



COLLINS FOODS LIMITED

ACN 151 420 781 | ABN 13 151 420 781

PO Box 286 Lutwyche QLD 4030
Level 3, KSD1, 485 Kingsford Smith Drive
Hamilton QLD 4007 Australia
T +61 7 3352 0800 | F +61 7 3352 0894

COLLINS FOODS LIMITED
ACN 151 420 781

TAX TRANSPARENCY REPORT

For the reporting period ended 27 April 2025



ABOUT US

Collins Foods Limited (the **Company**) is an Australian listed public company (ASX: CKF) and the ultimate parent of the Collins Foods Group (**Collins Foods**). Collins Foods is committed to providing transparency over its tax affairs to demonstrate its commitment to compliance with all tax laws in the countries in which it operates.

This report follows the guidelines in the Australian Board of Taxation's Tax Transparency Code and the information contained within was sourced from financial records and audited financial statements (**Financial Report**) for the reporting period ended 27 April 2025 (**FY25**). The Financial Report is prepared following Australian Accounting Standards and therefore complies with International Financial Reporting Standards (**IFRS**).

Collins Foods' business is the operation, management, and administration of restaurants under two restaurant brands, KFC and Taco Bell. For further information, please visit www.collinsfoods.com.

TAX POLICY, STRATEGY AND GOVERNANCE

Collins Foods understands that tax risk management is a key part of good corporate governance and is committed to ensuring full compliance with its statutory taxation obligations in all countries in which it operates.

Collins Foods maintains documented frameworks, policies, and procedures in relation to tax risk management. The Board delegates oversight of tax risk management to the Audit and Risk Committee. Collins Foods' procedures include regular reporting to the Audit and Risk Committee which in turn updates the Board. The Financial Report, including tax calculations and disclosures, are subject to external audit. Corporate income tax filings in all jurisdictions are either prepared or reviewed by external tax advisors and advice is sought for all material tax matters.

Collins Foods intends to follow all relevant tax laws and regulations. This means:

- Taxes will be managed with the objective that all tax liabilities properly due under the law in all jurisdictions are correctly recorded, accounted for and paid on time.
- Relationships with tax authorities will be transparent and pro-actively managed.
- Collins Foods respects the spirit of the applicable tax laws in the jurisdictions it operates in and will not adopt any aggressive tax planning strategies. All transactions entered, and structures adopted, will have commercial substance.
- Collins Foods will aim for a high-level of comfort on material tax positions, including, where appropriate, via engagement with authorities.
- If tax risks occur, they will always be actioned, and any weaknesses identified will be rectified.

TOTAL TAX CONTRIBUTIONS

Tax disclosures in this report were sourced from the Financial Report. Due to the application of accounting standards, differences may exist between income tax expense calculated in the Financial Report and the total cash taxes paid in a relevant jurisdiction during the same income year. These differences arise from factors including the availability of current or prior period tax losses, and the timing of tax instalments and payments.

The amounts below exclude other indirect taxes paid by Collins Foods or collected and passed on to the ATO and other local authorities responsible for the collection of taxes, such as fringe benefits tax, payroll tax, PAYG withholding and stamp duty.

	Group	Australia
	\$000	\$000
Corporate income tax	27,865	26,546
GST/VAT paid	67,561	73,369
Total	95,426	99,915

EFFECTIVE TAX RATE

The effective tax rate (being accounting income tax expense expressed as a percentage of the profit before tax) differs from the actual income tax payable in an income year due to timing differences (where the timing of income and expense recognition differs for accounting and tax purposes).

	Group	Australia
	\$000	\$000
Accounting profit	31,296	71,940
Current tax expense	32,069	31,642
Deferred tax expense	(9,387)	(9,161)
(Over)/Under provided in prior reporting periods	(220)	(497)
Income tax expense as per financial statements	22,462	21,985
Effective tax rate – Total tax	71.8%*	31%

* The high Group ETR reflects the non-recognition of Netherlands tax losses for financial reporting purposes. The Netherlands entities have tax losses which remain available for utilisation under local tax legislation but cannot currently be recognised for accounting purposes.

RECONCILIATION OF ACCOUNTING PROFIT TO INCOME TAX PAYABLE FOR THE GROUP

	\$000
Operating profit before income tax	31,296
Prima facie tax at 30%	9,389
Non-deductible expenditure	13,293
Prior year unders/overs	(220)
Income tax expense	22,462
Effect of temporary differences:	
Movement in employee provisions	7,359
Movement in accruals	(5,919)
Movements in fixed assets	3,535
Movements in intangibles	(3,292)
Deductions related to leases	4,678
Other	4,021
Income tax payable for current year	32,844
Less: Instalments paid	(20,863)
Less: Losses brought forward claimed	(127)
Tax payable balance (relates to prior year)	(594)
Tax payable per financial statements	11,260

INTERNATIONAL RELATED PARTY DEALINGS

In FY25, Collins Foods operated in Australia, Germany, and the Netherlands. International related party dealings were minimal; however, were conducted in accordance with Australian transfer pricing laws utilising arm's length methodologies prescribed by the Organisation of Economic Cooperation and Development.

The main dealings between Collins Foods' Australian and European operations were:

- Provision of administrative support and shareholder related activities; and
- Recharges of costs.