENT ASSETS

2025	Australia $000	Europe $000	Total $000
Revenue	1,207,215	312,274	1,519,489
Non-current assets (property, plant and equipment, intangibles, and right-of-use assets)	960,408	304,799	1,265,207
2024	**$000**	**$000**	**$000**
Revenue	1,175,410	313,474	1,488,884
Non-current assets (property, plant and equipment, intangibles, and right-of-use assets)	938,634	308,598	1,247,232

A1: Segment Information continued

OTHER SEGMENT INFORMATION

Segment revenue

There are no sales between segments. Revenue from external parties reported to the Board is measured in a manner consistent with the Consolidated Income Statement.

Revenue from external customers is derived from the sale of food and related services in KFC and Taco Bell restaurants, both in Australia and Europe, as well as revenue derived from the Corporate Franchise Agreement (CFA) in the Netherlands.

Underlying EBITDA from continuing operations

The Board assesses the performance of operating segments based on a measure of Underlying EBITDA. This measurement basis excludes the effects of costs associated with acquisitions. It also excludes impairment of property, plant, equipment, franchise rights, brand assets, goodwill and leases to the extent they are isolated non-recurring events plus any other non-recurring items. Net finance costs (including the impact of derivative financial instruments) are not allocated to segments as this type of activity is managed by a central treasury function.

A reconciliation of Underlying EBITDA to profit from continuing operations before income tax is provided as follows:

	2025 $000	2024 $000
Underlying EBITDA	228,466	229,750
Finance costs – net	(40,903)	(38,518)
Acquisition and operational integration costs expensed	–	(1,531)
Depreciation	(108,263)	(101,917)
Amortisation	(3,151)	(3,763)
Impairment of property, plant and equipment	(20,313)	(773)
Impairment of intangible assets	(994)	(201)
Impairment of right-of-use assets	(21,494)	(3,102)
Fair value loss on debt modification	–	(363)
Taco Bell restaurant closure costs	556	1,694
Annualised salaries adjustment	(2,226)	–
Foreign exchange loss on ineffective net investment hedge	(382)	–
Other non-underlying items	–	(23)
Profit before income tax from continuing operations	**31,296**	**81,253**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

A2: Business combinations

PRIOR PERIOD

On 2 May 2023, Collins Foods Netherlands Operations B.V., a wholly owned subsidiary of Collins Foods Limited, completed the acquisition of eight KFC restaurants. Details of this business combination was disclosed in Note A2 of the Group's annual financial statements for the year ended 28 April 2024. No changes to the provisional acquisition accounting disclosed were made since that time.

Contingent consideration

The EBITDA targets for both the first and second contingent consideration periods were not achieved, therefore the minimum contingent consideration of €1.6 million ($2.7 million) is payable to the seller. The liability is presented within Trade and other payables in the Group's Consolidated Balance Sheet at 27 April 2025.

ACCOUNTING POLICY

The acquisition method of accounting is used to account for all business combinations regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued, or liabilities incurred or assumed at the date of exchange. Where equity instruments are issued in an acquisition, the value of the instruments is their published market price as at the date of exchange unless other valuation methods provide a more reliable measure of fair value. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets. Transaction costs arising on the issue of equity instruments are recognised directly in equity. Transaction costs arising from business combinations are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the Consolidated Income Statement, but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

A3: Revenue

Revenue is recognised when performance obligations under relevant customer contracts are completed. Performance obligations may be completed at a point in time or over time.

In the following table, revenue is disaggregated by type and by timing of revenue recognition. No single customer amounts to 10% or more of the consolidated entity's total external revenue.

Revenue type	KFC Australia $000	KFC Europe $000	Taco Bell Australia $000	Total $000
2025				
Sale of goods	1,154,197	308,065	53,018	1,515,280
CFA revenue	–	4,209	–	4,209
Total revenue	**1,154,197**	**312,274**	**53,018**	**1,519,489**
2024				
Sale of goods	1,121,034	309,565	54,376	1,484,975
CFA revenue	–	3,909	–	3,909
Total revenue	**1,121,034**	**313,474**	**54,376**	**1,488,884**

Timing of revenue recognition	KFC Australia $000	KFC Europe $000	Taco Bell Australia $000	Total $000
2025				
At a point in time	1,154,197	308,091	53,018	1,515,306
Over time	–	4,183	–	4,183
Total revenue	**1,154,197**	**312,274**	**53,018**	**1,519,489**
2024				
At a point in time	1,121,034	309,603	54,376	1,485,013
Over time	–	3,871	–	3,871
Total revenue	**1,121,034**	**313,474**	**54,376**	**1,488,884**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

A3: Revenue continued

ACCOUNTING POLICY

Sale of goods

The Group operates quick service restaurants. The revenue from the sale of food and beverages from these restaurants is recognised when the Group sells a product to the customer. Payment of the transaction price is due immediately when the customer purchases the food and beverages.

Sale of goods – customer loyalty program

The Taco Bell brand operates a loyalty program where retail customers accumulate points for purchases made, which entitle them to discounts on future purchases. Revenue from the award points is recognised when the points are redeemed or when they expire 12 months after the initial sale.

A contract liability is recognised until the points are redeemed or expire.

Critical judgements in allocating the transaction price

The points provide a material right to customers that they would not receive without entering into a contract. Therefore, the promise to provide points to the customer is a separate performance obligation. The transaction price is allocated to the product and the points on a relative stand-alone selling price basis.

Management estimates the stand-alone selling price per point on the basis of the discount granted when the points are redeemed and on the likelihood of redemption, which is based on industry knowledge given there is insufficient historical experience to draw upon at this stage of the brand in Australia.

CFA revenue

CFA revenue entitles the Group to one stream of revenue:

- **management service fee revenue:** revenue relating to the satisfaction of a single performance obligation: managing and growing the KFC brand in the Netherlands. The revenue is recognised over time as the respective services are delivered.

In satisfying the above performance obligation, the following funds are received by the Group in their capacity as agent:

- **marketing fees:** funds received for advertising contributions received for the marketing of the business in the Netherlands;
- **supply chain fees:** funds received for the management of the Netherlands Supply Chain services;
- **digital and eCommerce fees:** for the management of the Digital and eCommerce services; and
- **learning zone fee:** received for the provision of Learning and Development services.

All CFA revenue arises in Europe.

Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

A4: Material profit or loss items from continuing operations

The Group has identified a number of items which are material due to the significance of their nature and/or amount. These are listed separately here to provide a better understanding of the financial performance of the Group.

	Notes	2025 $000	2024 $000
DEPRECIATION, AMORTISATION AND IMPAIRMENT			
Depreciation:			
Property, plant and equipment	G5	52,315	49,917
Right-of-use assets	G8	55,948	52,000
Total depreciation		**108,263**	**101,917**
Amortisation			
Intangible assets	G6	3,151	3,763
Total amortisation		**3,151**	**3,763**
Impairment			
Property, plant and equipment	G5	20,313	773
Intangible assets	G6	994	201
Right-of-use assets	G8	21,494	3,102
Total impairment	G7	**42,801**	**4,076**
Total depreciation, amortisation and impairment		**154,215**	**109,756**
Employee benefits expense:			
Wages and salaries		390,552	374,828
Defined contribution superannuation expense		40,425	38,318
Employee entitlements		26,043	23,026
Total employee benefits expense		**457,020**	**436,172**
Finance income		(2,628)	(2,400)
Finance costs		43,531	40,918
Inventories recognised as an expense		482,949	484,485
Fair value loss on debt modification		–	363
Performance rights	G11	107	2,612
Acquisition and operational integration costs expensed		–	1,531
Net loss on disposal of property, plant and equipment	G2	237	112
Net (gain)/loss on disposal of leases	G2	(1,087)	(269)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

B: CASH MANAGEMENT

Collins Foods Limited has a focus on maintaining a strong balance sheet to fund investment activity and provide shareholders with dividends.

B1: Cash and cash equivalents
B2: Borrowings
B3: Ratios
B4: Dividends

B1: Cash and cash equivalents

	2025 $000	2024 $000
Cash at bank and on hand [1]	119,119	83,822

1. Included in cash at bank is an amount of $6.1 million (2024: $4.9 million), that is held under lien by the bank as security for Europe lease agreements and are therefore not available to use by the Group. The amount is denominated in Euro at an amount of €3.4 million (2024: €3.0 million).

RECONCILIATION OF PROFIT FROM OPERATIONS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Notes	2025 $000	2024 $000
Profit for the period		**8,834**	**55,637**
Adjustments for non-cash income and expense items:			
Depreciation, amortisation and impairment (excluding right-of-use assets)	A4	76,773	54,654
Depreciation and impairment of right-of-use assets	A4	77,442	55,102
Loss on disposal of property, plant and equipment	A4	237	112
Gain on disposal of leases	A4	(1,087)	(269)
Loss on foreign exchange	G2	375	63
Fair value loss on debt modification	A4	–	363
Amortisation of borrowing costs		639	1,054
Non-cash employee benefits expense share based payments expense	G11	107	2,612
Provision for employee entitlements		279	(398)
Changes in assets and liabilities:			
Receivables		(1,022)	(1,077)
Inventories		(790)	(360)
Prepayments and other assets		(4,559)	(2,402)
Trade payables and accruals		14,816	6,571
Income tax payable		3,340	12,564
Deferred tax balances		(2,917)	(4,482)
Goods and services tax payable		8,540	(2,901)
Fringe benefits tax payable		435	(455)
Net operating cash flows		**181,442**	**176,388**

B1: Cash and cash equivalents continued

RECONCILIATION OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Liabilities		Equity	
2025	Borrowings $000	Lease liabilities $000	Retained earnings $000	Total $000
At 29 April 2024	**248,847**	**585,695**	**112,814**	
Changes from financing cash flows				
Proceeds from borrowings – bank loan facilities	3,572	–	–	3,572
Repayment of borrowings and other obligations	(10,000)	–	–	(10,000)
Payments for lease principal	–	(42,239)	–	(42,239)
Dividends paid	–	–	(29,308)	(29,308)
Total changes from financing cash flows	**(6,428)**	**(42,239)**	**(29,308)**	**(77,975)**
Other changes				
Lease additions and modifications	–	83,004	–	83,004
Lease disposals	–	(947)	–	(947)
Interest expense	11,353	32,238	–	43,591
Interest paid (operating cash flow)	(11,353)	–	–	(11,353)
Interest paid on leases (operating cash flow)	–	(32,238)	–	(32,238)
Foreign exchange adjustments	14,164	8,093	–	22,257
Dividend reinvestment impact on retained earnings	–	–	(1,885)	(1,885)
Profit for the reporting period	–	–	8,834	8,834
Amortisation of loan establishment fees	639	–	–	639
At 27 April 2025	**257,222**	**633,606**	**90,455**	

2024	$000	$000	$000	$000
At 1 May 2023	**291,857**	**551,511**	**68,385**	
Changes from financing cash flows				
Proceeds from borrowings – bank loan facilities	–	–	–	–
Repayment of borrowings and other obligations	(41,012)	–	–	(41,012)
Refinance fees paid	(1,278)	–	–	(1,278)
Payments for lease principal	–	(46,611)	–	(46,611)
Dividends paid	–	–	(30,001)	(30,001)
Total changes from financing cash flows	**(42,290)**	**(46,611)**	**(30,001)**	**(118,902)**
Other changes				
Lease additions and modifications	–	82,019	–	82,019
Lease disposals	–	(48)	–	(48)
Interest expense	10,037	28,888	–	38,925
Interest paid (operating cash flow)	(10,037)	–	–	(10,037)
Interest paid on leases (operating cash flow)	–	(28,888)	–	(28,888)
Foreign exchange adjustments	(1,774)	(1,176)	–	(2,950)
Dividend reinvestment impact on retained earnings	–	–	(2,291)	(2,291)
Profit for the reporting period	–	–	76,721	76,721
Amortisation of loan establishment fees	1,054	–	–	1,054
At 28 April 2024	**248,847**	**585,695**	**112,814**	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

B1: Cash and cash equivalents continued

ACCOUNTING POLICY

For the purposes of the Consolidated Statement of Cash Flows, cash includes cash on hand, at call deposits with banks or financial institutions, and other short term, highly liquid investments in money market instruments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

B2: Borrowings

AVAILABLE FINANCING FACILITIES

	27 April 2025		28 April 2024	
	Working Capital Facility $000	Bank Loan Facility $000	Working Capital Facility $000	Bank Loan Facility $000
Used [1]	18,317	243,601	17,097	236,982
Unused	9,544	167,514	9,307	154,475
Total	**27,861**	**411,115**	**26,404**	**391,457**

1. $4,921,304 (2024: $4,794,000) of the working capital facility has been used for bank guarantees rather than drawn down cash funding. In addition, an amount of ($226,000) (2024: $438,000) relating to capitalised fees and revaluation on refinancing is not included in the above figures, but included in the total Borrowings amount on the Balance Sheet.

A subsidiary of the Company, CFG Finance Pty Limited, is the primary borrower under a Syndicated Facility Agreement. The Syndicated Facility Agreement includes bank loan facilities (Syndicated Facility) and a Working Capital Facility Agreement (Working Capital Facility). On 12 October 2023, the Group entered into a new Syndicated Facility Agreement for a total of $180 million and €145 million, which includes both the bank loan facilities and working capital facilities. The term of the facility is a blend of maturities with $110 million and €90 million maturing on 31 October 2026 and the remaining $70 million and €55 million expiring on 31 October 2028.

FACILITIES

The Syndicated Facility and Working Capital Facility are subject to certain financial covenants and restrictions such as net leverage ratios, interest cover ratios and others which management believe are customary for these types of loans. There have been no changes to the covenants as a result of entering into the new Syndicated Facility Agreement. The Company and its Australian subsidiaries (other than subsidiaries outside of the Closed Group) and the European subsidiaries were registered guarantors of all the obligations in respect of these loan facilities.

LOAN COVENANTS

Under the terms of the Syndicated Facility and Working Capital Facility, which has a carrying value of $257.2 million (2024: $248.8 million), the group is required to comply with certain financial covenants at the end of each annual and interim reporting period. During the reporting periods ended 27 April 2025 and 28 April 2024, the Group maintained compliance with the financial covenants and restrictions of these facilities. There are no indications that the Group would have difficulties complying with the covenants when they are next to be tested at HY26.

For further information on the Group's borrowings refer to Notes C1 and C2.

ACCOUNTING POLICY

Bank loans are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Income Statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not transaction costs relating to the actual draw-down of the facility, are capitalised and amortised on a straight-line basis over the term of the facility.

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

B3: Ratios

CAPITAL MANAGEMENT

The Group manages its capital by maintaining a strong capital base. The Group assesses its capital base by reference to its leverage ratio, which it defines as net debt divided by total capital. Net debt is calculated as borrowings (excluding capitalised fees and revaluation of refinancing) less cash and cash equivalents. Total capital is calculated as total equity as shown in the balance sheet plus net debt. At balance date, the net leverage was (7.0)% (2024: 7.0%).

Net debt	2025 $000	2024 $000
Cash at bank and on hand	119,119	83,822
Borrowings	(257,222)	(248,847)
Capitalised fees	226	(438)
Net debt	**(137,877)**	**(165,463)**

Net leverage	2025 $000	2024 $000
Net debt	(137,877)	(165,463)
EBITDA per Syndicated Facility Agreement [1]	148,046	154,765
Net leverage	**0.93**	**1.07**

1. EBITDA is stated on a pre AASB 16 basis, consistent with the measurement criteria in the Syndicated Facility Agreement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

B4: Dividends

Dividends	2025 $000	2024 $000
Dividends paid of $0.27 (2024: $0.28) per fully paid share	31,193 [1]	32,292 [1]

1. Includes $1,885,000 (FY24: $2,291,000) relating to the Dividend Reinvestment Plan.

Franking credits	2025 $000	2024 $000
Franking credits available for subsequent reporting periods based on a tax rate of 30.0% (2024: 30.0%)	175,888	152,274

The above amount represents the balance of the franking account as at the end of the reporting period, adjusted for:

- franking credits that will arise from the payment of income tax payable as at the end of the reporting period;
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date; and
- franking credits that may be prevented from being distributed in the subsequent reporting period.

The consolidated amounts include franking credits that would be available to the parent entity if distributable profits of subsidiaries were paid as dividends.

During FY23, the Group introduced a Dividend Reinvestment Plan (DRP), allowing shareholders with a registered address in Australia and New Zealand to reinvest all or part of their dividends into additional fully paid Collins Foods Limited shares.

In FY25, 222,480 shares were issued to eligible shareholders (2024: 213,168) with a value of $1,885,000 (2024: $2,291,000). Refer to Note D3.

Since the end of the reporting period, the Directors of the Company have declared the payment of a fully franked final dividend of 15.0 cents per ordinary share (2024: 15.5 cents) to be paid on 5 August 2025. The aggregate amount of the dividend to be paid on that date, but not recognised as a liability at the end of the reporting period is $17,682,407 (2024: $18,225,022).

ACCOUNTING POLICY

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at balance date.

C: FINANCIAL RISK MANAGEMENT

This section provides information relating to the Group's exposure to financial risks, how they affect the financial position and performance, and how the risks are managed.

C1: Financial risk management

C2: Recognised fair value measurements

C3: Derivative financial instruments

C1: Financial risk management

The Board of Directors has delegated specific authorities to the finance function in relation to financial risk management. The finance function identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board has provided written policies covering the management of interest rate risk and the use of derivative financial instruments. All significant decisions relating to financial risk management require specific approval by the Board of Directors.

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest risk and price risk), credit risk and liquidity risk. In addition, the Group manages its capital base. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group's activities expose it primarily to the financial risk of changes in interest rates and it utilises Swap Contracts to manage its interest rate risk exposure. The use of financial instruments is governed by the Group's policies approved by the Board of Directors and are not entered into for speculative purposes.

MARKET RISK

Foreign currency risk

During 2025 and 2024, the financial instruments of the Group and the parent entity were denominated in Australian dollars apart from certain bank accounts, trade receivables, trade payables and borrowings in respect of the Group's European operations which were denominated in foreign currencies at the Group level. In respect of its European operations the Group aims to reduce balance sheet translation exposure by borrowing in the currency of its assets (Euro €) as far as practical (disclosed in Note B2).

The Group's exposure to foreign currency risk is disclosed on page 69.

Hedge of net investment in foreign investment

Since 25 August 2017, the Group designated the Euro denominated loan as a net investment hedge for the foreign currency risk exposure of the Group's Euro denominated investment in Collins Foods Europe Limited (and subsidiaries). Since inception, the net investment hedge was effective, and the revaluation of the Euro denominated loan was recorded within reserves. As a result of the impairment charge recognised in the current year in relation to the Netherlands restaurant assets, a portion of the net investment hedge is now ineffective, and a charge of $0.4 million has been recognised in the income statement relating to the ineffective component.

Cash flow and interest rate risk

The Group's main interest rate risk arises from long term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk while borrowings issued at fixed rates expose the Group to fair value interest rate risk.

It is the policy of the Group to protect a designated portion of the loans from exposure to increasing interest rates. Accordingly, the Group has entered into interest rate swap contracts (Swap Contracts) under which it is obliged to receive interest at variable rates and to pay interest at fixed rates.

Information about the Group's variable rate borrowings, outstanding Swap Contracts and an analysis of maturities at the reporting date is disclosed in Notes C1 and C3.

Price risk

The Group manages commodity price risk by forward contracting prices on key commodities and by being actively involved in relevant supply co-operatives.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

C1: Financial risk management continued

CREDIT RISK

Credit risk arises from cash and cash equivalents, derivative financial instruments, deposits with banks, other trade receivables and receivables from related parties. The Group has adopted a policy of only dealing with creditworthy counterparties and in the situation of no independent rating being available, will assess the credit quality of the customer taking into account its financial position, past experience and other factors.

Trade receivables consist of a small number of customers and ongoing review of outstanding balances is conducted on a periodic basis. The balance outstanding (disclosed in Note G4) is not past due, nor impaired (2024: nil past due). The credit risk on liquid funds and derivative financial instruments is limited as the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Related party transactions are conducted on commercial terms and conditions. Recoverability of these transactions are assessed on an ongoing basis.

Credit risk further arises in relation to financial guarantees given to certain parties (refer to Notes B2 and H1 for details).

LIQUIDITY RISK

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve banking facilities by continuously monitoring forecast and actual cash flows. This approach enables the Group to manage short, medium and long term funding and liquidity management as reported in Note B2. Non-interest-bearing liabilities are due within six months. For maturities of interest-bearing liabilities and Swap Contracts of the Group, refer to Notes C1 and C3.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

– all non-derivative financial liabilities; and
– net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For Swap Contracts the cash flows have been estimated using forward interest rates applicable at the end of each reporting period. Despite Swap Contracts being in a receivable position for the prior reporting period, they have been included below for comparability to the current year reporting period.

2025	Notes	Less than 1 year $000	Between 1 and 2 years $000	Between 2 and 5 years $000	Total contractual cash flows $000	Carrying amount (assets)/ liabilities $000
Non-derivatives						
Trade payables	G9	148,557	–	–	148,557	148,557
Borrowings (excluding finance leases)	B3	12,039	196,285	70,735	279,059	257,222
Total non-derivatives		**160,596**	**196,285**	**70,735**	**427,616**	**405,779**
Derivatives						
Net settled (Swap Contracts)	C3	702	643	118	1,463	1,404

2024	Notes	$000	$000	$000	$000	$000
Non-derivatives						
Trade payables	G9	129,204	–	–	129,204	129,204
Borrowings (excluding finance leases)	B3	10,270	8,677	257,589	276,536	248,847
Total non-derivatives		**139,474**	**8,677**	**257,589**	**405,740**	**378,051**
Derivatives						
Net settled (Swap Contracts)	C3	(3,228)	(436)	(135)	(3,799)	(3,712)

C1: Financial risk management continued

Interest rate risk and foreign currency risk

The following table summarises the sensitivity of the Group's financial assets and financial liabilities to interest rate risk and foreign currency risk only, as the Group is not exposed to other market risks:

		Interest rate risk				Foreign currency risk			
		-1%		+1%		-1%		+1%	
2025	Carrying amount $000	Profit $000	Equity $000	Profit $000	Equity $000	Profit $000	Equity $000	Profit $000	Equity $000
Financial assets	128,957	(834)	–	834	–	315	–	(315)	–
Financial liabilities	418,443	201	(2,359)	(201)	2,359	(614)	1,470	614	(1,470)
Total increase/(decrease)		**(633)**	**(2,359)**	**633**	**2,359**	**(299)**	**1,470**	**299**	**(1,470)**
2024	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**
Financial assets	96,030	(587)	(1,932)	587	1,932	236	–	(236)	–
Financial liabilities	385,533	225	–	(225)	–	(441)	1,470	441	(1,470)
Total increase/(decrease)		**(362)**	**(1,932)**	**362**	**1,932**	**(205)**	**1,470**	**205**	**(1,470)**

Interest rate risk exposures – liabilities

The following table summarises interest rate risk for the Group, together with effective interest rates as at the end of the reporting period:

2025	Notes	Floating interest rate $000	Fixed interest maturing in: <1 – 3 years $000	Non-interest bearing $000	Total $000	Weighted average effective rate %
Trade and other payables	G9	–	–	148,557	148,557	–
Borrowings – unhedged	B2	28,755	–	–	28,755	3.8%
Borrowings – hedged [1]	B2	–	214,846	–	214,846	2.8%
Borrowings – working capital	B2	–	13,395	–	13,395	4.0%
		28,755	**228,241**	**148,557**	**405,553**	
2024	**Notes**	**$000**	**$000**	**$000**	**$000**	**%**
Trade and other payables	G9	–	–	129,204	129,204	–
Borrowings – unhedged	B2	32,152	–	–	32,152	5.4%
Borrowings – hedged [1]	B2	–	204,829	–	204,829	1.9%
Borrowings – working capital	B2	–	12,303	–	12,303	5.5%
		32,152	**217,132**	**129,204**	**378,488**	

1. Refer to Note C3 for details of derivative financial instruments.

Interest rate risk exposures – current asset receivables

The Group's exposure to interest rate risk and the average interest rate by maturity period is set out in the following table:

	Note	2025 $000	2024 $000
Trade and other receivables (non-interest bearing)	G4	9,227	8,205

CREDIT RISK

There is no concentration of credit risk with respect to external current and non-current receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

C2: Recognised fair value measurements

This Note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

FAIR VALUE HIERARCHY

To provide an indication of the reliability of inputs used in determining fair value, the Group has classified such assets and liabilities into the three levels prescribed under the accounting standards. An explanation of each level is as follows:

- **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2:** Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- **Level 3:** Inputs for the asset or liability which are not based on observable market data (unobservable inputs).

The directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements is approximate to their fair values.

As at the end of the current reporting period and the prior reporting period, the Group had derivative financial instruments classified as Level 2 financial instruments. There are no Level 1 or Level 3 financial instruments.

LEVEL 2 FINANCIAL INSTRUMENTS

The fair values of derivative instruments were determined as the estimated amount that the Group would receive or pay to terminate the interest rate swap at the end of the reporting period, taking into account the current interest rate.

There were no transfers between the levels of fair value hierarchy in the financial year to 27 April 2025. There were also no changes made to any of the valuation techniques applied as of 28 April 2024.

VALUATION PROCESSES

The Group engages a third-party expert valuer to value derivative financial instruments which are required to be measured, recognised and disclosed in the financial statements, at fair value. This includes Level 2 fair values. Outcomes of valuations are reported to the Group Chief Financial Officer (CFO) and the Audit and Risk Committee (ARC). Discussions regarding valuation processes and results are held at least every six months, in line with the Group's reporting periods.

The main Level 2 inputs used by the Group are derived and evaluated as follows:

- discount rates for financial assets and financial liabilities are determined using a capital asset pricing model to calculate a pre-tax rate reflecting current market assessments of the time value of money and the risk specific to the asset.

Changes in Level 2 fair values are reviewed at the end of each reporting period, including reasons for movements in fair value.

DISCLOSED FAIR VALUES

The Group also has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in the Notes to the Consolidated Financial Statements.

Receivables

Due to the short term nature of current receivables, their carrying amount is assumed to be the same as their fair value. For most non-current receivables, the fair values are not materially different to their carrying amounts, since the interest on those receivables approximate current market rates.

Trade and other payables

Due to the short term nature of trade and other payables, their carrying amount is assumed to be the same as their fair value.

Borrowings

The fair value of borrowings is as follows:

	27 April 2025			28 April 2024		
	Carrying amount $000	Fair value $000	Discount rate %	Carrying amount $000	Fair value $000	Discount rate %
Bank Loan (net of borrowing costs)	257,222	248,384	4.9%	248,847	234,209	5.1%

The fair value of non-current borrowings is based on discounted cash flows using the rate disclosed in the table above. They are classified as Level 2 values in the fair value hierarchy due to the use of observable inputs, including the credit risk of the Group.

For further details on Borrowings, refer to Note B2.

C2: Recognised fair value measurements continued

ACCOUNTING POLICY

Financial assets

Classification and measurement

The Group classifies its financial assets into the following categories: those to be measured subsequently at fair value (either through other comprehensive income or through the income statement) and those to be held at amortised cost. Further detail on each classification is outlined below.

Classification depends on the business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of financial assets at initial recognition. The Group's policy with regard to financial risk management is set out in Note C1. Generally, the Group does not acquire financial assets for the purpose of selling in the short term. The Group's business model is primarily that of 'hold to collect' (where assets are held in order to collect contractual cash flows). When the Group enters into derivative contracts, these transactions are designed to reduce exposures relating to assets and liabilities, firm commitments or anticipated transactions.

a) Financial assets held at amortised cost

This classification applies to debt instruments which are held under a hold to collect business model, and which have cash flows that meet the 'Solely payments of principal and interest' (SPPI) criteria.

At initial recognition, trade receivables that do not have a significant financing component, are recognised at their transaction price. Other financial assets are initially recognised at fair value plus related transaction costs; they are subsequently measured at amortised cost using the effective interest method. Any gain or loss on derecognition or modification of a financial asset held at amortised cost is recognised in the income statement.

b) Financial assets held at Fair Value through Other Comprehensive Income (FVOCI)

This classification applies to the following financial assets:

– debt instruments that are held under a business model where they are held for the collection of contractual cash flows and also for sale ('Collect and sell') and which have cash flows that meet the SPPI criteria.

All movements in the fair value of these financial assets are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue (including transaction costs by applying the effective interest method), gains or losses arising on derecognition and foreign exchange gains and losses which are recognised in the income statement. When the financial asset is derecognised, the cumulative fair value gain or loss previously recognised in other comprehensive income is reclassified to the income statement.

– Equity investments where the Group has irrevocably elected to present fair value gains and losses on revaluation in other comprehensive income. The election can be made for each individual investment however it is not applicable to equity investments held for trading.

Fair value gains or losses on revaluation of such equity investments, including any foreign exchange component, are recognised in other comprehensive income. When the equity investment is derecognised, there is no reclassification of fair value gains or losses previously recognised in other comprehensive income to the income statement. Dividends are recognised in the income statement when the right to receive payment is established.

c) Financial assets held at Fair Value through Profit or Loss (FVPL)

This classification applies to the following financial assets, and in all cases, transactions costs are immediately expensed to the income statement:

– Debt instruments that do not meet the criteria of amortised cost or fair value through other comprehensive income.

Subsequent fair value gains or losses are taken to the income statement.

– Equity investments which are held for trading or where the FVOCI election has not been applied.

All fair value gains or losses and related dividend income are recognised in the income statement.

– Derivatives which are not designated as a hedging instrument.

All subsequent fair value gains or losses are recognised in the income statement.

Impairment of financial assets

A forward-looking expected credit loss (ECL) review is required for:

– debt instruments measured at amortised cost or held at fair value through other comprehensive income;

– loan commitments and financial guarantees not measured at fair value through profit or loss; and

– lease receivables and trade receivables that give rise to an unconditional right to consideration.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

C3: Derivative financial instruments

	2025 $000	2024 $000
Current assets		
Interest rate swap contracts – cash flow hedges	–	3,025
Non-current assets		
Interest rate swap contracts – cash flow hedges	–	687
Current liabilities		
Interest rate swap contracts – cash flow hedges	682	–
Non-current liabilities		
Interest rate swap contracts – cash flow hedges	722	–

INSTRUMENTS USED BY THE GROUP
The Group is party to derivative financial instruments in the normal course of business in order to hedge exposure to fluctuations in interest rates in accordance with the Group's financial risk management policies.

INTEREST RATE SWAP CONTRACTS – CASH FLOW HEDGES
Seven swap contracts entered into during FY22, FY23 and FY24 terminated during FY25. Five swap contracts entered into during the same periods remain active as at 27 April 2025.

The following swap contracts were entered into in the FY25 and commenced on the dates outlined below, to hedge a designated portion of the interest rate exposure of the facility:

– $15.0 million commenced on 4 November 2024, with a maturity date of 4 November 2027;

– €20.0 million commenced on 4 November 2024 with a maturity date of 4 November 2027;

An additional two swap contracts were entered into during the FY25 year for a total of $35.0 million and €30.0 million, however are not due to commence until September and November 2025. $35.0 million will expire in September 2026 and €30.0 million will expire in November 2026.

Swap Contracts currently in place cover 100% (2024: 100%) of the Australian dollar denominated loan principal outstanding and are timed to expire as each loan repayment falls due. The variable rates are BBSY which at balance date was 4.16% (2024: 4.34%). The notional principal amounts, periods of expiry and fixed interest rates applicable to the Swap Contracts are as follows:

	2025		2024	
	$000	Weighted average fixed interest rate %	$000	Weighted average fixed interest rate %
Less than 1 year	121,441	3.0%	164,403	1.8%
1 – 2 years	42,684	2.5%	–	–
2 – 3 years	50,721	2.7%	40,427	2.5%
3 – 4 years	–	–	–	–
	214,846		**204,830**	

The Swap Contracts require settlement of net interest receivable or payable each month. The Swap Contracts are settled on a net basis. The derivative financial instruments were designated as cash flow hedges at inception.

CREDIT RISK EXPOSURES
At 27 April 2025, the Swap Contracts gave rise to liabilities for unrealised losses on derivative instruments of $1.40 million (2024: $3.71 million receivable on unrealised gains) for the Group. Management has undertaken these contracts with the Australia and New Zealand Banking Group Limited, Westpac Banking Corporation and Rabobank, all of which are AA rated financial institutions.

ACCOUNTING POLICY
The Group enters into derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including interest rate swaps.

C3: Derivative financial instruments continued

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Hedge accounting

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations as appropriate. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the hedge effectiveness requirements prescribed in AASB 9 *Financial Instruments*.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments qualify as cash flow hedges and are recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria. This includes instances when the hedging instrument expires or is sold, terminated, or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

Hedges of net investments in foreign operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated under the heading of foreign currency translation reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal or partial disposal of the foreign operation.

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

D: REWARD AND RECOGNITION

These programs also result in changes to the Group's contributed equity.

D1: Key management personnel
D2: Share based payments
D3: Contributed equity

D1: Key management personnel

KMP COMPENSATION	2025 Whole Dollars $	2024 Whole Dollars $
Short term employee benefits	3,972,666	4,998,664 [1]
Long term employee benefits	–	–
Post-employment benefits	190,681	196,413
Share based payments	(538,185)	646,276
Termination benefit	1,804,268	856,946
Total KMP compensation	**5,429,430**	**6,698,299**

1. During FY25, the Group performed a review of all Non-executive Director remuneration arrangements and noted the omission of European Board fees being paid to a Non-executive Director from the FY24 financial statements. The FY24 short term employee benefits has been restated to reflect this.

Detailed remuneration disclosures are provided in the Remuneration Report included in the Directors' Report.

D2: Share based payments

LONG TERM INCENTIVE PLAN (LTIP) – PERFORMANCE RIGHTS

The Company has a LTIP designed to provide long term incentives for certain employees, including executive directors. Under the plan, participants are granted performance rights over shares. The number of performance rights is calculated by dividing the dollar value of the participant's long term incentive by the ASX volume weighted average price of the shares for the five trading days prior and five trading days after the release of the audited financial results.

Unless otherwise determined by the Board in its discretion, performance rights are issued for nil consideration. The amount of performance rights that will vest depends upon the achievement of certain vesting conditions, including the satisfaction of a minimum 12 month term of employment and achieving performance targets. In FY22, the Board introduced a second performance target with 50% of the grant having a compound earnings per share (EPS) growth target and the remaining 50% having a relative total shareholder return (Relative TSR) target. In the event of cessation of employment within 12 months of the date of grant, unvested rights are forfeited. In the event of cessation of employment after 12 months but before the conclusion of the vesting period, unvested rights are considered forfeited, unless otherwise determined by the Board, in which case any service condition will be deemed to have been fulfilled as at the testing date and subject to performance testing along with other participants. It is noted that the Board has discretion to allow "Good Leavers" to retain their Participation in the LTI plan beyond the date of cessation of employment when deemed appropriate to the circumstances. The EPS growth and Relative TSR targets must be achieved over a three year performance period. Performance rights will automatically vest on the business day after the Board determines the vesting conditions have all been satisfied (Vesting Determination Date).

The performance rights will automatically exercise on the Vesting Determination Date unless that date occurs outside a trading window permitted under the Company's Securities Trading Policy, in which case the performance rights will exercise upon the first day of the next trading window. Upon exercise of the performance rights, the Company must issue or procure the transfer of one share for each performance right, or alternatively may in its discretion elect to pay the cash equivalent value to the participant.

Performance rights will lapse on the first to occur of:

– the expiry date;
– the vesting conditions not being satisfied by the Vesting Determination Date;
– unless the Board otherwise determines, by the cessation of the employment of the employee to whom the offer of performance rights was made. The Board determination will depend upon the reason for employment ceasing (resignation, dismissal for cause, death or illness).

Performance rights when issued under the LTIP are not entitled to receive a dividend and carry no voting rights.

D2: Share based payments continued

Set out below are summaries of performance rights issued under the LTIP:

Performance rights	2025	2024
Balance at the beginning of the reporting period	992,522	890,255
Vested and exercised	(25,045)	–
Issued during the reporting period	470,264	458,617
Lapsed during the reporting period	(630,947)	(356,350)
Balance at the end of the reporting period	**806,794**	**992,522**

During the 2022 financial year, grants under the LTIP were made with a performance period of FY22, FY23 and FY24 (FY22 Grant). A second performance condition of Relative TSR was included for the first time for the FY22 Grant. Based on the EPS growth achieved over the performance period (FY22-FY24), 25,045 granted under the LTIP with an EPS Growth performance condition converted to fully paid ordinary shares. Each participant was issued shares based on the volume weighted average price of $11.61 and 59,377 rights were forfeited. Based on the Relative TSR ranking achieved over the performance period, no vesting was achieved for performance rights with the Relative TSR performance condition and 84,407 performance rights were forfeited.

All performance rights issued during the reporting period ended 27 April 2025 have an expiry date of 26 September 2039 and were issued with an exercise price of nil. All performance rights issued during the reporting period ended 28 April 2024 have an expiry date of 30 July 2026 and were issued with an exercise price of nil.

FAIR VALUE OF PERFORMANCE RIGHTS ISSUED

There were two tranches of performance rights issued during the reporting period ended 27 April 2025:

– The assessed fair value of performance rights with an EPS growth target issued on 27 September 2024 was $8.02. The fair value at grant date was determined using a Black-Scholes-Merton model incorporating the share price at grant date of $8.69, the term of the right, the expected dividend yield of 3.00% and the risk free interest rate for the term of the rights of 3.44%.

– The assessed fair value of performance rights with an EPS growth target issued on 19 November 2024 was $7.86. The fair value at grant date was determined using a Black-Scholes-Merton model incorporating the share price at grant date of $8.48, the term of the right, the expected dividend yield of 3.00% and the risk free interest rate for the term of the rights of 4.08%.

– The assessed fair values at grant date of performance rights with a Relative TSR target were determined using a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the option and the correlations and volatilities of the peer group companies.

The model inputs for performance rights granted with a Relative TSR target during the reporting period ended 27 April 2025 included:

Assumption	27 September 2024	19 November 2024
Fair value	$3.90	$3.61
Expiry date	26 September 2039	19 November 2039
Share price at Grant date	$8.69	$8.48
Term (years)	3.0	3.0
Expected dividend yield	3.00%	3.00%
Risk free interest rate	3.44%	4.08%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

D2: Share based payments continued

There was one tranche of performance rights issued during the reporting period ended 28 April 2024:

- The assessed fair value of performance rights with an EPS growth target issued on 27 September 2023 was $8.73. The fair value at grant date was determined using a Black-Scholes-Merton model incorporating the share price at grant date of $9.51, the term of the right, the expected dividend yield of 3.00% and the risk free interest rate for the term of the rights of 3.98%.
- The assessed fair value at grant date of performance rights with a Relative TSR target was determined using a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the option and the correlations and volatilities of the peer group companies.

The model inputs for performance rights granted with a Relative TSR target during the reporting period ended 28 April 2024 included:

Assumption	27 September 2023
Fair value	$6.06
Expiry date	30 July 2026
Share price at Grant date	$9.51
Term (years)	3.0
Expected dividend yield	3.00%
Risk free interest rate	3.98%

OWNERSHIP SHARE PLAN – PERFORMANCE RIGHTS

During FY23, the Group established an Ownership Share Plan (OSP) designed to maintain and enhance a performance centred environment for eligible Restaurant General Managers (RGMs), Area Coaches (ACs) and Restaurant Support Centre (RSC) employees. The OSP aims to reflect current market conditions and to ensure remuneration practices remain competitive. Under the plan, participants are granted performance rights over shares. The number of performance rights is calculated by dividing the dollar value of the employee's grant by the ASX volume weighted average price of the shares for the five trading days prior and five days after the release of the audited financial results. Each annual grant spans a five year period and will vest in 5 separate tranches, each with a distinct service period. Employees who are participants of any other Group Share Scheme (e.g. LTIP) are ineligible to participate in the OSP.

Unless otherwise determined by the Board in its discretion, performance rights are issued for nil consideration. The amount of performance rights that will vest depends upon the satisfaction of a service condition, with one-fifth (20%) of each employee's entitlement vesting annually, providing that employee remains employed by the Group. There are no performance conditions attached the rights granted under the OSP.

Set out below are summaries of performance rights issued under the OSP:

Performance rights	2025	2024
Balance at the beginning of the reporting period	239,987	239,535
Vested and exercised	(54,403)	(45,045)
Issued during the reporting period	85,663	75,721
Lapsed during the reporting period	(34,044)	(30,224)
Balance at the end of the reporting period	**237,203**	**239,987**

FAIR VALUE OF PERFORMANCE RIGHTS ISSUED UNDER THE OSP

There was one tranche of performance rights issued during the reporting period ended 27 April 2025. The assessed fair values of performance rights issued under the OSP on 25 September 2024 ranged from $7.17 to $8.16. The fair value at grant date was determined using a discounted cash flow model incorporating the share price at grant date of $8.43, the term of the right, the expected dividend yield of 3.32% and the risk-free interest rate for the term of the rights ranging from 3.45% to 3.53%.

There was one tranche of performance rights issued during the reporting period ended 28 April 2024. The assessed fair values of performance rights issued under the OSP on 20 September 2023 ranged from $8.36 to $9.30. The fair value at grant date was determined using a discounted cash flow model incorporating the share price at grant date of $9.56, the term of the right, the expected dividend yield of 2.82% and the risk-free interest rate for the term of the rights ranging from 3.94% to 3.98%.

D2: Share based payments continued

EXPENSES ARISING FROM SHARE BASED PAYMENT TRANSACTIONS

Total expenses arising from share based payment transactions (LTIP and OSP) recognised during the period as part of employee benefit expense were $106,202 (2024: $2,498,211).

ACCOUNTING POLICY

Equity settled share based payments are measured at the fair value of the equity instrument at the date of grant. The fair value of performance rights granted is recognised as an employee benefit expense with a corresponding increase in equity. The determination of fair value includes consideration of any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

Non-market vesting conditions are included in assumptions about the number of performance rights that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of performance rights that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit and loss, with a corresponding adjustment to equity.

D3: Contributed equity

EQUITY OF PARENT COMPANY

	27 April 2025		28 April 2024	
	Shares	Share capital $000	Shares	Share capital $000
Issues of ordinary shares during the financial year:				
Balance at beginning of the period	117,580,785	300,157	117,322,572	297,372
Dividend reinvestment plan	222,480	1,885	213,168	2,291
Senior executive performance rights plan	25,045	319	–	–
Employee ownership share plan	54,403	470	45,045	494
Balance at the end of the period	**117,882,713**	**302,831**	**117,580,785**	**300,157**

ORDINARY SHARES

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote. Upon a poll each share is entitled to one vote. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

ACCOUNTING POLICY

Debt and equity instruments are classified as either liabilities or equity in accordance with the substance of the contractual arrangement. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

E: RELATED PARTIES

This section provides information relating to the Group's related parties and the extent of related party transactions within the Group and the impact they had on the Group's financial performance and position.

E1: Related party transactions

E1: Related party transactions

PARENT ENTITY

The parent entity and ultimate parent entity within the Group is Collins Foods Limited.

KEY MANAGEMENT PERSONNEL

Disclosures relating to the compensation of KMP are included in Note D1 and in the Remuneration Report included in the Directors' Report.

SUBSIDIARIES

The ownership interests in subsidiaries are set out in Note H1. Transactions between entities within the Group during the reporting period consisted of loans advanced and repaid, interest charged and received, operating expenses paid, non-current assets purchased and sold, and tax losses transferred. These transactions were undertaken on commercial terms and conditions.

OUTSTANDING BALANCES ARISING FROM SALES AND PURCHASES OF GOODS AND SERVICES

There were no outstanding balances (2024: nil) with related parties at the end of the reporting period.

TRANSACTIONS WITH RELATED PARTIES

There were no transactions with related parties during the reporting period ending 27 April 2025. Any outstanding balances other than loans to KMP are unsecured and are repayable in cash. There were no outstanding balances from other transactions (2024: nil) with related parties at the end of the reporting period.

F: DISCONTINUED OPERATIONS

F1: Description
F1(a): Financial performance and cash flow information
F1(b): Details of the sale of the subsidiary

F1: Description

On 30 April 2023, the Group signed a Letter of Intent to sell the 100% owned subsidiary SingCo Trading Pte. Ltd Group (SingCo) for SGD20.2 million. The associated SingCo assets and liabilities were consequently presented as held for sale in the 2023 annual financial statements.

The subsidiary was sold on 11 July 2023 and reported in the prior financial period as a discontinued operation. Financial information relating to the discontinued operation for the prior period to the date of disposal is set out below.

F1(a): Financial performance and cash flow information

The financial performance and cash flow information presented are for the period ended 11 July 2023 (date of disposal).

	11 July 2023 $000
Revenue	821
Cost of Sales	–
Gross profit	**821**
Other Expenses	–
Administration expenses	(150)
Other income	290
Profit from discontinued operations before income tax (EBIT)	**961**
Income tax expense	(135)
Gain on sale of the subsidiary after income tax	20,258
Profit from discontinued operations	**21,084**
Exchange differences on translation of discontinued operations	5,778
Other comprehensive income from discontinued operations	**5,778**

	11 July 2023 $000
Net cash outflow from operating activities	(445)
Net cash inflow from investing activities (includes an inflow of $22,757,632 from the sale of the subsidiary, net of cash disposed)	25,499
Net cash outflow from financing activities	(4,415)
Net increase in cash generated by the discontinued operations	**20,639**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

F1(b): Details of the sale of the subsidiary

The details of the consideration received from the sale of the subsidiary are set out below.

	11 July 2023 $000
Consideration received	
Cash	23,506
Total disposal consideration received	**23,506**
Carrying amount of net assets sold	(8,791)
Gain on sale before income tax and reclassification of foreign currency translation reserve	**14,715**
Reclassification of foreign currency translation reserve	5,543
Income tax expense on gain	–
Gain on sale after income tax	**20,258**

The carrying amounts of the assets and liabilities as at the date of sale (11 July 2023) were:

	11 July 2023 $000
Cash and cash equivalents	748
Trade and other receivables	515
Other assets	112
Intangible assets [1]	9,402
Total assets	**10,777**
Trade and other payables	626
Deferred tax liabilities	1,360
Total liabilities	**1,986**
Net Assets	**8,791**

1. Includes recognised Goodwill of $1,405,000.

ACCOUNTING POLICY

Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

G: OTHER ITEMS

G1: Commitments for expenditure
G2: Other gains/(losses) – net
G3: Earnings per share
G4: Receivables
G5: Property, plant and equipment
G6: Intangible assets
G7: Impairment of assets
G8: Leases
G9: Trade and other payables
G10: Provisions
G11: Reserves
G12: Income tax expense
G13: Auditor's remuneration
G14: Contingencies

G1: Commitments for expenditure

CAPITAL COMMITMENTS

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities were as follows:

	2025 $000	2024 $000
Right-of-use assets [1]	71,748	45,427
Property, plant and equipment	5,015	4,876
Land and buildings	2,976	9,556
Total commitments	**79,739**	**59,859**

1. This represents any agreements for leases the Group has signed before year end, that have not yet proceeded to an executed lease agreement. This is the value repayable over the primary term of the lease. As there is not yet a commencement date, the values have not been discounted to present value.

G2: Other gains/(losses) – net

	2025 $000	2024 $000
Net foreign exchange loss	(375)	(63)
Net loss on disposal of property, plant and equipment	(237)	(112)
Net gain on disposal of leases	1,087	269
Fair value gain on financial instruments	119	291
Fair value loss on debt modification	–	(363)
Other gains/(losses) – net	**594**	**22**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

G3: Earnings per share

	2025 $000	2024 $000
Earnings used in the calculation of basic and diluted earnings per share from continuing operations	8,834	55,637
Net profit from discontinued operation	–	21,084

	Shares	Shares
Weighted average basic ordinary shares outstanding	117,793,570	117,490,108
Weighted average diluted ordinary shares outstanding	118,837,567	118,722,617

	Cents	Cents
Basic earnings per share		
Basic earnings per share from continuing operations	7.5	47.4
Basic earnings per share from discontinued operations	–	17.9
Total basic earnings per share attributable to members of Collins Foods Limited	**7.5**	**65.3**

	2025 Cents	2024 Cents
Diluted earnings per share		
Diluted earnings per share from continuing operations	7.4	46.9
Diluted earnings per share from discontinued operations	–	17.8
Total diluted earnings per share attributable to members of Collins Foods Limited	**7.4**	**64.7**

Weighted average number of shares used as the denominator

	2025 Shares	2024 Shares
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	117,793,570	117,490,108
Adjustments for calculation of diluted earnings per share:		
Performance rights	1,043,997	1,232,509
Weighted average number of ordinary and potential ordinary shares used as the denominator in calculating diluted earnings per share	**118,837,567**	**118,722,617**

ACCOUNTING POLICY

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period. Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

G4: Receivables

CURRENT ASSETS – RECEIVABLES

	2025 $000	2024 $000
Trade receivables	9,227	8,205
	9,227	**8,205**

ACCOUNTING POLICY

Trade receivables are amounts due for goods or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Impairment of trade receivables

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of receivables over a period of 36 months before 27 April 2025 or 28 April 2024 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

G5: Property, plant and equipment

	Land and buildings $000	Leasehold improvements $000	Plant and equipment $000	Construction in progress $000	Total $000
At 29 April 2024					
Cost	29,843	373,010	249,330	16,014	668,197
Accumulated depreciation & impairments	(2,303)	(238,523)	(172,069)	–	(412,895)
Net book amount at 29 April 2024	**27,540**	**134,487**	**77,261**	**16,014**	**255,302**
Additions	–	–	–	60,730	60,730
Transfers	5,093	24,063	37,397	(66,852)	(299)
Depreciation charge	(676)	(25,929)	(25,710)	–	(52,315)
Impairment charge [1]	–	(13,809)	(6,504)	–	(20,313)
Disposals	–	(91)	(183)	(998)	(1,272)
Exchange differences	(1)	3,475	1,591	472	5,537
Net book amount at 27 April 2025	**31,956**	**122,196**	**83,852**	**9,366**	**247,370**
At 27 April 2025					
Cost	34,936	401,951	275,207	9,366	721,460
Accumulated depreciation & impairments	(2,980)	(279,755)	(191,355)	–	(474,090)
Net book amount at 27 April 2025	**31,956**	**122,196**	**83,852**	**9,366**	**247,370**

	$000	$000	$000	$000	$000
At 1 May 2023					
Cost	26,639	334,424	220,056	10,688	591,807
Accumulated depreciation & impairments	(1,708)	(215,802)	(149,777)	–	(367,287)
Net book amount at 1 May 2023	**24,931**	**118,622**	**70,279**	**10,688**	**224,520**
Additions	–	–	–	77,420	77,420
Acquisitions through controlled entity purchased	–	3,133	2,494	–	5,627
Transfers	3,203	38,436	29,893	(71,867)	(335)
Depreciation charge	(594)	(24,905)	(24,418)	–	(49,917)
Impairment charge [1]	–	(235)	(538)	–	(773)
Disposals	–	(9)	(84)	(317)	(410)
Exchange differences	–	(555)	(365)	90	(830)
Net book amount at 28 April 2024	**27,540**	**134,487**	**77,261**	**16,014**	**255,302**

	Land and buildings $000	Leasehold improvements $000	Plant and equipment $000	Construction in progress $000	Total $000
At 28 April 2024					
Cost	29,843	373,010	249,330	16,014	668,197
Accumulated depreciation & impairments	(2,303)	(238,523)	(172,069)	–	(412,895)
Net book amount at 28 April 2024	**27,540**	**134,487**	**77,261**	**16,014**	**255,302**

1. Included in Note G7 is the breakdown of impairment charge.

G5: Property, plant and equipment continued

ACCOUNTING POLICY

All property, plant and equipment is recorded at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Property, plant and equipment, excluding freehold land, is depreciated at rates based upon the expected useful economic life as follows:

Asset classes	Method	Average Life
Buildings	Straight Line	20 years
Leasehold improvements:		
Buildings	Straight Line	20 years or term of the lease [1]
Other leasehold improvements	Straight Line	Primary term of lease [2]
Plant and equipment	Straight Line	8 years
Motor vehicles	Straight Line	4 years

1. Estimated useful life is the shorter of 20 years or the full term of the lease including renewal periods that are intended to be exercised.
2. If primary term of the lease differs significantly from the estimated useful life of the asset, judgement is applied to the estimated useful life and an individual rate is applied.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

The Group reviews annually whether the triggers indicating a risk of impairment exist. The recoverable amounts of cash generating units have been determined based on value-in-use calculations. These calculations require the use of estimates (refer to Note G7).

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The gain or loss on disposal of all non-current assets is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds on disposal and is included in the Consolidated Income Statement of the Group in the reporting period of disposal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

G6: Intangible assets

	Goodwill $000	Franchise rights $000	Brand names $000	Software $000	Other $000	Total $000
At 29 April 2024						
Cost	511,810	26,772	–	14,650	2,902	556,134
Accumulated amortisation & impairments	(28,070)	(13,307)	–	(11,650)	(275)	(53,302)
Net book amount at 29 April 2024	**483,740**	**13,465**	**–**	**3,000**	**2,627**	**502,832**
Additions	–	1,636	–	647	–	2,283
Transfers	–	–	–	299	–	299
Amortisation charge	–	(1,847)	–	(1,064)	(240)	(3,151)
Impairment charge [1]	–	(972)	–	(22)	–	(994)
Disposals	–	(3)	–	(2)	–	(5)
Exchange differences	12,861	216	–	28	214	13,319
Net book amount at 27 April 2025	**496,601**	**12,495**	**–**	**2,886**	**2,601**	**514,583**
At 27 April 2025						
Cost	524,671	28,789	–	15,714	3,159	572,333
Accumulated amortisation & impairments	(28,070)	(16,294)	–	(12,828)	(558)	(57,750)
Net book amount at 27 April 2025	**496,601**	**12,495**	**–**	**2,886**	**2,601**	**514,583**

	$000	$000	$000	$000	$000	$000
At 1 May 2023						
Cost	499,132	23,916	11,261	13,937	5,302	553,548
Accumulated amortisation & impairments	(28,070)	(11,816)	(11,261)	(10,031)	(78)	(61,256)
Net book amount at 1 May 2023	**471,062**	**12,100**	**–**	**3,906**	**5,224**	**492,292**
Additions	–	2,696	–	540	–	3,236
Acquisitions through controlled entity purchased	14,724	719	–	–	–	15,443
Transfers	–	–	–	335	–	335
Amortisation charge	–	(1,814)	–	(1,709)	(240)	(3,763)
Impairment charge [1]	–	(198)	–	(3)	–	(201)
Disposals	–	(2)	–	(58)	(2,317)	(2,377)
Exchange differences	(2,046)	(36)	–	(11)	(40)	(2,133)
Net book amount at 28 April 2024	**483,740**	**13,465**	**–**	**3,000**	**2,627**	**502,832**
At 28 April 2024						
Cost	511,810	26,772	–	14,650	2,902	556,134
Accumulated amortisation & impairments	(28,070)	(13,307)	–	(11,650)	(275)	(53,302)
Net book amount at 28 April 2024	**483,740**	**13,465**	**–**	**3,000**	**2,627**	**502,832**

1. Refer to Note G7 for the breakdown of impairments.

G7: Impairment of assets

IMPAIRMENT OF ASSETS

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the Consolidated Income Statement for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in the Consolidated Income Statement.

IMPAIRMENT TEST FOR GOODWILL

Allocation of goodwill

	Carrying value	
	2025 $000	2024 $000
KFC Australia restaurants	334,323	334,323
KFC Europe restaurants	162,278	149,417
	496,601	**483,740**

Goodwill is tested for impairment at a cash generating unit level. The recoverable amount of a cash generating unit is determined based on value-in-use calculations. Management recognises that there are various reasons that the estimates used in the assumptions may vary. For the KFC Restaurants Australia and KFC Restaurants Europe cash generating units, there are no reasonable and likely changes in assumptions which would result in an impairment to goodwill.

During the reporting period ended 27 April 2025, the KFC Australia and KFC Europe restaurants, where indicators of impairment were identified, were tested for impairment in accordance with AASB 136 *Impairment of Assets*. In the event that the carrying value of these assets was higher than the recoverable amount (measured as the higher of fair value less costs to sell or value-in-use) an impairment charge was recognised in the Consolidated Income Statement as set out in the table below.

	KFC Australia restaurants		KFC Europe restaurants		Taco Bell restaurants		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Leasehold improvements	309	–	13,453	457	46	(222)	13,808	235
Plant and equipment	251	–	5,997	143	257	395	6,505	538
Franchise rights	24	–	948	–	–	198	972	198
Software	–	–	22	3	–	–	22	3
Right-of-use assets	1,667	–	19,176	1,099	651	2,003	21,494	3,102
Total	**2,251**	**–**	**39,596**	**1,702**	**954**	**2,374**	**42,801**	**4,076**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

G7: Impairment of assets continued

KEY ASSUMPTIONS USED FOR VALUE-IN-USE CALCULATIONS

	KFC Australia		KFC Europe		Taco Bell	
	2025	2024	2025	2024	2025	2024
Post-tax discount rate segment	8.0%	8.0%	8.0%	8.0%	N/A [1]	N/A [1]
Post-tax discount rate restaurant	7.5 – 8.5%	7.5 – 8.0%	6.5 – 8.8%	7.0 – 8.8%	N/A [1]	N/A [1]
Growth rates:						
Revenue for Yr 1 – Yr 5 [2]	3.2% [3]	4.6% [3]	3.6% [3]	4.1% [3]	N/A [1]	N/A [1]
Revenue for Yr 6 – Yr 20	2.5%	2.5%	2.2%	2.2%	N/A [1]	N/A [1]
Annual growth for terminal value	2.5%	2.5%	2.2%	2.2%	N/A [1]	N/A [1]

1. No models are prepared for Taco Bell as all assets were fully impaired during FY24 and FY23.
2. The revenue growth rates applied from Yr 1 – Yr 5 relate specifically to restaurant assets where detailed impairment models were prepared.
3. Restaurant specific plans with average annual growth rate.

Value-in-use recoverable amount valuations were performed at the cash generating unit level and at the individual restaurant level. Restaurant assets include Property, plant & equipment and Right-of-use assets. Detailed impairment models were prepared for the cash generating unit and for some of the KFC Australia and KFC Europe restaurants where indicators of impairment were identified. These impairment tests resulted in some impairments being recognised at both KFC Australia or Europe restaurants as noted in the table above.

KFC Australia restaurants

The impairment models were prepared as follows:

- Cash flow estimates for the cash generating unit were prepared based on a period of five years, with consideration for the term of the underlying restaurant lease.
- Annual growth rates applied in the first five years averaged 3.2% (2024: 4.6%) for the restaurants modelled. The year one projections were aligned to the division's specific cash flows.
- Annual growth rates of 2.5% (2024: 2.5%) were applied from year six onward, which does not exceed the long term average growth for the industry segment in which the restaurants operate.

Management believes that these growth rates were reasonable considering growth rates in this operating segment during FY25, in prior reporting periods and since period end.

- Cost of sales and cost of labour percentages were projected over the 5-year cash flow period relative to movements in sales and other cyclical factors.
- A post-tax discount rate of 8.0% was applied for the KFC Australia segment (2024: 8.0% post tax). The change in the post-tax discount rate applied to certain restaurant assets is the result of the discount rates applied to each individual restaurant adjusted by the incremental borrowing rate (IBR) for each AASB 16 lease. This resulted in post-tax discount rates in the range 7.5 – 8.5% for the individual restaurants assessed for impairment (2024: range 7.5 – 8.0%).

SIGNIFICANT ESTIMATE: IMPACT OF POSSIBLE CHANGES IN KEY ASSUMPTIONS

Management recognises that changes in the assumptions applied to discount rates or growth rates could result in further impairment of some of the Group's KFC Australia restaurant assets, or the related KFC Australia goodwill.

However, management considered the likelihood of these possible changes and believes that the assumptions are reasonable based on those applying historically, during the current financial period and since half year end.

Management does not consider that a reasonable change in any of the key assumptions would cause their carrying values to significantly exceed their recoverable amounts.

G7: Impairment of assets continued

KFC Europe restaurants

The impairment models were prepared as follows:

- Cash flow estimates for the cash generating unit were prepared based on a period of five years, with consideration for the term of the underlying restaurant lease.
- Annual growth rates applied in the first five years averaged 3.6% (2024: 4.1%) for the restaurants modelled. The year one projections were aligned to the division's specific cash flows.
- Cost of sales and cost of labour percentages were projected over the 5-year cash flow period relative to movements in sales and other cyclical factors.
- Annual growth rates of 2.2% were applied from year six onwards (2024: 2.2%).

Management believes that these assumptions were reasonable considering the growth rates in this operating segment in prior reporting periods.

- A post-tax discount rate of 8.0% was applied for the KFC Europe segment (2024: 8.0% post tax). Restaurant specific discount rates were applied to restaurant assets to account for the different post-tax discount rates applied to each individual restaurant after being adjusted by the IBR for each AASB 16 lease. This resulted in post-tax discount rates in the range of 6.5 – 8.8% for the individual restaurants assessed for impairment (2024: range 7.0 – 8.8%).

SIGNIFICANT ESTIMATE: IMPACT OF POSSIBLE CHANGES IN KEY ASSUMPTIONS

Management recognises that changes in the assumptions applied to discount rates or growth rates could result in further impairment of some of the Group's KFC Europe restaurant assets or the related KFC Europe goodwill.

However, management considered the likelihood of these possible changes and believes that the assumptions are reasonable based on those applying historically, during the current financial period and since half year end.

Notwithstanding the impact of the restaurant impairments recognised in the current year, management does not consider that a reasonable change in any of the key assumptions would cause their carrying values to significantly exceed their recoverable amounts.

For those restaurants with indicators of impairment for which full impairments have not been recognised, if they do not meet their operating budgets in FY26 and beyond, then a further impairment of €3.6m ($6.5m) may be recognised in the future (less any depreciation or amortisation recognised).

ACCOUNTING POLICY

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is not amortised. Instead, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Goodwill is allocated to cash generating units for the purpose of impairment testing.

The Group determines whether goodwill with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash generating units to which the goodwill with indefinite useful lives relate.

Franchise rights

Costs associated with franchise licences which provide a benefit for more than one reporting period are amortised over the remaining term of the franchise licence. Capitalised costs associated with renewal options for franchise licences are deferred and amortised over the renewal option period. The unamortised balance is reviewed each balance date and charged to the Consolidated Income Statement to the extent that future benefits are no longer probable.

Software

Software consists of both externally acquired software programmes and capitalised development costs of internally generated software. The Group amortises software using a straight-line method over 3-8 years. Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the criteria within AASB 138 Intangible Assets is met. Directly attributable costs that are capitalised as part of the software include employee costs, installation costs and associated expenditure. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

G8: Leases

This note provides information for leases where the Group is a lessee.

AMOUNTS RECOGNISED IN THE BALANCE SHEET

The balance sheet shows the following amounts relating to leases:

	2025 $000	2024 $000
Right-of-use assets		
Property	499,913	486,456
Motor vehicles	3,341	2,642
	503,254	**489,098**
Lease liabilities		
Current	55,393	47,844
Non-current	578,213	537,851
	633,606	**585,695**

Additions to the right-of-use assets during the 2025 financial period were $33,057,552 (2024: $36,843,729).

AMOUNTS RECOGNISED IN THE INCOME STATEMENT

The income statement shows the following amounts relating to leases:

	2025 $000	2024 $000
Depreciation charge of right-of-use assets		
Property	54,506	50,651
Motor vehicles	1,442	1,349
	55,948	**52,000**
Impairment charge of right-of-use assets		
Properties	21,494	3,102
	21,494	**3,102**

	2025 $000	2024 $000
Interest expense (included in finance costs)	32,238	28,888
Expense relating to short-term leases (included in selling marketing and royalty, occupancy, and administrative expenses)	425	648
Expense relating to variable lease payments not included in lease liabilities (included in occupancy expenses)	2,076	3,425

G8: Leases continued

THE GROUP'S LEASING ACTIVITIES AND HOW THESE ARE ACCOUNTED FOR

The Group leases various restaurant sites, offices, and motor vehicles. Rental contracts, particularly for restaurants, are typically made for fixed periods of 5 to 20 years but may have extension options as described further below.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Group entities use that rate as a starting point to determine the incremental borrowing rate.

In the current reporting period, the weighted average lessee's incremental borrowing rate applied to the lease liabilities was 5.51% (2024: 5.34%).

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- make good obligation costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

Payments associated with short term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

G8: Leases continued

VARIABLE LEASE PAYMENTS

Some property leases contain variable payment terms that are linked to sales generated from a restaurant. For individual restaurants, up to 80% of lease payments are on the basis of variable payment terms with a wide range of sales percentages applied. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established restaurants. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

EXTENSION AND TERMINATION OPTIONS

Extension and termination options are included in a number of leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

CRITICAL JUDGEMENTS IN DETERMINING THE LEASE TERM

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of restaurant sites, the following factors are normally the most relevant:

– If there are significant penalty payments to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
– If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
– Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Most extension options in offices and motor vehicles leases have not been included in the lease liability, because the Group could replace the assets without significant cost or business disruption.

More than 90% of the Group's leases are of restaurants or restaurant sites. These leases range in primary terms of 5 – 20 years, with multiple 5 – 10 year options available, anywhere up to a total available lease term of 50 years. The Group has applied the below lease term assumptions to the restaurant and restaurant lease portfolios of each segment, as it is considered representative of the Group's reasonably certain position. Specific leases are considered on a case-by-case basis when additional knowledge is available that would result in a different lease term to these assumptions.

Segment	Lease term assumption
KFC Australia	Primary term of the lease, plus options, to an upper limit of 20 years.
KFC Europe	Primary term of the lease, plus next option term where renewal process has commenced.
Taco Bell	Primary term of the lease, plus next option term where renewal process has commenced.
Other	Primary term of the lease, plus next option term where renewal process has commenced.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

MATURITIES OF LEASE LIABILITIES

The table below shows the Group's lease liabilities in relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

2025	Less than 1 year $000	Between 1 and 2 years $000	Between 2 and 5 years $000	Over 5 years $000	Total contractual cash flows $000	Carrying amount $000
Lease liabilities	87,615	81,284	210,937	521,171	**901,007**	**633,606**
2024	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**
Lease liabilities	80,775	81,213	207,211	467,714	**836,913**	**585,695**

G9: Trade and other payables

	2025 $000	2024 $000
Current liabilities		
Trade payables and accruals – unsecured	120,714	111,275
Other payables – unsecured	27,843	17,929
Total payables	**148,557**	**129,204**

ACCOUNTING POLICY

These amounts represent liabilities for goods and services provided prior to the end of the reporting period and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

G10: Provisions

	2025			2024		
	Current $000	Non-current $000	Total $000	Current $000	Non-current $000	Total $000
Employee benefits	8,245	3,128	11,373	8,323	2,773	11,096
Make good provision	642	3,116	3,758	977	2,587	3,564
Other provisions	10,543	–	10,543	5,895	–	5,895
Total provisions	**19,430**	**6,244**	**25,674**	**15,195**	**5,360**	**20,555**

ACCOUNTING POLICY

Employee benefits

Provision has been made in the accounts for benefits accruing to employees up to balance date, such as long service leave and incentives. The current portion of this liability includes the unconditional entitlements to long service leave where employees have completed the required period of service. The provisions are measured at their nominal amounts using the remuneration rates expected to apply at the time of settlement.

Long service leave provisions relating to employees who have not yet completed the required period of service are classified as non-current. All other employee provisions are classified as a current liability.

All on-costs, including superannuation, payroll tax and workers' compensation premiums are included in the determination of provisions.

Make good provision

Provisions for make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

The Group is required to restore the leased premises of certain retail restaurants to their original condition upon exit. However, as leases are traditionally renewed, the Group only recognises a provision for those restaurants where make good costs will result in a probable outflow of funds. An annual review of leased sites is conducted to determine the present value of the estimated expenditure required to remove any leasehold improvements and decommission the restaurant.

Other provisions

The Group continues to review historical employment and wage data for the eight year period from 1 May 2017 to 27 April 2025 to determine whether and in what circumstances employees may have been entitled to receive other payments during this period which have not been paid. As at 27 April 2025, an increase in the provision to $7.9 million (2024: $2.7 million) has been made to recognise potential additional amounts that may have been unpaid during this period.

This provision is the current best estimate of the expenditure that may be required to settle any obligation to meet any unpaid entitlements. The final amount of any such obligation, if any, is uncertain and will depend on, among other things:

- the availability and reliability of historical employment and wage data;
- the proper interpretation of then applicable industrial instruments;
- the obligation, if any, to compensate any employees;
- the number of employees, if any, entitled to compensation; and
- the amount and/or manner of calculation of compensation (if any) payable to any affected employees.

The Group continues to correspond with the Fair Work Ombudsman (FWO) in relation to these matters.

In addition, during FY24, the Group obtained a license to self-insure for workers' compensation claims. Provisions are based on independent actuarial valuations and determined on a discounted basis. The provision of $2.0 million (2024: $2.2 million) includes reported claims and an estimate of claims incurred but not yet reported.

Accounting estimates and judgements have been made in calculating these additional amounts. Any revisions of the estimates will be recognised in the period during which they are identified.

Onerous contracts

Each reporting period, the group assesses whether any of their contracts are considered to be onerous. The present obligations arising under any onerous contracts identified are recognised and measured as provisions. An onerous contract is considered to exist where the group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

G11: Reserves

	2025 $000	2024 $000
Hedging – cash flow hedges	(1,035)	2,442
Share based payments	3,218	3,900
Foreign currency translation	9,855	7,130
	12,038	**13,472**

	Notes	2025 $000	2024 $000
MOVEMENTS:			
Cash flow hedges:			
Opening balance		2,442	3,499
Revaluation – gross		(2,308)	(1,434)
Deferred tax	G12	692	430
Transfer to net profit – gross		(2,659)	(76)
Deferred tax	G12	798	23
Closing balance		**(1,035)**	**2,442**
Share based payments:			
Opening balance		3,900	1,782
Valuation of performance rights		107	2,612
Performance rights vested		(789)	(494)
Closing balance		**3,218**	**3,900**
Foreign currency translation:			
Opening balance		7,130	13,460
Exchange fluctuations arising on net assets of foreign operations		(1,306)	(21,106)
Exchange fluctuations arising on net investment in hedge		4,031	14,776
Closing balance		**9,855**	**7,130**

AMOUNTS RECOGNISED IN THE INCOME STATEMENT

In addition to the amounts disclosed in the recognition of hedging reserves above, the following amounts were recognised in profit or loss:

	2025 $000	2024 $000
Hedge ineffectiveness of Net Investment – amount recognised in Other gains/(losses)	(382)	–

NATURE AND PURPOSE OF RESERVES

Hedging reserve – cash flow hedges

The hedging reserve is used to record gains or losses on a hedging instrument in a cash flow hedge that are recognised in other comprehensive income. Amounts are recognised in profit and loss when the associated hedged transaction affects profit and loss.

Share based payments reserve – performance rights

The share based payments reserve is used to recognise the issuance date fair value of performance rights issued to employees under the LTIP and Ownership Share Plan that have not yet vested.

Foreign currency translation reserve

Exchange differences arising on translation and of a hedge of the net investment in foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. Refer to Note C3 for details on the Group's accounting policy for hedge accounting.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

G12: Income tax expense

INCOME TAX EXPENSE

	Notes	2025 $000	2024 $000
Income tax expense			
Current tax		32,069	29,639
Deferred tax		(9,387)	(4,421)
Under/(Over) provided in prior reporting periods		(220)	533
		22,462	**25,751**
Income tax expense is attributable to:			
Profit from continuing operations		22,462	25,616
Profit from discontinued operations	F1(a)	–	135
Aggregate income tax expense		**22,462**	**25,751**
Deferred income tax expense/(benefit) included in income tax expense comprises:			
Increase in deferred tax assets		(16,344)	(4,544)
Decrease in deferred tax liabilities		8,274	123
		(8,070)	**(4,421)**

Numerical reconciliation of income tax expense/(benefit) to prima facie tax payable	Notes	2025 $000	2024 $000
Profit from continuing operations before income tax expense		31,296	81,253
Profit from discontinued operation before income tax expense	F1(a)	–	21,219
		31,296	**102,472**
Tax at the Australian tax rate of 30.0% (2023: 30.0%)		9,389	30,741
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:			
Other non-deductible expenses		1,020	1,352
Foreign currency differences		22	–
Difference in foreign taxation rates		1,719	67
Non-assessable income received		–	(6,077)
Recognition of previously unrecognised deductible temporary differences		–	(1,851)
Current year tax losses for which no deferred income tax was recognised		10,532	986
		22,682	**25,218**
Amounts under/(over) provided in prior reporting periods		(220)	533
Income tax expense		**22,462**	**25,751**

	Notes	2025 $000	2024 $000
Tax expense relating to items of other comprehensive income			
Cash flow hedges	G11	1,490	453

	2025 $000	2024 $000
Tax losses		
Unused revenue tax losses for which no deferred tax asset has been recognised	31,086	4,152
Unused capital tax losses for which no deferred tax asset has been recognised	64,505	64,505
Total unused tax losses for which no deferred tax asset has been recognised	**95,591**	**68,657**

G12: Income tax expense continued

DEFERRED TAX BALANCES

Deferred tax assets (DTA)	2025 $000	2024 $000
The balance comprises temporary differences attributable to:		
Depreciation	31,379	27,845
Employee benefits	8,579	1,220
Provisions	3,569	9,488
Lease liabilities	179,681	170,589
Carried forward revenue losses	18,595	15,032
Capitalised costs	173	353
Cash flow hedges	1,097	76
Other	(257)	197
	242,816	**224,800**
Set-off of deferred tax liabilities pursuant to set-off provisions	(172,233)	(164,599)
Net deferred tax assets	**70,583**	**60,201**

All movements in the DTA were recognised in the Consolidated Income Statement and the Consolidated Statement of Comprehensive Income.

Deferred tax liabilities (DTL)	2025 $000	2024 $000
The balance comprises temporary differences attributable to:		
Right-of-use assets	148,041	143,628
Inventories	765	994
Intangibles	22,148	18,856
Financial assets at fair value through profit or loss	–	149
Prepayments	(134)	2
Cash flow hedges	–	970
Other	1,412	–
	172,232	**164,599**
Set-off of deferred tax liabilities pursuant to set-off provisions	(172,232)	(164,599)
Net deferred tax liabilities	**–**	**–**

All movements in the DTL were recognised in the Consolidated Income Statement and the Consolidated Statement of Comprehensive Income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

G12: Income tax expense continued

ACCOUNTING POLICY

Income tax

The income tax expense on revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted in the respective jurisdiction.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends to settle on a net basis.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Tax consolidation

The Company, as the head entity in the tax consolidated group and its wholly owned Australian controlled entities continue to account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right.

In addition to its own current and deferred tax amounts, the Company also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group. Assets or liabilities arising under the tax funding agreement with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group.

The entities in the Tax Consolidated Group entered into a tax sharing agreement which, in the opinion of the directors, limits the joint and several liability of the wholly owned entities within the Tax Consolidated Group in the case of a default by the Company.

The entities in the Tax Consolidated Group have also entered into a Tax Funding Agreement under which the wholly owned entities of that group fully compensate the Company for any current tax payable assumed and are compensated by the Company for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to the Company under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly owned entities' financial statements.

OECD Pillar Two model rules

The group is within the scope of the OECD Pillar Two model rules and it applies the AASB 112 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The group has estimated that it will satisfy the transitional safe harbour requirements in all jurisdictions in which it operates.

G13: Auditor's remuneration

During the reporting period the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2025 Whole dollars $	2024 Whole dollars $
AUDIT AND OTHER ASSURANCE SERVICES		
Audit services:		
PricewaterhouseCoopers Australian firm:		
Audit and review of financial reports and other audit work under the Corporations Act 2001	607,100	639,111
Audit and review of financial reports and other audit work for foreign subsidiary	–	–
Network firms of PricewaterhouseCoopers Australia:		
Audit and review of financial reports and other audit work for foreign subsidiary	559,154	687,541
	1,166,254	**1,326,652**
Other assurance services:		
PricewaterhouseCoopers Australian firm:		
Restaurant sales certificates	5,517	5,400
Agreed upon procedures for covenant calculations	8,505	8,100
ESG assurance	128,750	94,600
	142,772	**108,100**
Total remuneration for audit and other assurance services	**1,309,026**	**1,434,752**
Total remuneration for services	**1,309,026**	**1,434,752**

It is the Group's policy to employ PricewaterhouseCoopers on assignments additional to their statutory audit duties where PricewaterhouseCoopers' expertise and experience with the Group are important. These assignments are principally tax advice, due diligence reporting on acquisitions and capital raisings, or where PricewaterhouseCoopers is awarded assignments on a competitive basis. It is the Company's policy to seek competitive tenders for all major consulting projects.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

G14: Contingencies

The parent entity and certain controlled entities entered into a Deed of Cross Guarantee (Amended and Restated) under which the parent entity guaranteed any deficiencies of funds on winding up of the controlled entities which are party to the Deed. At the date of these statements, there were reasonable grounds to believe that the Company will be able to meet any obligations or liabilities to which it is, or may become, subject by virtue of the Deed.

As described in Note B2, CFG Finance Pty Limited (a wholly owned subsidiary) and several other related entities entered into Syndicated and Working Capital credit facilities. As a consequence, the Company and its subsidiaries became registered guarantors of all the obligations in respect of these loan facilities.

REST BREAK CLASS ACTION

Certain members of Collins Foods Group are Respondents (the Collins Group respondents) to two class action proceedings commenced in the Victorian registry of the Federal Court of Australia, namely:

1. *Singh & Ors v Kentucky Fried Chicken Pty Ltd & Ors* (Proceeding VID887 of 2023); and
2. *Westgarth & Ors v Kentucky Fried Chicken Pty Ltd & Ors (Proceeding VID1061 of 2023).*

On 30 April 2024, the Court ordered that these two proceedings be consolidated into a single consolidated proceeding known as *Roshanpal Singh & Ors v Kentucky Fried Chicken Pty Ltd (ACN 000 587 780) & Ors* under Court file VID887/2023 (Consolidated Proceeding). The Consolidated Proceeding is brought by 11 named applicants (including the Shop, Distributive and Allied Employees Association) on their own behalf and on behalf of all persons (the Class) who were:

- employed by any of the 85 respondents (including the Collins Group respondents) and who worked at a KFC restaurant in a period commencing in October 2017 or December 2017; and
- who, during their employment, did not receive one or more 10-minute rest breaks or rest pauses (as the case may be) (Rest Break) to which they were entitled under then prevailing industrial agreements and awards (the Industrial Instruments).

The Consolidated Proceeding seeks on behalf of the Applicants and the Class declarations that the Respondents breached applicable Industrial Instruments and recovery of pecuniary penalties and compensation under the Fair Work Act for loss and damage caused by any requirement to work during periods when they were entitled to a Rest Break, and interest (the Claims). The amount of the loss and damage sought in the Claims is: the monetary amounts they ought to have been paid (corresponding to the time that ought to have been given for the missed Rest Breaks): and any consequent loss of amenity (which is unquantified).

The Consolidated Proceeding and the Claims are complex and at an early stage. It is not yet possible to reliably estimate the financial effect, if any, of the respondents, including the Collins Group respondents. Any such liability will depend on, among other things:

- the Court's (or other) determination of:
  - the criteria to be applied to determine an employee's eligibility to be included in the Class (eligible Class members) (and therefore the total potential number of Class members who may claim against the Collins Group respondents);
  - the circumstances under which an employee is entitled to a Rest Break under the applicable Industrial Instrument(s);
  - the actions of the Collins Group respondents required to meet any obligation under an applicable Industrial Instrument to provide a Rest Break;
  - the circumstances under which a Collins Group respondent shall be deemed to have failed to meet such obligations;
  - the amount and/or manner of calculation of compensation (if any) payable to eligible Class members who establish a Claim; and
  - the manner of establishing any such entitlement.
- the number, if any, of Rest Breaks not provided to eligible Class members while employed by one or more of the Collins Group respondents in the six-year period commencing in December 2017;
- the number, if any, of eligible Class members who were employed by one or more of the Collins Group respondents and who choose to opt-out of the Consolidated proceeding or are unable or unwilling to establish a Claim.

H: GROUP STRUCTURE

H1: Subsidiaries and Deed of Cross Guarantee

H2: Parent entity financial information

H1: Subsidiaries and Deed of Cross Guarantee

The Consolidated Financial Statements at 27 April 2025 include the following subsidiaries. The reporting period end of all subsidiaries is the same as that of the parent entity (a).

Name of entity	Notes	Place of business/country of incorporation	Acronym	Percentage of shares held 2025 %	Percentage of shares held 2024 %
CFG Finance Pty Limited	(b)	Australia	CFGF	100	100
Collins Foods Holding Pty Limited	(b)	Australia	CFH	100	100
Collins Foods Finance Pty Limited	(b)	Australia	CFF	100	100
Collins Foods Group Pty Ltd	(b)	Australia	CFG	100	100
Collins Restaurants Queensland Pty Ltd	(b)	Australia	CRQ	100	100
Collins Restaurants NSW Pty Ltd	(b)	Australia	CRN	100	100
Collins Restaurants West Pty Ltd	(b)	Australia	CRW	100	100
Fiscal Nominees Company Pty Ltd	(b)	Australia	FNC	100	100
Collins SRG Pty Ltd	(b)	Australia	SRG	100	100
Collins Restaurants Management Pty Ltd	(b)	Australia	CRM	100	100
Collins Restaurants South Pty Ltd	(b)	Australia	CRS	100	100
Collins Foods Subsidiary Pty Ltd	(b)	Australia	CFS	100	100
Snag Stand Leasing Pty Ltd	(b)	Australia	SSL	100	100
Snag Stand Corporate Pty Limited	(b)	Australia	SSC	100	100
Snag Stand Franchising Pty Ltd	(b)	Australia	SSF	100	100
Snag Stand International Pty Ltd	(b)	Australia	SSI	100	100
Snag Holdings Pty Ltd	(b)	Australia	SNG	100	100
Collins Property Development Pty Ltd	(b)	Australia	CPD	100	100
Club SRG Pty Ltd	(b)	Australia	CSP	100	100
Collins Foods Australia Pty Ltd	(b)	Australia	CFA	100	100
Collins Finance and Management Pty Ltd	(b)	Australia	CFM	100	100
Collins Foods Europe Limited	(c) (d)	United Kingdom	CFEL	–	100
Collins Foods Holdings Europe B.V.	(c)	Netherlands	CFEH	100	100
Collins Foods Netherlands Operations B.V.	(c)	Netherlands	CFNO	100	100
Collins Foods Netherlands Management B.V.	(c)	Netherlands	CFNM	100	100
Collins Foods Germany GmbH	(c)	Germany	GmbH	100	100

a) Collins Foods Limited is incorporated and domiciled in Australia. The Registered office is located at Level 3, KSD1, 485 Kingsford Smith Drive, Hamilton, Queensland 4007.

b) These companies have entered into a Deed of Cross Guarantee (Amended and Restated), dated 27 April 2017, with Collins Foods Limited which provides that all parties to the deed will guarantee to each creditor payment in full of any debt of each company participating in the deed on winding up of that company. As a result of the ASIC Corporations (Wholly owned Companies) Instrument 2016/785 (*ASIC Instrument 2016/785*) which replaced *ASIC Class Order CO 98/1418*, these companies are relieved from the requirement to prepare financial statements.

c) These companies are not Australian registered companies and are not covered by the *ASIC Instrument 2016/785*.

d) Entity liquidated during the 2025 reporting period as a result of the restructure of European operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

H1: Subsidiaries and Deed of Cross Guarantee continued

The Consolidated Income Statement, Consolidated Statement of Comprehensive Income and Summary of Movements in Consolidated Retained Earnings of the entities in the ASIC Instrument 2016/785 'Closed Group' are as follows.

As there are no other parties to the Deed of Cross Guarantee (Amended and Restated), that are controlled by Collins Foods Limited, the below also represents the 'Extended Closed Group'.

	Closed Group	
	2025 $000	2024 $000
Consolidated Income Statement		
Sales revenue	1,207,216	1,175,410
Cost of sales	(582,427)	(577,578)
Gross profit	**624,789**	**597,832**
Selling, marketing and royalty expenses	(280,495)	(267,300)
Occupancy expenses	(66,960)	(61,124)
Restaurant related expenses	(92,591)	(82,834)
Administration expenses	(67,247)	(64,669)
Other expenses	(20,613)	(11,580)
Other income	295	9,170
Finance costs – net	(32,211)	(30,078)
Other gains/(losses) – net	451	20,094
Profit from operations before income tax	**65,418**	**109,511**
Income tax expense	(21,985)	(26,302)
Profit from operations	**43,433**	**83,209**
Net profit attributable to the Closed Group	**43,433**	**83,209**

	Closed Group	
	2025 $000	2024 $000
Consolidated Statement of Comprehensive Income		
Profit from continuing operations	**43,433**	**83,209**
Other comprehensive income:		
Cash flow hedges	(3,657)	(1,328)
Income tax relating to components of other comprehensive income	1,097	398
Other comprehensive income for the period, net of tax	**(2,560)**	**(930)**
Total comprehensive income for the period	**40,873**	**82,279**
Total comprehensive income for the reporting period is attributable to:		
Owners of the parent	**40,873**	**82,279**

	Closed Group	
	2025 $000	2024 $000
Summary of Movements in Consolidated Retained Earnings		
Retained earnings at the beginning of the reporting period	**259,242**	**208,325**
Profit for the period	43,433	83,209
Dividends provided for or paid	(31,193)	(32,292)
Retained earnings at the end of the reporting period	**271,482**	**259,242**

H1: Subsidiaries and Deed of Cross Guarantee continued

The Consolidated Balance Sheet of all entities in the ASIC Instrument 2016/785 'Closed Group' as at the end of the reporting period is as follows:

	Closed Group	
	2025 $000	2024 $000
Current assets		
Cash and cash equivalents	94,302	64,328
Receivables	2,574	4,585
Inventories	8,134	7,636
Derivative financial instruments	–	2,640
Current tax asset	–	–
Other assets	2,271	2,729
Total current assets	**107,281**	**81,918**
Non-current assets		
Property, plant and equipment	198,352	197,128
Intangible assets	347,603	347,566
Right-of-use assets	414,452	393,940
Deferred tax assets	68,851	58,689
Derivative financial instruments	–	592
Other financial assets	99,701	99,381
Total non-current assets	**1,128,959**	**1,097,296**
Total assets	**1,236,240**	**1,179,214**
Current liabilities		
Trade and other payables	102,997	93,185
Lease liabilities	35,648	29,405
Current tax liabilities	9,683	5,186
Derivative financial instruments	334	–
Provisions	19,001	14,731
Total current liabilities	**167,663**	**142,507**
Non-current liabilities		
Borrowings	151,449	155,120
Lease liabilities	474,024	445,489
Derivative financial instruments	314	–
Provisions	4,506	4,056
Total non-current liabilities	**630,293**	**604,665**
Total liabilities	**797,956**	**747,172**
Net assets	**438,284**	**432,042**
Equity		
Contributed equity	302,831	300,157
Reserves	(136,029)	(127,357)
Retained earnings	271,482	259,242
Total equity	**438,284**	**432,042**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

H2: Parent entity financial information

SUMMARY FINANCIAL INFORMATION

The individual financial statements for the parent entity show the following aggregate amounts:

	2025 $000	2024 $000
Balance sheet		
Current assets	533,297	527,178
Non-current assets	123	123
Total assets	**533,420**	**527,301**
Current liabilities	153,196	149,480
Non-current liabilities	–	30
Total liabilities	**153,196**	**149,510**
Net assets	**380,224**	**377,791**
Shareholders' equity		
Issued capital [1]	349,045	346,488
Reserves	3,218	3,900
Retained earnings	27,961	27,403
	380,224	**377,791**
Profit or loss for the period	**31,634**	**35,477**
Total comprehensive income	**31,634**	**35,477**

1. Represents share capital of the parent entity. This differs from the share capital of the Group due to the capital reconstruction of the Group treated as a reverse acquisition in the 2012 reporting period.

GUARANTEES ENTERED INTO BY THE PARENT ENTITY

The parent entity has provided unsecured financial guarantees in respect of bank loan facilities amounting to $180 million and €145 million as stated in Note B2. In addition, there are cross guarantees given by the parent entity as described in Note H1. All controlled entities will together be capable of meeting their obligations as and when they fall due by virtue to the Deed of Cross Guarantee (Amended and Restated) dated 27 April 2017. The parent entity has guaranteed to financially support a number of its international subsidiaries until July 2025. No liability was recognised by the parent entity in relation to these guarantees, as their fair value is considered immaterial.

CONTINGENT LIABILITIES OF THE PARENT ENTITY

Except as described above in relation to guarantees, the parent entity did not have any contingent liabilities as at 27 April 2025 (2024: nil).

I: BASIS OF PREPARATION AND OTHER ACCOUNTING POLICIES

I1: Basis of preparation
I2: Changes in accounting policies
I3: Other accounting policies

I1: Basis of preparation

COMPLIANCE

These financial statements have been prepared as a general purpose financial report in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the *Corporations Act 2001*. Collins Foods Limited is a for-profit entity for the purpose of preparing the consolidated financial statements.

The Consolidated Financial Statements of the Group comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

MEASUREMENT

Collins Foods Limited is a for-profit entity for the purpose of preparing the Consolidated Financial Statements. The financial statements have also been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative instruments).

GOING CONCERN

The financial report has been prepared on a going concern basis. The Directors are of the opinion that the Group will be able to continue to operate as a going concern having regard to available non-current debt facilities and the Group's internally generated cash resources.

In the current reporting period, the Group has a net current liability position of $89.1 million. The predominant reason for this net current liability position is the application of AASB16, with lease payments due in the next financial year recognised as current liabilities. Excluding lease liabilities there would be a net current liability position of $33.7 million, resulting predominately from an increase in trade and other payables. The Group has undrawn bank loan facilities of $167.5 million and undrawn working capital facilities of $9.5 million, thus do not consider this to be a risk to its' going concern basis. The Group's loan covenants are based on results excluding the impact of AASB16. The current covenant ratios have significant headroom at current performance and there are sufficient undrawn facilities available, both within the Working Capital Facility and Bank Loan Facility, should the Group require access to additional funds, all repayable beyond 12 months (refer to Note B2).

CONSOLIDATION

The Consolidated Financial Statements include the financial statements of the parent entity, Collins Foods Limited (the Company) and its subsidiaries (together referred to as the Group) (see Note H1 on subsidiaries). All transactions and balances between companies in the Group are eliminated on consolidation. Subsidiaries are all those entities over which the Company has the power to govern the financial and operating results and policies and often accompanies a shareholding of more than one-half of the voting rights. The results of subsidiaries acquired or disposed of during the reporting period are included in the Consolidated Statement of Comprehensive Income from the effective date of acquisition or up to the effective date of disposal, as appropriate. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

REPORTING PERIOD

The Group utilises a fifty-two, fifty-three week reporting period ending on the Sunday nearest to 30 April. The 2025 reporting period comprised the fifty-two weeks which ended on 27 April 2025 (2024: a fifty-two week reporting period which ended on 28 April 2024).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

I1: Basis of preparation continued

FOREIGN CURRENCIES

Items included in the financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The Consolidated Financial Statements are presented in Australian dollars, which is the functional and presentation currency of the Company.

Transactions in foreign currencies are converted at the exchange rates in effect at the dates of each transaction. Amounts payable to or by the Group in foreign currencies have been translated into Australian currency at the exchange rates ruling on balance date. Gains and losses arising from fluctuations in exchange rates on monetary assets and liabilities are included in the Consolidated Income Statement in the period in which the exchange rates change, except when deferred in equity as qualifying cash flow hedges.

The foreign currency results and financial position of foreign operations are translated into Australian dollars as follows:

– assets and liabilities at the exchange rate at the end of the reporting period;
– income and expenses at the average exchange rates for the reporting period; with
– all resulting exchange differences recognised in other comprehensive income and accumulated in equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate at the end of the reporting period.

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are included in the following notes:

– Note A2: Business combinations;
– Note G5: Property, plant and equipment;
– Note G6: Intangible assets;
– Note G7: Impairment of assets;
– Note G8: Leases; and
– Note G10: Provisions.

Collins Foods made the strategic decision to exit the Taco Bell business. The carrying value of assets in the Taco Bell business are minimal, given impairments recorded in previous years. The Group considered the requirement of AASB 5 *Non-current Assets Held for Sale and Discontinued Operations* and concluded that the criteria for classifying the assets and liabilities of the business as held for sale at 27 April 2025 have not been met. This is largely on the basis that discussions remain ongoing with Taco Bell International regarding the exit options.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

COMPARATIVES AND RESTATEMENTS OF PRIOR YEAR BALANCES

Comparatives may have been reclassified where appropriate to enhance comparability.

I1: Basis of preparation continued

NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

Other than disclosed below, the Group has not applied any new standards or amendments for the first time for the period commencing 29 April 2024:

AASB 2020-1, AASB 2020-6 AASB 2022-6 Amendments to AASB 101 Presentation of Financial Statements

As a result of the adoption of the amendments to AASB 101 *Presentation of Financial Statements*, the Group changed its accounting policy for the classification of borrowings:

- Borrowings are classified as current liabilities unless, at the end of the reporting period, the Group has a right to defer settlement of the liability for at least 12 months after the reporting period; and
- Covenants that the Group is required to comply with on, or before the end of the reporting period are considered in classifying loan arrangement with covenants as current or non-current. Any covenants that the Group is required to comply with after the reporting period do not affect the classification.

The change in accounting policy did not result in a change in the classification of the Group's borrowings. The Group did not make retrospective changes as a result of adopting the amendments to AASB 101.

NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

Certain new accounting standards and interpretations have been published that are not mandatory for the 27 April 2025 reporting period and have not been early adopted by the group. The Group's assessment of the impact of these new standards and interpretations is that the impact to the Group is immaterial. At this stage the Group does not intend to adopt any of the new standards before the effective dates.

I2: Changes in accounting policies

The accounting policies adopted in this report were consistently applied to each entity in the Group and are consistent with those of the prior reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

I3: Other accounting policies

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST) except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST payable to the taxation authority is included as part of trade and other payables (see Note G9).

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

COST OF SALES

For the purposes of the Consolidated Income Statement, cost of sales includes the carrying amount of inventories sold during the reporting period and an estimated allocation of labour incurred in relation to preparing those inventories for sale.

OCCUPANCY EXPENSES

Occupancy expenses include: fixed rentals, contingent rentals, land tax, outgoings and depreciation relating to buildings and leasehold improvements.

RESTAURANT RELATED EXPENSES

Restaurant related expenses include: utilities, maintenance, labour and on-costs (except those allocated to cost of sales), cleaning costs, depreciation of plant and equipment (owned and leased) located in restaurants and amortisation of franchise rights.

INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Cost is assigned on a first-in first-out basis and includes expenditure incurred in acquiring the stock and bringing it to the existing condition and location.

OTHER INCOME

Interest income is recognised on a time proportion basis using the effective interest method.

Also included in other income is development agreement income, which is related to achieving targets included in development agreements. This is recognised at a point in time when the targets are achieved.

Other items of miscellaneous income are also included in this amount.

GOVERNMENT GRANTS

Grants from Australian and overseas governments are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate. The grant is recognised under the profit or loss by deducting the value from the related expense the grant was received for.

Traineeship grants are accounted for as a reduction of the related expense.

Government grants were received by the Group in the current year for traineeships, amounting to $0.6 million (2024: $1.7 million).

BUSINESS COMBINATIONS UNDER COMMON CONTROL

When an entity within the Group acquires an entity under common control, the acquiring entity consolidates the carrying values of the acquired entity's asset and liabilities from the date of acquisition. The consolidated financial statements of the Group include the income and expenditures from the date of acquisition. Any difference between the fair value of the consideration paid/ transferred by the acquirer and the net assets/(liabilities) of the acquired are taken to the common control reserve in the equity section of the balance sheet.

J: SUBSEQUENT EVENTS

J1: Subsequent events

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

The Group is not aware of any matters or circumstances that have arisen since the end of the financial year which have significantly or may significantly affect operations and results.

End of Financial Statements and Notes.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Basis of Preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of Tax Residency

Section 295 (3A)(vi) of the *Corporations Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency. It should be noted that the definitions of 'Australian resident' and "foreign resident' in the *Income Tax Assessment Act 1997* are mutually exclusive. Therefore, if an entity is an Australian resident, it cannot be a foreign resident for the purposes of disclosure in the CEDS.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency: the consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance on Tax Ruling TR 2018/5.

Foreign tax residency: where necessary, the consolidated entity has used independent tax advisors in foreign jurisdiction to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the *Corporations Act 2001*).

Partnerships and Trusts: Australian tax law generally does not contain corresponding residency tests for partnerships and trusts and these entities are typically taxed on a flow-through basis. Additional disclosures on the tax status of partnerships and trusts have been provided where relevant.

Name of entity	Type of entity	Trustee, partner or participant in JV	Percentage of share capital	Place of incorporation	Australian or foreign resident	Foreign jurisdiction of foreign residents
Collins Foods Limited	Body Corporate	–	N/A	Australia	Australian	N/A
CFG Finance Pty Limited	Body Corporate	–	100	Australia	Australian	N/A
Collins Foods Holding Pty Limited	Body Corporate	–	100	Australia	Australian	N/A
Collins Foods Finance Pty Limited	Body Corporate	–	100	Australia	Australian	N/A
Collins Foods Group Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Collins Restaurants Queensland Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Collins Restaurants NSW Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Collins Restaurants West Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Fiscal Nominees Company Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Collins SRG Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Collins Restaurants Management Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Collins Restaurants South Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Collins Foods Subsidiary Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Snag Stand Leasing Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Snag Stand Corporate Pty Limited	Body Corporate	–	100	Australia	Australian	N/A
Snag Stand Franchising Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Snag Stand International Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Snag Holdings Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Collins Property Development Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Club SRG Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Collins Foods Australia Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Collins Finance and Management Pty Ltd	Body Corporate	–	100	Australia	Australian	N/A
Collins Foods Holdings Europe B.V.	Body Corporate	–	100	Netherlands	Foreign	Netherlands
Collins Foods Netherlands Operations B.V.	Body Corporate	–	100	Netherlands	Foreign	Netherlands
Collins Foods Netherlands Management B.V.	Body Corporate	–	100	Netherlands	Foreign	Netherlands
Collins Foods Germany GmbH	Body Corporate	–	100	Germany	Foreign	Germany

DIRECTORS' DECLARATION

In the Directors' opinion:

– the financial statements and notes set out on pages 51 to 109 are in accordance with the *Corporations Act 2001*, including:
  - complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - giving a true and fair view of the consolidated entity's financial position as at 27 April 2025 and of its performance for the period ended on that date;

– there are reasonable grounds to believe that Collins Foods Limited will be able to pay its debts as and when they become due and payable;

– the *Consolidated Entity Disclosure Statement* on page 110 is true and correct; and

– at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in Note H1 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the Deed of Cross Guarantee (Amended and Restated) described in Note H1.

Note I1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Managing Director & CEO and the Group CFO required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.

This report is made in accordance with a resolution of Directors.

ROBERT KAYE SC
Chair

Brisbane
24 June 2025

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report

To the members of Collins Foods Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Collins Foods Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 27 April 2025 and of its financial performance for the period 29 April 2024 to 27 April 2025

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated income statement for the period 29 April 2024 to 27 April 2025
- the consolidated statement of comprehensive income for the period 29 April 2024 to 27 April 2025
- the consolidated balance sheet as at 27 April 2025
- the consolidated statement of cash flows for the period 29 April 2024 to 27 April 2025
- the consolidated statement of changes in equity for the period 29 April 2024 to 27 April 2025
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information
- the consolidated entity disclosure statement as at 27 April 2025
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Audit scope	*Key audit matters*
Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events. • In establishing the overall approach to the group audit, we determined the type of work that needed to be performed by us, as the group auditor, or component auditors from other PwC network firms or other networks operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the Group financial statements as a whole	• Amongst other relevant topics, we communicated the following key audit matters to the Audit and Risk Committee: – Carrying value of restaurant assets – Provision for potential unpaid employee entitlements • These are further described in the *Key audit matters* section of our report.

INDEPENDENT AUDITOR'S REPORT

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context.

Key audit matter	*How our audit addressed the key audit matter*
Carrying value of restaurant assets *Impairment of Assets (Refer to note G7)* *Property, Plant & Equipment (Refer to note G5),* *Franchise Rights (Refer to note G6), and* *Right of Use assets (Refer to note G8)* The Group assesses impairment of restaurant assets on a restaurant-by-restaurant basis for each segment. An impairment indicators analysis is performed, and where impairment indicators are present, value in use impairment models are then prepared to determine whether the carrying amount is supported. We considered this a key audit matter given the financial significance of the restaurant asset balances in the Group's balance sheet and the significant level of judgement and estimate involved in determining the value in use for each restaurant with indicators of impairment.	We evaluated the reasonableness of management's impairment indicator assessment by reference to the external and internal sources of information available for each restaurant. For each of the Group's restaurant that had an indicator of impairment, we performed the following procedures amongst others: • Developed an understanding of the process undertaken by the Group in the preparation of the discounted cash flow models used to assess the recoverable amount of the store asset (the "impairment models"). • Tested the mathematical accuracy of the underlying calculations in the impairment models. • Compared the FY2025 actual results with prior corresponding reporting period forecasts to assess the historical accuracy of the Group's forecasting processes. • Assessed the reasonableness of growth rates used in the model with reference to historical results, and specific restaurant action plans and initiatives. • Evaluated the appropriateness of the discount rate and long-term growth rate assumptions in the impairment models, with the support of PwC valuation specialists, by comparing them to market observable inputs. • Assessed the sensitivity to changes in key assumptions that would be required for assets to be impaired and considered the likelihood of such movements in those key assumptions arising. • Evaluated the reasonableness of the disclosures made in note G7 to the financial report in light of the requirements of Australian Accounting Standards.

Key audit matter	*How our audit addressed the key audit matter*
Provision for potential unpaid employee entitlements *Note G10 (Provisions)* The Group continues to review historical employment and wage data for the eight-year period from 1 May 2017 to 27 April 2025 to determine whether and in what circumstances employees may have been entitled to receive other payments during this period which have not been paid. The Group recognised a provision of $7.9m at 27 April 2025 which is management's current best estimate of the expenditure that may be required to settle any obligation to meet any unpaid entitlements and is subject to uncertainties and dependencies as described in Note G10. This was considered a key audit matter because of the estimation uncertainty and judgements used in determining the amounts to be used in calculating the provision.	We performed the following audit procedures in relation to the Group's provision for underpayment of employees, amongst others: • Developed an understanding of the basis for management's estimate of the provision and the nature of the estimation uncertainty at the balance date • Evaluated the reasonableness of the assumptions utilised by management in determining the estimate • Together with PwC data and payroll experts, we evaluated the reasonableness of management's methodologies in calculating the estimate • On a sample basis, tested the accuracy and completeness of the underlying data used in determining the estimate • Evaluated the reasonableness of the disclosures made in note G10 to the financial report in light of the requirements of Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the period 29 April 2024 to 27 April 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

pwc

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the period 29 April 2024 to 27 April 2025.

In our opinion, the remuneration report of Collins Foods Limited for the period 29 April 2024 to 27 April 2025 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

Michael Crowe

Michael Crowe
Partner

Brisbane
24 June 2025

SHAREHOLDER INFORMATION

Shareholder information that has not been stated elsewhere in the Annual Report is set out below. The shareholder information set out below was applicable as at the close of trading on 2 June 2025.

Distribution of equity securities

Analysis of the number of equity security holders by size of holding and the total percentage of securities in that class held by the holders in each category:

Holding	Number of shareholders of ordinary shares	Percentage of total ordinary shares on issue %	Number of holders of performance rights	Percentage of performance rights on issue %	Number of holders of ownership share plan rights	Percentage of ownership share plan rights on issue %
1 – 1000	7,220	2.3	–	–	489	94.7
1,001 – 5,000	3,852	7.7	14	5.1	11	5.3
5,001 – 10,000	717	4.3	10	8.0	–	–
10,001 – 100,000	434	8.2	11	60.1	–	–
100,001 and over	40	77.5	2	26.7	–	–
Total	**12,263**	**100.0**	**37**	**100.0**	**500**	**100.0**

Total ordinary shares on issue	117,882,713
Total unquoted performance rights on issue	806,794
Total unquoted ownership share plan rights on issue	237,203

There were 861 holders of less than a marketable parcel of ordinary shares.

Equity security holders

The names of the 20 largest holders of the only class of quoted equity securities are listed below:

Name	Ordinary shares: Number held	Ordinary shares: Percentage of issued shares %
CITICORP NOMINEES PTY LIMITED	26,205,483	22.2
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	24,625,586	20.9
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	18,774,259	15.9
KEVIN PERKINS	6,850,574	5.8
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	2,577,334	2.2
BNP PARIBAS NOMS PTY LTD	1,435,188	1.2
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	1,370,969	1.2
ANACACIA PTY LTD <WATTLE FUND A/C>	1,122,886	1.0
NATIONAL NOMINEES LIMITED	1,062,904	0.9
CHRIKIM PTY LTD <GEOFFREY WRIGHT INCOME A/C>	826,585	0.7
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	781,643	0.7
MRS HEATHER LYNNETTE GRACE	416,301	0.4
BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS>	371,328	0.3
CITICORP NOMINEES PTY LIMITED <143212 NMMT LTD A/C>	356,823	0.3
PERKINS FAMILY INVESTMENT CORPORATION PTY LTD	327,273	0.3
MICHAEL KEMP PTY LTD <MICHAEL KEMP A/C>	300,910	0.3
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	297,492	0.3
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	270,309	0.2
MICHELE TAYLOR PTY LTD <SUPER FUND A/C>	266,319	0.2
ADRIAN MARK ARGENT	250,000	0.2
Total	**88,490,166**	**75.1**

SHAREHOLDER INFORMATION

Substantial holders

Substantial holders (including associate holdings) in the Company, based on the most recent substantial holder notices lodged with the Company and ASX, are set out below:

	Ordinary shares	
	Number held	Percentage %
Allan Gray Australia Pty Ltd	6,548,093	5.6
State Street Corporation	6,463,743	5.5
Yarra Capital Management Limited	7,200,999	6.1
Kevin Perkins	7,241,484	6.1
The Vanguard Group Inc.	5,884,191	5.0

Restricted Securities and share buy-backs

A voluntary holding lock will be applied to:

- 6,255 fully paid ordinary shares for a period of 12 months, if they are issued, upon the vesting of 6,255 performance rights in accordance with the rules of the LTIP; and
- 32,508 fully paid ordinary shares for a period of 24 months, if they are issued, upon the vesting of 32,508 performance rights in accordance with the rules of the LTIP.

The Company is not currently conducting an on-market share buy-back.

Voting rights

FULLY PAID ORDINARY SHARES

On a show of hands every member present at a meeting in person or by proxy shall have one vote. Upon a poll, each share shall have one vote.

PERFORMANCE RIGHTS

The performance rights do not have any voting rights. The fully paid ordinary shares to be allotted on the exercise of the performance rights will have the voting rights noted above for fully paid ordinary shares.

CORPORATE DIRECTORY

DIRECTORS
Robert Kaye SC,
Chair

Xavier Simonet,
Managing Director & CEO

Nicki Anderson

Nigel Clark

Mark Hawthorne

Christine Holman

Kevin Perkins

COMPANY SECRETARY
Tracey Wood

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Outside Australia: +61 3 9415 4000

AUDITOR
PricewaterhouseCoopers
480 Queen Street Brisbane QLD 4000

STOCK EXCHANGE LISTINGS
Collins Foods Limited shares are listed on the Australian Securities Exchange

WEBSITE ADDRESS
www.collinsfoods.com

Collins Foods' Corporate Governance Statement is located at www.collinsfoods.com/investors/corporate-governance/

COLLINS FOODS LIMITED