GUZMAN Y GOMEZ Mexican Kitchen

GUZMAN Y GOMEZ LIMITED
ACN 125 554 743

PROSPECTUS

INITIAL PUBLIC OFFERING OF ORDINARY SHARES

LEAD MANAGERS

Barrenjoey Partnering with BARCLAYS

Morgan Stanley

IMPORTANT NOTICES

OFFER

The Offer contained in this Prospectus is an invitation for you to apply for fully paid ordinary shares ("**Shares**") in Guzman y Gomez Limited (ACN 125 554 743) ("**GYG**" or "**Company**"). This Prospectus is issued by the Company and GYG SaleCo Limited (ACN 677 361 581) ("**SaleCo**"). See Section 7 for further information on the Offer, including as to details of the securities that will be issued and transferred under this Prospectus.

LODGEMENT AND LISTING

This Prospectus is dated 14 June 2024 and was lodged with ASIC on that date ("**Prospectus Date**"). It is a replacement prospectus which replaces the first replacement prospectus dated 7 June 2024 ("**First Replacement Prospectus**") that was lodged with ASIC on that date. The First Replacement Prospectus replaced the prospectus dated 31 May 2024 ("**Original Prospectus**") that was lodged with ASIC on that date ("**Original Prospectus Date**").

The differences between this Prospectus and the First Replacement Prospectus are: (i) the addition of a reference to note 8 in the "Enterprise value/FY25F Pro Forma EBITDA" row in the Key Offer Statistics and other clarifications in the notes regarding the impact of AASB 16 *Leases*; (ii) an amendment to Figure 45 to remove the reference to "network opportunity"; (iii) the inclusion of further detail regarding the settlement reached with former US executives in note 3(c) in Section 4.3.3; (iv) the addition of a summary of the challenges faced by the Company in relation to its expansion into the US market in Section 5.2.1 under "International growth", including information regarding the settlement reached with former US executives; (v) amendments to the Investment Overview and to Figure 88 in Section 6.3.1.4 to include clarifications about the participation by certain Directors in the selldown of Securities by Existing Securityholders under the Offer; (vi) an amendment to the corporate structure chart in Section 9.3 to reflect the change of name of the Company to "Guzman y Gomez Limited"; and (vii) ancillary updates to reflect this Prospectus being a replacement of the First Replacement Prospectus.

The First Replacement Prospectus differed from the Original Prospectus. The subsequent paragraphs describe the differences between the First Replacement Prospectus and the Original Prospectus. GYG has received a commitment from one or more funds advised by Capital Research Global Investors to subscribe for Shares at the Offer Price. As a result of this and additional institutional demand, the Offer has been upsized to $335.1 million (from $242.5 million), reflecting an additional selldown of $92.6 million by Selling Securityholders (in addition to the $42.5 million under the Original Prospectus). Important Dates have been updated to reflect the current timetable. The Key Offer Statistics, Chairman's Letter, Section 1.6, 7.1 and associated footnotes have been updated to reflect the increased Offer size. The Key Offer Statistics and associated footnotes have been updated to provide additional clarification on the calculation of Pro Forma net cash, enterprise value, Pro Forma EBITDA, Pro Forma Segment Underlying EBITDA and associated valuation ratios. Section 1.4, 4.3, 4.6, 4.7 and associated footnotes have been updated to reflect increased Offer costs as a result of the increased Offer size. Section 1.5, 7.1.3, 9.4 and associated footnotes have been updated to reflect additional selldown by Existing Securityholders. Section 1.5, 6.3.1.4 and associated footnotes have been updated to reflect the latest Directors' interests due to the additional selldown by Existing Securityholders. A clarification was made in the 'Total' row of the table reflecting Directors' interests to remove a double count and a footnote was added to explain this calculation. Section 1.5, 5.3, 7.1.3 and 9.7 have been updated to reflect changes to shares subject to voluntary escrow arrangements due to the impact of additional selling by Selling Securityholders and the inclusion of additional Securityholders who are subject to voluntary escrow arrangements. Note 5 to Figure 58 in Section 4.3.3 has been updated to provide additional clarification on the Pro Forma capital structure changes. Section 1.3 and 5.3.3 have been updated to provide additional disclosure on the dilutive impact of vested Options. Section 6.3.1.3 has been updated to provide additional clarification around Non-Executive Director remuneration. Section 6.3.3.2 has been updated with additional disclosure regarding loans from the Company to employees who are not Key Management Personnel in relation to Options granted under the LTI Plans. The issue date of certain Options has been updated in Appendix C. A new defined term "Original Prospectus" has been included to reference the Prospectus lodged with ASIC on 31 May 2024 which was replaced by the First Replacement Prospectus (some references to "Prospectus" have been amended to "Original Prospectus" where appropriate). Certain references to the date of this Prospectus have been updated to refer to the date of the Original Prospectus.

The Company has applied to the ASX for admission of the Company to the Official List and quotation of the Shares on the ASX ("**Listing**").

Neither ASIC nor the ASX takes any responsibility for the content of this Prospectus or for the merits of the investment to which this Prospectus relates.

EXPIRY DATE

No Shares will be issued or transferred on the basis of this Prospectus after the expiry date, being 13 months after the Original Prospectus Date.

NOTE TO APPLICANTS

The information contained in this Prospectus is not financial product advice and does not take into account the investment objectives, financial situation or particular needs (including financial and tax issues) of any prospective investor.

It is important that you read this Prospectus carefully and in its entirety before deciding whether to invest in the Company. In particular, in considering the prospects of the Company, you should consider the risk factors that could affect the performance of the Company. You should carefully consider these risks in light of your investment objectives, financial situation and particular needs (including financial and tax issues) and seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest in the Shares. Some of the key risk factors that should be considered by prospective investors are set out in Sections 1 and 5. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

You should also consider the assumptions underlying the Forecast Financial Information set out in Section 4.8 and the risk factors set out in Section 5 that could affect GYG's business, financial condition and results of operations.

No person named in this Prospectus, nor any other person, guarantees the performance of the Company, the repayment of capital by the Company or the payment of a return on the Shares.

EXPOSURE PERIOD

The Corporations Act prohibits the Company from processing applications to subscribe for, or acquire, Shares offered under this Prospectus ("**Applications**") in the seven day period after lodgement of the Original Prospectus with ASIC ("**Exposure Period**"). This Exposure Period has been extended by ASIC to 14 June 2024.

The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. The examination may result in the identification of deficiencies in this Prospectus, in which case any Application may need to be dealt with in accordance with section 724 of the Corporations Act.

Applications received during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be conferred on any Applications received during the Exposure Period.

PHOTOGRAPHS AND DIAGRAMS

Photographs and diagrams used in this Prospectus that do not have descriptions are for illustration only and should not be interpreted to mean that any person shown in them endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale or accurately represent the technical aspects of the products.

DISCLAIMER AND FORWARD-LOOKING STATEMENTS

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company, SaleCo, the Directors, the SaleCo Directors, the Joint Lead Managers or any other person in connection with the Offer. You should rely only on information in this Prospectus when deciding whether to invest in Shares. Except as required by law, and only to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

This Prospectus contains forward-looking statements which are statements that may be identified by words such as "may", "will", "would", "should", "could", "believes", "estimates", "expects", "intends", "plans", "anticipates", "predicts", "outlook", "forecasts", "guidance" and other similar words that involve risks and uncertainties. The Forecast Financial Information is an example of a forward-looking statement. This statement is based on an assessment of present economic and operating conditions and on a number of best estimate assumptions regarding future events and actions that, at the Original Prospectus Date, are expected to take place (including the key assumptions set out in Section 4.8) See also the sensitivities in Section 4.10.

Neither the Company nor SaleCo has any intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, other than to the extent required by law.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the directors and management of the Company and SaleCo. Forward-looking statements should therefore be read in conjunction with, and are qualified by reference to, Sections 3.7, 4 and 5, and other information in this Prospectus.

The Company and SaleCo cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

As set out in Section 7.14, it is expected that the Shares will be quoted on the ASX initially on a conditional and deferred settlement basis. The Company, SaleCo, the Company's service provider, Automic Pty Ltd (ACN 152 260 814) ("**Share Registry**") and the Joint Lead Managers disclaim all liability to persons who trade Shares before receiving their holding statement.

Barrenjoey Markets Pty Limited (ABN 66 636 976 059) ("**Barrenjoey**") and Morgan Stanley Australia Securities Limited (ABN 55 078 652 276) have acted as Joint Lead Managers to the Offer and have not authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Prospectus and there is no statement in this Prospectus which is based on any statement made by any Joint Lead Manager or by any of their respective affiliates or related bodies corporate (as defined in the Corporations Act) ("**Related Bodies Corporate**"), or any of their respective officers, directors, employees, partners, advisers or agents (other than the statement in Section 6.3.5.2 by Barrenjoey Private Capital). To the maximum extent permitted by law and other than where arising under law or to the extent caused by its fraud, gross negligence or wilful misconduct, each Joint Lead Manager, and each of its respective affiliates and Related Bodies Corporate, and each of its respective officers, directors, employees, partners, advisers and agents expressly disclaims all liabilities in respect of, makes no representations regarding, and takes no responsibility for, any part of this Prospectus other than references to its respective name and makes no representation or warranty as to the currency, accuracy, reliability or completeness of this Prospectus.

INTERESTS OF ADVISERS

Please note that an associate of Barrenjoey, Barrenjoey Trevally No.1 Pty Limited as trustee for Barrenjoey Sub Trust No 1 ("**Barrenjoey Private Capital**") holds 10.5% of Shares as at the Prospectus Date (on a fully diluted basis). Another associate of Barrenjoey, Barrenjoey Private Capital Management Pty Limited, acts as the manager in respect of that holding and may receive fees for that service. Employees of the Barrenjoey group, certain of which are or will be involved in the provision of lead manager and underwriting services for the Offer, are among the beneficial owners of that holding and/or other holdings in the Shares and so have an interest in the success of the Offer as it will provide future liquidity. A reference to employees in this disclosure includes employees, officers and directors of the Barrenjoey group.

Barrenjoey Private Capital will not sell any shares into the Offer and will be subject to voluntary escrow restrictions for a period of time following the Offer.

See Section 6.3.5 for more information about interests of advisers, including the fees payable to Barrenjoey for acting as a joint lead manager and underwriter for the Offer.

STATEMENTS OF PAST PERFORMANCE

This Prospectus includes information regarding the past performance of the Company. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

FINANCIAL INFORMATION PRESENTATION

All references to FY22 and FY23 appearing in this Prospectus are to the financial years ended 30 June 2022 and 30 June 2023, respectively, unless otherwise indicated. All references to 1H23 and 1H24 appearing in this Prospectus are to the half financial years ended 31 December 2022 and 31 December 2023 respectively, unless otherwise indicated. All references to FY24F and FY25F appearing in this Prospectus are to the financial years ending 30 June 2024 and 30 June 2025 respectively, unless otherwise indicated.

All financial amounts contained in this Prospectus are expressed in Australian dollars unless otherwise stated. Any discrepancies between totals and sums and components in tables, figures and diagrams contained in this Prospectus are due to rounding.

Section 4 sets out in detail the Financial Information referred to in this Prospectus. The basis of preparation of the Financial Information is set out in Section 4.2.

The Historical Financial Information has been prepared and presented in accordance with the recognition and measurement principles of Australian Accounting Standards (as adopted by the Australian Accounting Standards Board), which comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board.

This Prospectus includes Forecast Financial Information based on the best estimate assumptions of the Directors. The basis of preparation and presentation of the Forecast Financial Information, to the extent relevant, is consistent with the basis of preparation and presentation for the Historical Financial Information. The Forecast Financial Information presented in this Prospectus is unaudited.

The Financial Information in this Prospectus should be read in conjunction with, and it is qualified by reference to, the information contained in Sections 4 and 5.

NON-IFRS FINANCIAL INFORMATION

Investors should be aware that certain financial data included in this Prospectus is 'non-IFRS financial information' under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by ASIC. The Company believes this non-IFRS financial information provides useful information to users in measuring the financial performance and condition of the Company. The non-IFRS financial information does not have standardised meanings prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should it be construed as an alternative to other financial information determined in accordance with Australian Accounting Standards. Readers are cautioned, therefore, not to place undue reliance on any non-IFRS financial information or ratio included in this Prospectus.

MARKET AND INDUSTRY DATA

This Prospectus (and in particular Section 2 and Section 3) contains data relating to the industry and markets in which the Company operates ("**Industry Data**"). Such information includes, but is not limited to, statements and data relating to markets, market sizes, market position, market opportunity and demographic data, in each case pertaining to the Company's business and the markets in which the Company operates.

The Company commissioned Think Economics Pty Ltd (ACN 643 128 232) ("**Think Economics**") to prepare an independent report dated April 2024 on the Australian QSR market, including market size, market share, key drivers of demand, growth prospects and competitive dynamics ("**Market Report**"). This Prospectus indicates where information is being quoted directly from the Market Report and Think Economics has consented to the inclusion of that information in this Prospectus. The data provided by Think Economics in the Market Report is based on various assumptions and also includes, or is otherwise based on, information supplied to Think Economics by or on behalf of the Company, including internal financial and operational information.

Certain other Industry Data has been prepared by the Company using both publicly available data and internally generated data (including industry research). The Company's internally generated data is based on estimates and assumptions that both the Directors and the Company's management believe to be reasonable, as at the Original Prospectus Date. The Company's estimates involve risks and uncertainties and are subject to change based on various factors, including those described in the risk factors set out in Section 5. As indicated in this Prospectus, certain information has been sourced from Euromonitor and IBISWorld. The Company has not obtained the consent of these authors for the inclusion of such information in reliance on *ASIC Corporations* (*Consents to Statements) Instrument 2016/72*.

The Industry Data has not been independently prepared or verified and neither Think Economics (the author of the Market Report) nor any Joint Lead Manager can assure you as to its accuracy or the accuracy of the underlying assumptions used to estimate such Industry Data.

Any statements, data or other contents referenced or attributed to reports by or data from a third party (each a "**Third Party Report**") in this Prospectus, including the Market Report, represent research opinions or viewpoints only of that third party, and are in no way to be construed as statements of fact. While the views, opinions, forecasts and information contained in a Third Party Report are based on information believed by the third party author in good faith to be reliable, authors of Third Party Reports do not make any representation or guarantee as to the accuracy or completeness of any information upon which a view, opinion or forecast or any information contained in any Third Party Report is based. Any views, opinions or predictions contained in a Third Party Report are subject to inherent risks and uncertainties, and third parties do not accept responsibility for actual results or future events.

Any statement made in a Third Party Report is made as at the date of that Third Party Report and any forecasts or expressions of opinion are subject to future change without notice by any respective third party author of such reports. As such, investors are cautioned not to place undue reliance on such information. A third party is not obliged to, and will not, update or revise any content of a Third Party Report, other than where required by law, irrespective of any changes, events, conditions, availability of new information or other factors which may occur subsequent to the date of that Third Party Report. The Third Party Reports do not represent investment advice nor do they provide an opinion regarding the merits of the Offer.

Investors should note that industry and market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual industry or market conditions.

OBTAINING A COPY OF THIS PROSPECTUS

This Prospectus is available in electronic form to Australian residents on the Company's offer website, www.gyg.automicgroup.com.au ("**Offer Website**"). The Offer constituted by this Prospectus in electronic form is available only to Australian residents accessing the website within Australia and is not available to persons in any other jurisdictions, including the United States.

A hard copy of the Prospectus is available free of charge during the Offer Period to any person in Australia by calling the GYG IPO Information Line on 1300 441 602 (within Australia) or +61 2 9934 0529 (outside Australia) between 8:30am and 7:00pm (Sydney time), Monday to Friday, excluding national public holidays.

Applications for Shares may only be made on the Application Form attached to, or accompanying, this Prospectus in its hard copy form, or in its soft copy form available online at www.gyg.automicgroup.com.au, together with an electronic copy of this Prospectus. By making an Application, you declare that you were given access to the Prospectus, together with an Application Form.

The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to, or accompanied by, this Prospectus in its paper copy form or the complete and unaltered electronic version of this Prospectus.

NO COOLING OFF RIGHTS

Cooling off rights do not apply to an investment in Shares pursuant to the Offer. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

NO OFFERING WHERE ILLEGAL

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Shares or the Offer, or to otherwise permit a public offering of the Shares in any jurisdiction outside Australia. The distribution of this Prospectus (including in electronic form) outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus does not constitute an offer to sell, or a solicitation of any offer to buy, securities in the United States. In particular, the Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any State of the United States, and may not be offered or sold, directly or indirectly, in the United States, or to or for the account or benefit of, a US Person, except transactions exempt from or not subject to the registration requirements of the US Securities Act and any other applicable US securities laws. The Offer is not being extended to any investor outside Australia, other than to certain Institutional Investors as part of the Institutional Offer.

See Section 9.13 for more detail on selling restrictions that apply to the Offer and sale of Shares in jurisdictions outside Australia.

PRIVACY

By completing an Application Form, you are providing personal information to the Company and SaleCo through the Share Registry, which is contracted by the Company to manage Applications. The Company and SaleCo, and the Share Registry on their behalf, and their agents and service providers may collect, hold, disclose and use that personal information to process your Application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration, and for other purposes related to your investment listed below.

If you do not provide the information requested in the Application Form, the Company, SaleCo and the Share Registry may not be able to process or accept your Application.

Once you become a Shareholder, the Corporations Act and Australian taxation legislation require information about you (including your name, address and details of the Shares you hold) to be included on the Share register. In accordance with the requirements of the Corporations Act, information on the Share register will be accessible by members of the public. The information must continue to be included on the Share register if you cease to be a Shareholder.

The Company and the Share Registry may disclose your personal information for purposes related to your investment to their agents and service providers including those listed below or as otherwise authorised under the *Privacy Act 1988* (Cth):

- the Share Registry for ongoing administration of the Share register;
- the Joint Lead Managers (and any other members of the syndicate involved in distribution of the Offer) to assess your Application;
- printers and other companies for the purposes of preparation and distribution of documents and for handling mail;
- market research companies for analysing the Company's shareholder base; and
- legal and accounting firms, auditors, management consultants and other advisers for administering, and advising on, the Shares and for associated actions.

The Company's agents and service providers may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law.

You may request access to your personal information held by or on behalf of the Company and SaleCo. You may be required to pay a reasonable charge to the Share Registry in order to access your personal information.

You can request access to your personal information or obtain further information about the Company's privacy practices by contacting the Share Registry as follows:

Telephone:
+61 2 9934 0529 (outside Australia)

1300 441 602 (toll free within Australia)

Address:
Level 5, 126 Phillip St
Sydney, NSW, 2000

The Company aims to ensure that the personal information it retains about you is accurate, complete and up-to-date. To assist with this, please contact the Company or the Share Registry if any of the details you have provided change.

FINANCIAL SERVICES GUIDE

The provider of the Independent Limited Assurance Report on the Financial Information is required to provide Australian retail clients with a Financial Services Guide in relation to that review under the Corporations Act. The Independent Limited Assurance Report and accompanying Financial Services Guide is provided in Section 8.

INTELLECTUAL PROPERTY

This Prospectus may contain trademarks of third parties, which are the property of their respective owners. Third-party trademarks used in this Prospectus belong to the relevant owners and use is not intended to represent sponsorship, approval or association by or with us.

COMPANY WEBSITE

Any references to documents included on the Company's website are provided for convenience only, and none of the documents or other information on the Company's website, or any other website referred in this Prospectus, is incorporated in this Prospectus by reference.

DEFINED TERMS AND ABBREVIATIONS

Defined terms and abbreviations used in this Prospectus, unless specified otherwise, have the meaning given in the Glossary. Unless otherwise stated or implied, references to times in this Prospectus are to Sydney, Australia time.

Unless otherwise stated or implied, references to dates or years are calendar year references.

CAPITAL SUBDIVISION

As outlined in Section 9.11, the Company has undertaken a subdivision of its share capital on a ratio of 1 for 250, which took effect on 3 June 2024. Unless otherwise indicated, this Prospectus has been prepared on a post Capital Subdivision basis.

QUESTIONS

If you have any questions in relation to the Offer, contact the GYG IPO Information Line on 1300 441 602 (within Australia) or +61 2 9934 0529 (outside Australia) between 8:30am and 7:00pm (Sydney time), Monday to Friday, excluding national public holidays.

This document is important and should be read in its entirety.

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IMPORTANT DATES

KEY DATES

Original Prospectus Date (date of the Original Prospectus) and entry into Underwriting Agreement	**31 May 2024**
Date of the First Replacement Prospectus	**7 June 2024**
Prospectus Date (date of this Prospectus)	**14 June 2024**
Opening date of the Broker Firm Offer, Priority Offer, Employee Offer and Franchisee Offer	**15 June 2024**
Closing date of the Broker Firm Offer, Priority Offer, Employee Offer and Franchisee Offer	**17 June 2024**
Expected commencement of trading of Shares on ASX on a conditional and deferred settlement basis	**20 June 2024**
Settlement of the Offer	**21 June 2024**
Issue and allotment of Shares under the Offer (Completion of the Offer)	**24 June 2024**
Shares expected to begin trading on the ASX on a normal settlement basis	**25 June 2024**
Expected dispatch of holding statements	**25 June 2024**

DATES MAY CHANGE

The dates above are indicative only and may change without notice. The Company and SaleCo, in consultation with the Joint Lead Managers, reserve the right to vary the times and dates of the Offer without notice (including, subject to the ASX Listing Rules and the Corporations Act, to close the Offer early, extend the closing date, or to accept late applications or bids, either generally or in particular cases, or to cancel or withdraw the Offer before the issue or transfer of Shares). Applications received under the Offer are irrevocable and may not be varied or withdrawn except as required by law.

If the Offer is cancelled or withdrawn before the issue or transfer of Shares, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Offer opens.

HOW TO INVEST

Applications for Shares can only be made by completing and lodging the Application Form (other than as expressly provided in this Prospectus). Instructions on how to apply for Shares are set out in Section 7 and on the back of the Application Form.

QUESTIONS

If you have any questions in relation to the Offer, contact the GYG IPO Information Line on 1300 441 602 (within Australia) or +61 2 9934 0529 (outside Australia) from 8.30am until 7:00pm (Sydney time) Monday to Friday, excluding national public holidays.

If you are unclear in relation to any matter, or you are uncertain as to whether the Company is a suitable investment for you, you should seek professional guidance from your solicitor, stockbroker, accountant or other independent and qualified professional adviser before deciding whether to invest.

KEY OFFER STATISTICS

KEY OFFER STATISTICS

Offer Price for each new Share and Sale Security under the Institutional Offer, Broker Firm Offer, Employee Offer and Priority Offer	**$22.00 per Share**
Franchisee Offer Price for each new Share under the Franchisee Offer	**$18.00 per Share**
Total number of Shares to be issued or transferred under the Offer[1]	**15.3 million**
Total proceeds of the Offer	**$335.1 million**
– Proceeds of the Offer raised by the issue of new Shares in the Company; and	**$200.0 million**
– Proceeds of the Offer to be paid to Selling Securityholders (including to be applied to payment to the Company of the exercise price of Sale Options)	**$135.1 million**
Total number of Shares on issue on Completion of the Offer[2]	**101.4 million**
Total number of Options on issue on Completion of the Offer[3]	**8.2 million**
Number of Shares to be held by Existing Shareholders at Completion[4]	**92.8 to 96.6 million**
Market capitalisation based on the Offer Price[5]	**$2,230.0 million**
Pro Forma net cash (as at 31 December 2023) (excluding net lease liabilities[6])	**$276.7 million**
Enterprise value[7] based on the Offer Price	**$1,953.3 million**
Enterprise value[7]/FY25F Network Sales[10]	**1.7x**
Enterprise value[7]/FY25F Pro Forma EBITDA[8,10]	**32.6x**
Enterprise value[7]/FY25F Pro Forma Segment Underlying EBITDA[9,10]	**38.3x**

Notes:

1. Assumes the maximum of 277,778 shares are issued under the Franchisee Offer.
2. Fully paid ordinary Shares only. Assumes the maximum of 277,778 shares are issued under the Franchisee Offer.
3. Refer to Section 6 for further information regarding Options on issue at Completion.
4. Includes Shares to be acquired by Cornerstone Investors under the Offer, which may be subject to the scale back process described in Section 7.8. Excludes any other Shares acquired by Existing Shareholders under the Offer including under the Retail Offer.
5. Market capitalisation is calculated as the Offer Price multiplied by the total number of Shares on issue at Completion of the Offer. Assumes the maximum of 277,778 shares are issued under the Franchisee Offer.
6. Net lease liabilities is calculated as lease liabilities associated with AASB 16 *Leases* less finance lease receivables as disclosed in Section 4.7.2. Net lease liabilities at 31 December 2023 was $140.0 million.
7. Enterprise value is calculated as the indicative market capitalisation of the Company based on the Offer Price, less Pro Forma net cash (excluding net lease liabilities) as at 31 December 2023. A consistent Enterprise Value has been applied to the calculation of Network Sales, Pro Forma EBITDA and Pro Forma Segment Underlying EBITDA multiples and excludes the net lease liabilities calculated in accordance with AASB 16 *Leases*.
8. Pro Forma EBITDA is prepared in accordance with AASB accounting standards including the impacts of AASB 2 *Share Based Payments* and AASB 16 *Leases* and therefore excludes any costs associated with leases. A breakdown of depreciation of right-of-use assets and lease interest accounted for under AASB 16 *Leases* has been included in Section 4.9.10.
9. Pro Forma Segment Underlying EBITDA reflects GYG's underlying earnings before interest, tax, depreciation and amortisation. This does not include the impacts of AASB 2 *Share Based Payments* and AASB 16 *Leases* but includes rent and outgoings associated with leases. The net impact of AASB 16 *Leases* has been described in Section 4.9.10. This summarises the rent and outgoings payment included in Segment Underlying EBITDA and the depreciation of right-of-use assets and lease interest accounted for under AASB 16 *Leases*. GYG uses Segment Underlying EBITDA to make business decisions as it represents a more useful reflection of GYG's underlying financial performance from its network of corporate and franchise restaurants. Refer to Section 1.4 and Section 4.4 for further detail on the use of Segment Underlying EBITDA.
10. The Forecast Financial Information is based on assumptions and accounting policies set out in Section 4 and Appendix A respectively and is subject to key risks set out in Section 5. There is no guarantee that the Pro Forma Forecast Financial Information will be achieved. Certain financial information in this Prospectus is described as Pro Forma for the reasons described in Section 4.

CHAIRMAN'S LETTER

DEAR INVESTOR,

ON BEHALF OF THE BOARD OF DIRECTORS, I AM DELIGHTED TO INVITE YOU TO READ THIS PROSPECTUS AND TO OFFER YOU THE OPPORTUNITY TO BECOME A SHAREHOLDER IN GUZMAN Y GOMEZ LIMITED ("GYG").

GYG is one of Australia's fastest growing Quick Service Restaurant ("**QSR**") businesses, delivering clean, fresh, made-to-order, Mexican-inspired food to guests at high speed. Since opening its first restaurant in Sydney in 2006, GYG has expanded its network to 210 restaurants across four countries, including 185 in Australia, 16 in Singapore, 5 in Japan and 4 in the US.[1]

GYG operates in the large and growing QSR industry. In Australia, the QSR industry is underpinned by evolving consumer trends such as the consumption of food away from home, demand for convenience and value consciousness, as well as resilient long-term drivers, such as population growth.

I have been involved in the QSR industry for almost my entire working career, working my way up from flipping burgers as a teenager to becoming CEO of Australia's largest QSR business by sales. This has given me unique insight into what makes a truly great QSR brand.

This is why I vividly recall the first time I visited a GYG restaurant and met the founders, Steven Marks and Robert Hazan. That meeting took place in 2009 at the GYG restaurant in Newtown, and it was then that I had my first ever GYG meal. I was immediately struck by how delicious, fresh and exciting the food was. I was also excited about how passionate Steven and Robert were about the core principles that drive QSR business success: attention to detail, commitment to the guest experience, and an obsession with food quality and speed.

As the business has grown and evolved GYG's core values have remained central to its growth strategy. This has translated into a track record of exceptional performance and growth under the leadership of Founder and Co-CEO Steven Marks and Co-CEO Hilton Brett. We expect to continue to deliver future growth through the opening of new restaurants both in Australia and internationally, an increase in sales from existing restaurants, an improvement in corporate restaurant margins, an increase in royalties from franchise restaurants, and a number of digital initiatives. As a result, we expect Pro Forma EBITDA to grow from $29.3 million in FY23 to $59.9 million by FY25F.

1. As at 31 March 2024.

An Offer of approximately 15.3 million Shares is being made under this Prospectus. Based on the Offer Price, GYG is expected to have a market capitalisation of approximately $2,230 million upon Listing. We are thrilled to be able to offer our Employees and Franchisees the ability to participate in the Offer through the Employee Offer and Franchisee Offer respectively. The Board (excluding Bruce Buchanan), Senior Management, and major Shareholders, including TDM Growth Partners ("**TDM**") and Barrenjoey Private Capital have agreed that, on the Completion of the Offer, their existing Shares will be subject to voluntary escrow restrictions. These restrictions will prevent them from disposing of their Shares until the relevant escrow period has expired (certain exceptions apply – see Section 9.7 for further details).

Primary proceeds from the Offer (after transaction costs) will be used to fund GYG's growth strategy over the coming years, primarily the significant expansion of its corporate restaurant network, and will also provide substantial flexibility to accelerate this strategy if appropriate opportunities arise. Proceeds will also be paid to those Existing Securityholders who sell Existing Securities under the Offer. The Offer will also provide ongoing access to capital markets to improve financial flexibility and create a liquid market for the Shares.

This Prospectus contains detailed information about the Offer, the industry and the markets in which GYG operates, an overview of the Company, and its historical and forecast financial performance. An investment into GYG is subject to a range of risks both within and outside of its control, including a failure to achieve its growth objectives or achieve future returns (including risks associated with realising the growth in restaurants outlined in this Prospectus), exposure to food safety incidents, employment and workplace health and safety issues, a decline in the consumer environment and economic conditions, increased competition for guests and exposure to conduct of franchisees (including responsibility for compliance with employment laws). Section 5 contains further details on the risks of investing in GYG. I encourage you to read that section and the whole Prospectus carefully and in its entirety before making your investment decision.

I have now been part of the GYG family for 15 years and I continue to be excited about the business and what its future holds. On behalf of my fellow Directors, I look forward to welcoming you on GYG's journey.

Yours Sincerely,

Guy Russo
Chairman

FOUNDER'S LETTER

DEAR INVESTOR,

Welcome to Guzman y Gomez!

From the day we opened our first restaurant in the Sydney suburb of Newtown in October 2006, the team at GYG have been obsessed with providing our guests with the freshest, cleanest and fastest made-to-order, Mexican-inspired food. I am incredibly proud to say that we now do this across more than 200 restaurants in Australia, Singapore, Japan and the US. And the most exciting part is that we are just getting started.

GYG's vision is: "To reinvent fast food and change the way the masses eat." We truly believe that fast food doesn't have to be bad food.

Much of GYG's food is prepared from fresh ingredients in our restaurants each day by our incredible cooks and crew. Our Australian food menu is *100% Clean*, meaning that it contains no added preservatives, no added colours, no artificial flavours, and no unacceptable additives.

Today, our guests are able to enjoy our food for breakfast, lunch, or dinner. They can dine in, order takeaway, or take advantage of the convenience of drive thru or home delivery. They can place their orders directly with one of our amazing crew or order via our app or website.[2]

GYG has been built on our five values: "It's all about the food", "Make every guest love us", "Be real", "Got your back", and "It's up to us." We believe that the success we have enjoyed is as a result of our obsession with these values, and we are humbled by the overwhelming response we continue to receive from our guests who experience these values being brought to life in our food and in our restaurants each and every day.

Shared values with our people, franchisees and suppliers are equally important to us. We believe that we can only succeed when our partnerships are based on open, transparent and equitable relationships with all our stakeholders.

This is why our franchise network is built on a foundation of transparency and fairness. We understand that the health and profitability of the franchise network is fundamental to the health and future growth of GYG's business. A number of our franchisees are former restaurant crew members or Hola Central team members and all of them share our values and our obsession with food quality and guest experience.

Over the last 18 years, we have had incredible shareholders who have supported, challenged, and helped shape the business into what it is today. We have chosen partners who share our values and who have enabled and supported us to keep our focus on our long-term objectives – something we'll always be grateful for. As we commence this next chapter as an ASX-listed company, we will remain focused on making long-term decisions to achieve our vision.

As we grow, we know that we have a responsibility to make a positive impact on the planet and to make a difference in communities in Australia and around the world.

2. Not all dayparts or channels are available at every restaurant.

We believe in ethically sourcing our ingredients and reducing our impact on the environment – from the materials we use in our restaurant builds to our sustainable packaging solutions. We're always asking ourselves: "are we good enough to get better?" This journey will never end.

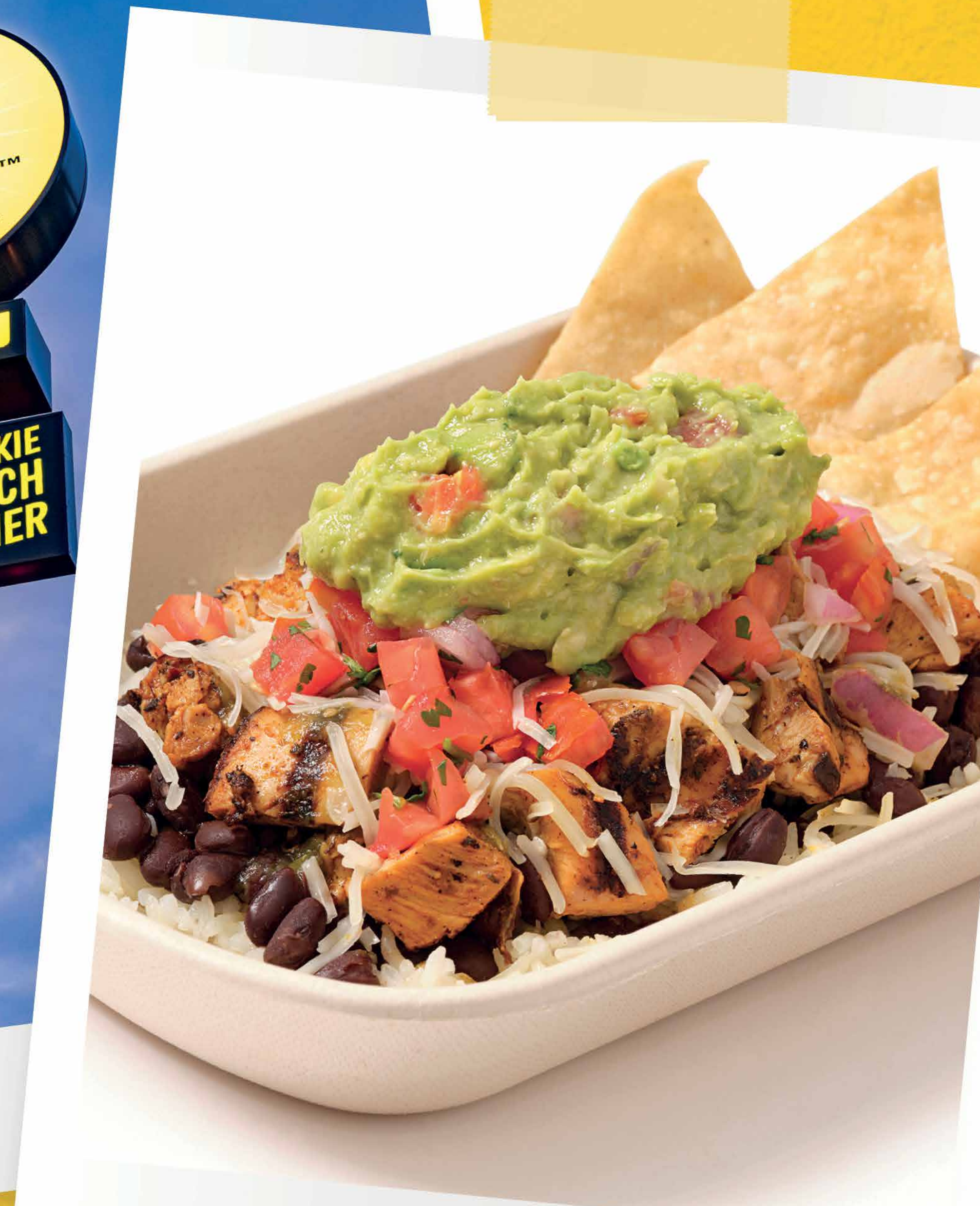
Our social impact also extends to the support we have been able to provide to grassroot sporting communities that are keeping people of all ages fit and healthy. We are also exceptionally proud of the support that GYG and its partners has been able to provide to Misión Mexico Foundation, an incredible organisation focused on breaking the cycle of poverty and inequality for young people in Mexico.

We hope that in making this Offer to the public, we can provide an opportunity to everyone that share our values, including our obsession with food, to become investors and join us on this incredible journey. I encourage you to review the whole Prospectus carefully and seek such professional advice as appropriate for your circumstances before making an investment decision.

Love Ya!

Steven Marks
Founder & Co-CEO

GYG'S VISION IS "TO REINVENT FAST FOOD AND CHANGE THE WAY THE MASSES EAT", AND WE TRULY BELIEVE THAT FAST FOOD DOESN'T HAVE TO BE BAD FOOD.



FREE-RANGE CHICKEN BURRITO BOWL

SECTION 1:

INVESTMENT OVERVIEW

1. INVESTMENT OVERVIEW

Topic	Summary	For more information
1.1 INTRODUCTION		
What is Guzman y Gomez?	Founded in 2005, Guzman y Gomez ("**GYG**") is one of Australia's fastest growing Quick Service Restaurant ("**QSR**") businesses. GYG has differentiated its business by delivering clean, fresh, made-to-order, Mexican-inspired food. Food is served to guests at high speeds via multiple sales channels, restaurant formats and dayparts. GYG's restaurants are designed to be vibrant, fun and unique, drawing inspiration and influence from Mexican and urban street culture. In addition, restaurants are designed to be operationally efficient with bespoke systems and processes that allow restaurants to typically produce up to 450 made-to-order burritos or bowls per hour.	**Section 3**
What industry does GYG operate in and who are its competitors?	GYG operates in the QSR industry, which is part of the broader food service industry. Restaurants in the QSR industry are distinguished from other restaurant formats by their focus on convenience, consistency, speed of service and value for money. GYG's primary market, the Australian QSR market, is forecast to generate A$24.9bn in total sales in CY24 and is expected to grow at a compound annual growth rate ("**CAGR**") of 5.9% from CY24 to CY28. In Australia, GYG competes with other major QSR operators which are segmented into mature brands (including Subway, McDonald's and KFC), growth brands (including Grill'd and Sushi Hub) and nascent brands (such as Betty's Burgers, Carl's Jr and Fishbowl). Independent operators also comprise a significant proportion of the QSR industry. GYG also operates in three international QSR markets: Singapore, Japan and the US. GYG has an emerging presence in each of these markets, with approximately 2% market share in Singapore and less than 1% market share in Japan and the US. With regards to market size: • the Singapore QSR market is forecast to generate A$2.3bn in sales in CY24, and is expected to grow at a CAGR of 6.2% from CY24 to CY28; • the Japan QSR market is forecast to generate A$89.3bn in sales in CY24, and is expected to grow at a CAGR of 1.7% from CY24 to CY28; and • the US QSR market is forecast to generate A$642.9bn in sales in CY24 and is expected to grow at a CAGR of 5.4% from CY24 to CY28.	**Section 2**

1. INVESTMENT OVERVIEW CONTINUED

Topic	Summary	For more information
1.1 INTRODUCTION		
What does GYG sell?	Mexican-inspired food through its restaurant network in Australia, Singapore, Japan and the US. One of GYG's core values is "*It's all about the food*" and the quality of its food is central to its operational model. Every item of food on its Australian menu is prepared using *100% Clean* ingredients, meaning that they contain no added preservatives, no added colours, no artificial flavours and no unacceptable additives (refer to Section 3.3.4 for further detail). Menu items are prepared on a made-to-order basis, meaning that they are fully customisable to cater to guest preferences. GYG's menu features mains such as *Burritos, Bowls, Nachos,* and *Tacos* with fillings including *Grilled Free-Range Chicken, Shredded Beef Brisket, Pulled Pork, Sautéed Vegetables with Fresh Guacamole* or *Pulled Shiitake Mushroom*. GYG also offers sides such as *Crispy Chicken Tenders* and *Chipotle-Seasoned Fries*, and dessert items including *Churros* and *Soft Serve*. GYG also has a breakfast menu with items such as *Brekkie Burritos, Tacos, Quesadillas,* and *Guacamole* or *Avocado on Toast*, and it offers barista-made coffee using a bespoke GYG blend. GYG sells its food across multiple dayparts, including Breakfast, Lunch, Afternoon, Dinner and After 9pm.	**Section 3.3**
Where does GYG operate?	GYG's network of 210 restaurants (as at 31 March 2024) spans four countries, including 185 restaurants in Australia, 16 in Singapore, 5 In Japan and 4 in the US. These restaurants operate under a variety of different formats including drive thru, strips, and other formats such as food courts and universities.	**Sections 3.1, 3.3 and 3.7**
What is GYG's business model and how does GYG generate its revenue?	GYG has adopted a hybrid restaurant ownership model consisting of both corporate owned and operated restaurants and franchisee owned and operated restaurants, including some that operate under master franchise arrangements. GYG maintains full operational control over, and employs all crew within, its corporate restaurants. Franchise restaurants are operated by franchisees who assume responsibility for the day-to-day operations of the restaurants, including all associated operating costs and capital expenditure. The franchisee also employs all crew who work in their restaurants. Franchisees pay an ongoing sales royalty to GYG for the use of its brand, intellectual property ("**IP**") and systems. GYG generates its revenue primarily through sales from corporate restaurants in Australia and the US and royalties and other charges levied on franchise restaurants in Australia, Singapore and Japan. GYG's franchise revenue model is transparent. The Company does not receive any rebate or other financial benefit from suppliers to the franchisees and does not profit from any transaction between franchisees and third parties.	**Section 3.3**

Topic	Summary	For more information
1.1 INTRODUCTION		
What is GYG's growth strategy?	GYG's growth strategy is centred around new restaurant openings in Australia, existing restaurant sales growth, margin improvement, digital initiatives and international growth. GYG's key strengths, which underpin the delivery of the growth strategy, are outlined in more detail in Section 1.2. • **New restaurant openings in Australia:** new restaurant openings in Australia are expected to be the primary contributor to GYG's Network Sales growth over the long term.[3] GYG believes there is an opportunity to grow its network to more than 1,000 restaurants in Australia over the next 20+ years. The Company believes that it has substantially built the team, restaurant pipeline, and infrastructure to be able to open 30 new restaurants per annum over the near-term, increasing to 40 restaurants per annum within 5 years. • **Existing restaurant sales growth:** GYG plans to continue to drive growth in Comparable Restaurant Sales ("**Comp Sales Growth**" or "**Comp Sales**") through:[4] – **Dayparts:** expansion of the fast-growing Breakfast daypart and extended operating hours into the After 9pm daypart; – **Marketing:** investing in marketing to grow brand awareness and drive growth in transactions, guest frequency and sales; – **Menu innovation:** introduction of new menu items; and – **Guest experience:** operational initiatives such as improving speed of service, improving order accuracy and ongoing crew training. • **Margin improvement:** – **Corporate Restaurant Margin expansion:**[5] GYG believes that it will continue to grow its Corporate Restaurant Margins through continued Comp Sales growth, optimising the restaurant format mix, ongoing training and development of restaurant crew and the ongoing investment in business intelligence and analytics. – **Franchise Royalty Rate uplift:** GYG anticipates ongoing expansion of the Franchise Royalty Rate towards more than 10% within 5 years.[6] This is due to the ongoing transition of the eligible franchisee network to the tiered sales royalty structure which was introduced in 2021 along with ongoing increases in restaurant AUV's across the network.[7] – **Leveraging infrastructure investment:** GYG believes that it will be able to leverage the significant investment that it has made in its head office ("**Hola Central**") infrastructure as the restaurant network continues to expand and is targeting a reduction of general and administrative ("**G&A**") expenses relative to Network Sales in the Australia segment beyond the forecast period.	**Section 3.7**

3. See Section 4.2.4 for a definition of Network Sales.
4. See Section 4.2.4 for a definition of Comp Sales.
5. See Section 4.2.4 for a definition of Corporate Restaurant Margin.
6. See Glossary for a definition of the Franchise Royalty Rate.
7. See Section 2.5.3 for the full definition of Average Unit Volume.

I. INVESTMENT OVERVIEW CONTINUED

Topic	Summary	For more information
1.1 INTRODUCTION		
What is GYG's growth strategy? continued	• **Digital:** – **Mobile app and website:** GYG's mobile app and website are designed to be the best way to order from GYG. GYG will continue to invest in the digital experience given that the average spend per transaction on the GYG mobile app and website is currently 17% higher than the in-restaurant average. – **GOMEX loyalty program and personalised marketing:** GYG's loyalty program incentivises repeat purchases by rewarding guests. The Company can use the data generated by the mobile app and website to provide personalised and targeted marketing initiatives and encourage increased digital expenditure. – **GYG native delivery:** GYG is currently trialling a white-label, native delivery solution that allows guests to order delivery via the GYG mobile app and website. This solution is expected to launch by the end of FY24F. – **Systems:** GYG remains focused on making ongoing investment in leading third-party software solutions to improve operational efficiency and support growth. • **International:** – **Singapore:** GYG in Singapore is owned and operated under a master franchise agreement. GYG believes there is an opportunity for further network expansion in Singapore and is working collaboratively with the master franchisee on the execution of the future growth plan. GYG expects additional restaurant openings to continue in Singapore over the medium-term. Under master franchisee arrangements, the master franchisee has ultimate control over the quantity, timing and investment in new restaurant openings in their region. – **Japan:** GYG in Japan is owned and operated under a master franchise agreement. The current penetration by both restaurant count and Network Sales in Japan is very low. GYG's primary focus is working with the master franchisee to establish and grow brand awareness in this market. – **US:** the US represents a growth opportunity given the large size of its QSR market. GYG is taking a measured approach to expansion in the US and anticipates opening up to 3 additional corporate restaurants in the Greater Chicago region in FY25F. While GYG believes there is a large growth opportunity in the US due to the size of the market, it will continually assess and adjust the pace and extent of new restaurant expansion having regard to the financial and operational performance of existing restaurants.	Section 3.7

Topic	Summary	For more information
1.2 KEY STRENGTHS		
Values driven organisation with a focus on people and culture, led by an experienced management team and Board	GYG has an ambitious vision *"to reinvent fast food and change the way the masses eat"* which it aims to achieve through its mission to *"be the best and biggest restaurant company in the world"*. GYG believes that the strength of its team and culture, driven by core values centred on a passion for food and an obsession with the guest experience, are key to achieving this vision. GYG's leadership team has been instrumental in driving the growth of the Company. Key leadership personnel include: • **Steven Marks** (Founder and Co-CEO), who has led GYG since inception in 2005 and has been instrumental in the development and growth of the business through his passion for brand, food and culture; • **Hilton Brett** (Co-CEO), who joined as Co-CEO in October 2023 having served as a member of the Board for over 5 years prior to then. Hilton has over 25 years of domestic and global retail experience, including as Co-CEO of ASX-listed Accent Group; and • **Erik du Plessis** (Chief Financial Officer), who joined in April 2024 and has over 8 years of experience in senior financial and commercial roles in the retail space at ASX-listed Wesfarmers. GYG has a highly experienced Board comprised of current and former senior executives from the QSR, retail, technology and investment industries who have strengths across franchising, real estate, drive thru operations and technology systems. This includes Chairman **Guy Russo**, who was the former CEO of McDonald's Australia and President of McDonald's, Greater China.	**Sections 3, 6.1 and 6.2**
Superior food and guest experience	GYG has differentiated its business by delivering clean, fresh, made-to-order Mexican inspired food to guests at high speeds. Many food menu items are prepared using fresh ingredients delivered daily to restaurants. GYG guests have the option to customise their food to suit their preferences. GYG has undertaken an extensive process to ensure that its food menu in Australia is *100% Clean*. The quality of GYG's food together with the speed at which it can prepare orders, its exceptional guest service, and its unique restaurant designs underpin GYG's guest experience.	**Section 3.3**

1. INVESTMENT OVERVIEW CONTINUED

Topic	Summary	For more information
1.2 KEY STRENGTHS		
Hybrid restaurant ownership approach in partnership with franchisees	GYG's use of the hybrid restaurant ownership model provides flexibility and allows the Company to benefit from the strengths of both corporate and franchise operations. GYG is able to exert greater control over corporate restaurants, enabling it to achieve more consistency in aspects of the business such as brand, menu and guest experience. The use of franchising allows GYG to expand its restaurant network in Australia and internationally without the need for significant capital investment, as franchisees invest their own capital to open new restaurant locations. GYG uses the master franchise model selectively to enter new markets in a capital-light and lower risk manner, benefiting from the local expertise of the master franchisee. GYG's franchise partners are a critical part of its business model, with GYG's franchising philosophy centred on the key principles of transparency within the franchisor-franchisee relationship, the financial and operational health of the franchise network, and alignment on areas such as values and brand. GYG's approach to franchising has underpinned the health of the franchise network. In Australia, all GYG franchisees had a positive annualised Franchisee Return on Investment ("**ROI**") in 1H24, and the median Franchisee ROI was 51%. Due to the strength of the restaurant economics and the partnership approach taken with franchisees, GYG has built a healthy pipeline of candidates to support the future opening of new franchise restaurants.	**Section 3.3**
Proven and flexible operating platform	GYG has purposefully designed its restaurant operating platform to enable it to deliver high volumes of fresh, made-to-order food at high speeds. GYG's kitchens feature double linear preparation lines, which allow restaurants to deliver high throughput at speed. GYG's bespoke sticker system assists with order accuracy given the customisability of the menu. GYG's restaurant operating platform enables it to typically produce up to 450 burritos or bowls per hour whilst targeting a Kitchen Display System ("**KDS**") speed of less than 4 minutes across the network. The throughput capacity of GYG's restaurants enables it to not only increase the number of orders it can process in any given time period, but also enables it to offer its *Minis* range of menu items at a lower average price point without compromising overall restaurant sales. GYG's flexible operating platform allows it to adapt to every daypart across a wide range of restaurant formats and channels. GYG has proven success in executing on the drive thru format and digital channels without compromising on the quality of its food or speed of service.	**Section 3.3.3.3**

Topic	Summary	For more information
1.2 KEY STRENGTHS		
Convenience & accessibility	Consumers are increasingly demanding convenience, speed of service and accessibility from QSRs. GYG has responded to these demands through its diversity of restaurant formats (including drive thrus and strips), operations across multiple dayparts, and a multi-channel model which meet guests wherever and whenever they prefer to transact. Of GYG's 185 restaurants in Australia, 88 are drive thrus.[8] Drive thrus are typically located in major thoroughfares and offer guests the additional convenience of ordering and collecting their food whilst remaining in their vehicles. Given the superior economic potential of drive thrus, GYG is prioritising this format as it identifies sites to open new restaurants. GYG's menu caters to all dayparts: Breakfast, Lunch, Afternoon, Dinner and After 9pm. Breakfast has been the fastest growing daypart since FY20, and represented 6% of Network Sales in Australia in 1H24, whilst After 9pm is also a growth opportunity, representing 8% of Network Sales in Australia in 1H24. GYG is focused on rolling out Breakfast across its entire Australian network and using specific marketing initiatives to drive increased consumer awareness of, and sales from, this daypart. GYG is also focused on extending the operating hours of some existing restaurants to capture additional sales between the hours of 11pm and 5am. GYG offers various ordering channels. In-restaurant, drive thru lane and delivery aggregator channels serve as critical entry points for new guests, whilst the owned digital channel (i.e. GYG's mobile app and website) allows guests to order via an easy to navigate interface which is purpose-built for GYG's customisable menu. GYG's mobile app and website also allow GYG to offer a personalised experience and tailored recommendations, enhancing guest satisfaction and loyalty.	**Sections 3.3 and 3.7**

8. As at 31 March 2024.

1. INVESTMENT OVERVIEW CONTINUED

Topic	Summary	For more information
1.2 KEY STRENGTHS		
Brand-led marketing strategy	GYG has built a base of loyal guests through its authentic story telling of the brand's key elements, including: • providing fresh, clean food at fast food speeds; • appealing to the growing health consciousness and cost consciousness of consumers; • supporting community initiatives, such as sponsorship of local sports teams, to increase brand awareness; and • celebrating Mexican cultural traditions and holidays such as Cinco De Mayo and Day of the Dead. GYG's marketing campaigns and promotions aim to authentically communicate GYG's unique value proposition, leveraging various channels to reach consumers and drive engagement whilst ensuring value is consistently delivered to guests. GYG's brand-led marketing strategy is a key strength of the business and is expected to result in increased brand awareness and drive growth in transactions, guest frequency and sales over time.	**Sections 3.3 and 3.7**
Extensive and scalable infrastructure	GYG has invested heavily in infrastructure to support its existing corporate and franchise restaurants and to enable future expansion of the restaurant network. This investment has occurred across all functions, including real estate, restaurant operations, the people team, technology, and supply chain. GYG believes that it will be able to leverage this investment in infrastructure as it expands its restaurant network over time, resulting in a reduction of G&A expenses as a proportion of Network Sales beyond the forecast period.	**Sections 3.3.12, 3.4 and 3.7**
Growing restaurant network with significant network opportunity	GYG believes there is an opportunity to grow its network of 185 restaurants in Australia to more than 1,000 restaurants over the next 20+ years. This estimate is based on extensive internal planning and an assessment of market size, population growth, demographics and QSR spend in Australia, and is supported by independent research by Think Economics commissioned by GYG.[9] GYG is expecting to open 30 new restaurants in FY25F and believes it has substantially built the team, restaurant pipeline and infrastructure to increase this to 40 restaurants per annum within 5 years, with a focus on drive thru restaurants due to their potential to deliver superior restaurant economics. Outside of Australia, GYG believes that significant restaurant growth opportunities exist in each of Singapore, Japan and the US. GYG's significant network opportunity, both in Australia and globally, supports a long duration of growth.	**Sections 3.7.1 and 3.7.5**

9. Australian QSR Industry Report, April 2024, Think Economics.

Topic	Summary	For more information

1.2 KEY STRENGTHS

Compelling restaurant economics

GYG's business model is underpinned by strong restaurant economics in Australia which have supported the Company's ability to open new restaurants in Australia with a high degree of confidence.

Section 3.3

In Australia, GYG's annual median restaurant economics by format for 1H24 (annualised) are:

Median restaurant[10]	Drive thru	Strip	Other
AUV ($m)[11]	6.1	4.5	4.1
Network Restaurant Margin ($m)[12]	1.3	0.9	0.7
Network Restaurant Margin (%)[13]	21.6%	19.8%	17.9%

GYG's strong restaurant performance is broad-based across the network and restaurant economics are not materially different between corporate and franchise restaurants in Australia.

GYG targets new restaurant economics largely consistent with the median economics above. With this financial profile, GYG expects to achieve a ROI of approximately 50-55% on new corporate restaurants and its franchisees to achieve a ROI of approximately 30% on new franchise restaurants, with the difference being due to the royalty paid by franchisees.[14]

The strength of GYG's restaurant economics underpins the profitability of the existing Australian restaurant network, the health of the Australian franchise network and the opening of new restaurants in Australia.

10. Based on annualised performance for 1H24 for Australian corporate and franchise restaurants. AUV and Network Restaurant Margin ($m) are calculated individually using the median across the group of restaurants. Excludes restaurants that were opened in the period and restaurants owned by the South Australia master franchisee as they are not representative of the broader restaurant network (see Section 3.3.3.2 for further detail).
11. See Section 2.5.3 for the full definition of Average Unit Volume.
12. See Section 3.3.9 and Glossary for the full definition of Network Restaurant Margin.
13. See Section 3.3.9 and Glossary for the full definition of Network Restaurant Margin.
14. See Section 3.7.1.5 for the full definition of ROI.

1. INVESTMENT OVERVIEW CONTINUED

Topic	Summary	For more information
1.3 KEY RISKS		
Consequence of exposure to risks	GYG is subject to a variety of risks, some of which are specific to its business activities and some of which are more general in nature. The risks described in Section 5, some of which are summarised below, are some of the potential risks associated with GYG's business and the industry in which GYG operates and risks associated with an investment in Shares. It does not purport to list every risk that may be associated with GYG's business or the industry in which it operates, or an investment in Shares now or in the future. Exposure to any one of these risks may cause reputational harm and/or have a material adverse impact on the operating performance and financial position of a particular restaurant or group of restaurants and the financial and operating performance of GYG as a whole. This could impact the price or value of Shares.	**Section 5**
Failure to achieve growth objectives	GYG's growth strategy is primarily centred around new restaurant openings, existing restaurant sales growth, margin improvement, and to a lesser extent, digital initiatives and international expansion (as further described in Section 3.7). The future success of GYG is dependent on the effective implementation of its growth strategies. However, there is no guarantee that these will be successfully implemented, deliver the expected returns or ultimately result in an increase in the financial performance or improvement in the financial position of the company. For example: • GYG's growth strategy involves a material increase in the rate of openings of new restaurants from historical levels and there is no guarantee that this will be achieved. In addition, whilst GYG monitors the performance of its restaurants and offers support to its franchisees, there is no guarantee that new restaurants will achieve the target restaurant economics which may result in their underperformance or closure. New restaurant capital expenditure could also be higher than expected which could have a material adverse impact on the rate at which new restaurants are opened. • Several factors may undermine growth in sales at its existing corporate and franchise restaurants such as macroeconomic pressures which may reduce consumer spending at restaurants, cannibalisation of sales caused by new GYG restaurants opening near existing GYG restaurants, competitor actions and changes in consumer tastes and preferences. • GYG may not be able to achieve the margin improvements discussed in Section 3.7.3 and this could be due to a number of factors, some of which are beyond GYG's control. For example, rising input costs may lead to lower corporate restaurant profitability if GYG is unable to pass these cost increases onto guests through menu price increases or, if it does increase menu prices, it may result in a reduction in transaction volumes.	**Section 5.2.1**

Topic	Summary	For more information
1.3 KEY RISKS		
Failure to achieve growth objectives continued	• The digital initiatives outlined in Section 3.7.4, which are intended to drive more restaurant transactions, may not be successful or deliver the expected results. • GYG may fail to capitalise on the growth opportunity in Singapore, Japan or the US. • GYG's management team may fail to deliver on GYG's growth strategy due to factors such as lack of strategic alignment, insufficient resources, ineffective communication, poor decision making, or unforeseen external challenges, or GYG may fail to retain certain personnel that are key to the implementation of those initiatives. In addition, GYG's long-term growth strategy may be subjected to unexpected delays, interruptions and additional costs, and its success may be impacted by the actions of other participants or regulators in the QSR industry and general economic conditions. The success of certain growth initiatives is also contingent on factors outside of GYG's control.	**Section 5.2.1**
Food safety and sanitation	Much of GYG's food is prepared from fresh ingredients which are delivered to restaurants by GYG's suppliers and, as such, crew handle high-risk foods, such as uncooked meats and fresh vegetables, on a frequent basis. Whilst GYG has comprehensive food safety processes that are designed to comply with federal and state regulations regarding food safety (see Section 9.8.2 for further detail), which include, among other things, training for all crew and monitoring of restaurant practices, the GYG restaurant operating environment is inherently exposed to food safety risks. As a result, guests may be exposed to biological, physical or chemical hazards, undeclared allergens or ingredients that they are unwilling or unable to consume.	**Section 5.2.2**

Topic	Summary	For more information
1.3 KEY RISKS		
Employment practices and workplace health and safety	GYG is exposed to several risks in relation to its workforce, employment practices and workplace health and safety, including: • workplace accidents by GYG employees, which may result in liability of GYG for penalties imposed by regulatory authorities or damages arising from compensation claims that are not fully covered by insurance policies; • GYG employees being exposed to workplace harassment, bullying or assault from other employees or customers, which can cause physical and psychological harm to GYG's employees, reduce productivity and morale, and increase employee turnover, all of which could result in increased costs should any claims, litigation or workers' compensation be pursued or should it become more difficult for GYG and its franchisees to attract and retain employees; and • a failure by GYG to comply with a modern award, an enterprise agreement or any other workplace standard or law including the *Fair Work Act 2009* (Cth) ("**FW Act**"). In addition to its own employment practices, GYG is also exposed to the employment practices of franchise restaurants.	**Section 5.2.3**
Consumer environment and general economic conditions in GYG's key markets may decline	The operating and financial performance of GYG is influenced by a variety of general economic and business conditions, including consumer spending levels, consumer confidence, inflation, interest rates, unemployment rates, population movements and government fiscal, monetary and regulatory policies. A deterioration in general economic or business conditions may negatively impact the disposable income of consumers, leading to a shift in consumer preferences or behaviour that adversely affects GYG.	**Section 5.2.4**
Competition for guests may increase	GYG faces competition from other QSR networks and independent restaurant operators. Competition is based on a variety of factors including scale, brand recognition, formats, menu, value, convenience, guest experience, digital capabilities, accessibility, speed and location. There is a risk that GYG's competitive position deteriorates as a result of either existing competitors or new entrants in the QSR market aggressively attempting to grow their market share or mimicking GYG's business model. Alternately, a large, international competitor may take advantage of their relative economies of scale to drive efficiencies and cost effectiveness beyond GYG's capabilities, eroding its market share.	**Section 5.2.5**

Topic	Summary	For more information
1.3 KEY RISKS		
Exposure to conduct of franchisees	GYG is exposed to the conduct of its franchisees in several ways. • There are circumstances where GYG, as franchisor, may be liable for a franchisee's contraventions of the FW Act through the "responsible franchisor entity" provisions. GYG, as a franchisor, could be held liable for a breach of employment obligations, if it reasonably could have known about the breach, or if it had reasonable ability to influence or prevent the breach and failed to do so. • Where GYG holds the leases and sublicenses its occupancy rights to its franchisees, GYG remains the tenant and is legally liable under the head lease. This results in an inherent risk that the franchisee who is in occupation of the premises fails to comply with the requirements of the head lease. • Despite the contractual arrangements between GYG and its franchisees, there is a general risk that GYG's confidential information may be misused by franchisees or used in a competing business. • There is also an inherent risk that GYG is subject to its franchisees' capacity and capability to operate the restaurant(s) including, for example, when a franchisee dies or becomes incapacitated or becomes otherwise suddenly less capable of running a business.	**Section 5.2.6**
Franchisee performance may not meet expectations	The success of GYG's franchise model also depends on franchisees operating their restaurant(s) in line with GYG's policies and procedures and there is a risk that, to the extent franchisees do not do so, the operational and financial performance of franchised restaurants may not meet their full potential. This is especially the case with restaurants that are owned by master franchisees which are run with minimal support from GYG and GYG has little, if any, control over the operations of those restaurants.	**Section 5.2.7**
Inability to meet forecasts or other forward-looking statements	Some statements in this Prospectus constitute forward-looking statements, opinions or estimates including the Forecast Financial Information. Such forward-looking statements are based on assumptions and involve various risks, uncertainties and factors, known and unknown, that may impact the actual results, performance and achievements of GYG, and cause them to be materially different from any future results, performance or achievements expressed in or implied by this Prospectus.	**Section 5.2.11**
Shareholder dilution	In the future, GYG may elect to issue Shares or other securities, subject to the Listing Rules. In addition, GYG has in place several LTI Plans under which 798,000 vested Options have an exercise price lower than the Offer Price. As a result of the above, Shareholders may be diluted through the issue of new Shares or other securities.	**Section 5.3.3**

Topic	Summary	For more information
1.3 KEY RISKS		
Other	A number of other risks relating specifically to an investment in the Company and generally to an investment in the Shares are included in Section 5, including risks associated with: • brand and reputational damage; • ability to attract and retain key members and staff; • rising input costs may lead to lower profitability; • security of supply chain; • delivery disruptions; • compliance with laws and regulations; • protection and use of IP; • information technology systems; • privacy breaches; • cyber security; • foreign exchange rates; • litigation; • lease renewals; • climate change; • contracting risk; and • other general investment risks.	**Section 5**

Topic	Summary	For more information

1.4 KEY FINANCIAL INFORMATION

What is GYG's pro forma and statutory historical and forecast financial performance for FY22-FY25F?

Section 4

A$m	Pro Forma Historical		Pro Forma Forecast	
	FY22	FY23	FY24F	FY25F
Revenue[15]	171.8	259.0	339.7	428.2
EBITDA	21.7	29.3	43.0	59.9
EBIT	7.2	3.7	12.0	19.7
Profit after tax	3.2	3.0	3.4	6.0

A$m	Statutory Historical		Statutory Forecast	
	FY22	FY23	FY24F	FY25F
Revenue[16]	171.8	259.0	339.7	428.2
EBITDA	23.9	29.6	25.4	59.9
EBIT	9.4	4.1	(5.6)	19.7
Profit/(loss) after tax	3.9	(2.3)	(16.2)	6.0

The pro forma historical and forecast consolidated statements of profit or loss included in this Prospectus have been derived by applying certain pro forma adjustments to the statutory historical and forecast consolidated statements of profit or loss. The difference between statutory and pro forma NPAT is detailed in Section 4.3.3.

The information presented above contains non-International Financial Reporting Standards ("**IFRS**") financial measures, is intended as a summary only and should be read in conjunction with the more detailed discussion on the Historical Financial Information and Forecast Financial Information disclosed in Section 4.9 as well as the risk factors set out in Section 5.

Investors should read Sections 4.3, 4.6 and 4.7 for full details of GYG's pro forma and statutory results, including pro forma adjustments.

15. Excludes other revenue and income which includes franchise marketing fee revenue and other costs recovered from franchisees.
16. Excludes other revenue and income which includes franchise marketing fee revenue and other costs recovered from franchisees.

1. INVESTMENT OVERVIEW CONTINUED

Topic	Summary	For more information
1.4 KEY FINANCIAL INFORMATION		
What is GYG's historical financial position on a statutory and pro forma basis?	Below is a summary of GYG's statement of financial position as at 31 December 2023, shown on both a statutory and a pro forma basis. See Section 4.7.1 for the detailed statement of financial position and associated commentary relating to the pro forma adjustments.	**Sections 4.7.1 and 7.1.2**

$m	Statutory Historical (31 December 2023)	Pro Forma Historical (31 December 2023)
Cash and cash equivalents	13.6	279.7
Other current assets	39.3	39.3
Non-current assets	277.6	284.9
Total assets	**330.5**	**603.9**
Current liabilities	(59.5)	(59.5)
Non-current liabilities	(197.0)	(197.0)
Total liabilities	**(256.5)**	**(256.5)**
Net assets/equity	**74.0**	**347.3**

The Pro Forma Historical Statement of Financial Position is provided for illustrative purposes only and includes certain pro forma adjustments to reflect the impact of the Offer and the change in capital structure that will take place as part of the Offer, as if it was in place as at 31 December 2023. It is not intended to be representative of GYG's view on its future financial position.

Further information on the sources and uses of funds of the Offer is contained in Section 7.1.2.

Topic	Summary	For more information
Why does GYG use Segment Underlying EBITDA to assess business performance?	GYG uses Segment Underlying EBITDA to make business decisions as it represents a more useful reflection of GYG's underlying financial performance from its network of corporate and franchise restaurants. Segment Underlying EBITDA reflects GYG's underlying earnings before interest, tax, depreciation and amortisation. This represents GYG's current operating metric and reflects Corporate Restaurant Margin (including rent and outgoings paid), franchise revenue earned from franchise restaurants and general and administrative expenses allocated to the respective segment. This does not include the impacts of AASB 16 *Leases* or AASB 2 *Share Based Payments*. GYG believes this is a critical piece of information to allow investors to assess the relative financial performance of the underlying business and enables direct comparison to GYG's publicly listed US QSR peers. Segment Underlying EBITDA also allows investors to distinguish between the more developed Australia operations and the nascent US operations. A full reconciliation between Segment Underlying EBITDA and Pro Forma Historical and Forecast Results is included in Section 4.4.1.	**Section 4**

Topic	Summary	For more information
1.4 KEY FINANCIAL INFORMATION		
What will GYG's capital structure be on Completion of the Offer?	The total number of Shares on issue at Completion will be 101.4 million Shares and all Shares on issue will rank equally with each other.[17] The total number of Options on issue at Completion will be 8.2 million Options. Each Option which vests entitles the holder to the issue of one new Share. The Shares offered under this Prospectus will represent approximately 15.1% of Shares actually on issue at Completion.	**Section 7.1.3**
How does GYG expect to fund its operations?	GYG expects its primary sources of funds to be cash flow generated from existing operations, cash raised from the Offer and existing cash on hand. The Directors believe that on Completion, GYG will have sufficient working capital available from the proceeds of the Offer and the Pre-IPO Capital Raise and its operations to fulfill the purpose of the Offer during the forecast periods and to meet GYG's stated business objectives. GYG will be in a net cash position upon Completion of the Offer.	**Sections 4.7.2 and 7.1.5**
What is GYG's dividend policy?	The payment of a dividend by GYG, if any, is at the discretion of the Directors and will be a function of several factors (some of which are outside the control of the Company and its Directors and management) which include the general business environment, operating results, cash flows and financial condition of GYG, future funding requirements, capital management initiatives, taxation considerations, the level of franking credits available, any contractual, legal or regulatory restrictions on the payment of dividends by GYG and any other factors the Directors deem relevant. The consolidated negative retained earnings is not indicative of GYG's ability to pay future dividends. The Company's ability to pay future dividends is dependent on its standalone satisfaction of the solvency test of the Corporations Act and the sufficiency of profits and cash being available for distribution. As outlined in Section 4.11, the Board does not currently intend to declare a dividend in FY24F nor does it currently intend to declare an interim dividend in FY25F. Following the completion of FY25F, the Board will consider the payment of a final dividend and associated franking credits with respect to FY25F. It is currently anticipated that from FY26 onwards, GYG will return a majority of its statutory NPAT to shareholders in the form of regular dividends, allowing the Company to return franking credits to shareholders in a timely manner. The payment of dividends is at the complete discretion of Directors and no assurances can be given by any person, including the Directors, about the payment of any dividend or the level of franking credits attaching to such dividend.	**Section 4.11**

17. Assumes the maximum of 277,778 Shares are issued under the Franchisee Offer. The Franchisee Offer has a discounted Offer Price of $18.00 per Share.

1. INVESTMENT OVERVIEW CONTINUED

Topic	Summary	For more information
1.5 KEY PEOPLE, INTERESTS AND BENEFITS		
Who are the Directors of GYG?	• Guy Russo – Non-Executive Chairman • Steven Marks – Founder, Co-CEO and Executive Director • Hilton Brett – Co-CEO and Executive Director • Bruce Buchanan[18] – Independent, Non-Executive Director • Tom Cowan – Non-Executive Director • Jacqui Coombes – Independent, Non-Executive Director • Marina Joanou – Independent, Non-Executive Director • Ian Rowden – Independent, Non-Executive Director	**Section 6.1**
Who are the Senior Executives of GYG?	• Steven Marks – Founder, Co-CEO and Executive Director • Hilton Brett – Co-CEO and Executive Director • Erik du Plessis – Chief Financial Officer • John Morrison – Chief Operating Officer • Lara Thom – Global Chief Marketing Officer • Candice Heggelund – General Counsel • Jay Kattel – Chief People Officer • George Mandilis – Chief Development Officer • Bryce Maybury – Chief Technology Officer	**Section 6.2**

18. Bruce Buchanan intends to step down from the Board at the Company's 2024 AGM to focus on Rokt, where he is Co-Founder, Chairman and CEO.

Topic	Summary	For more information

1.5 KEY PEOPLE, INTERESTS AND BENEFITS

Who are the Existing Securityholders and what will their interest in GYG be at Completion of the Offer?

Section 7.1.3

Securityholder	As at Original Prospectus Date			On Completion		
	Shares	Options	%[1]	Shares	Options	%[1]
TDM	33,052,250	52,500[2]	33.0%	28,622,070[2]	42,000[2]	26.2%
Steven Marks	8,814,000	2,477,750	11.2%	8,814,000	2,074,000	9.9%
Barrenjoey Private Capital[3]	10,499,750	–	10.5%	10,499,750	–	9.6%
Guy Russo	6,440,250	91,750	6.5%	6,076,500	91,750	5.6%
Aware Super[4]	6,152,250	–	6.1%	7,061,341 to 7,970,432	–	6.4% to 7.3%
Other Existing Shareholders and Optionholders[4]	26,600,500	6,270,750	32.7%	31,734,453 to 34,599,453	6,022,000	34.5% to 37.1%
New investors[4]	–	–	–	4,781,209 to 8,555,300	–	4.4% to 7.8%
Total	**91,559,000**	**8,892,750**	**100%**	**101,363,414**	**8,229,750**	**100%**

Notes:

1. Shareholding as a percentage of issued capital on a fully diluted basis. Assumes the maximum of 277,778 Shares are issued under the Franchisee Offer.
2. Tom Cowan holds these Options on trust for TDM, who is the beneficial owner of the Options. TDM's holdings on Completion factors in Tom's intention to exercise 10,500 Options upon vesting on 30 June 2024.
3. See Section 6.3.5.2 for more information regarding Barrenjoey Private Capital's shareholding in the Company.
4. Shareholding on Completion is expressed as a range because the number of Shares to be acquired by Cornerstone Investors may be subject to the scale back process described in Section 7.8.

Topic	Summary	For more information
1.5 KEY PEOPLE, INTERESTS AND BENEFITS		
What significant benefits and interests are payable to Directors and other persons connected with GYG or the Offer and what significant interests do they hold?	The Directors' interests in Shares and other securities in the Company as at the Original Prospectus Date and as at Completion are set out in the table below:	**Sections 6.3.1.4, 6.3.2 and 6.3.5**

	Interests held at the Original Prospectus Date		Interests held at Completion	
Director*	**Shares**	**Options[1]**	**Shares**	**Options[1]**
Guy Russo[2]	6,440,250	91,750	6,076,500	91,750
Steven Marks[3]	8,814,000	2,477,750	8,814,000	2,074,000
Hilton Brett[4]	367,000	1,500,000	319,999	1,500,000
Tom Cowan[5]	33,052,250	52,500	28,622,070	42,000
Ian Rowden[6]	13,000	42,000	13,000	42,000
Bruce Buchanan[7]	418,250	63,000	293,250	63,000
Jacqui Coombes	50,000	63,000	50,000	63,000
Marina Joanou	13,750	52,500	13,750	52,500
Total[8]	**48,801,500**	**4,342,500**	**43,882,570**	**3,928,250**

* And/or their associated entities.

Notes:

1. For further detail regarding these Options, refer to Sections 6.3.3.3 and 6.3.3.4.
2. Guy has agreed to sell 13,000 of these Shares to Ian Rowden after the Completion Date. See below for further details. Guy is also selling 363,750 Shares in the Offer at the Offer Price.
3. Steven has agreed to sell 13,000 of these Options to Ian Rowden after the Completion Date. These Options will be exercised to Shares immediately upon being acquired by Ian. See below for further details. Steven is also selling 403,750 Options to SaleCo which upon exercise will result in the sale by SaleCo of the same number of Shares under the Offer at the Offer Price. Steven will receive net proceeds of $8.1m under the Offer (after taking into account payment of the applicable Option exercise price).
4. This includes all Shares in which Hilton has a "relevant interest" for the purposes of the Corporations Act. However, in respect of the 214,163 Shares held by HBIH Investments Pty Limited as trustee for the HBIH Unit Trust, Hilton has a beneficial interest in 42% of those Shares (89,619 Shares in total). The remaining Shares are held by LITHTON Pty Ltd as trustee for the Hilton Brett Superannuation Fund (32,250 Shares) and RASTANA Pty Ltd as trustee for the Vivien's Share Trust (73,586 Shares), which are trusts in which Hilton is a beneficiary. All of these Shares are under the control of TDM (as TDM has the power to control the voting rights and disposal of those Shares as discretionary investment manager of the Shares). As a consequence of TDM's participation in the selldown by Existing Securityholders under the Offer, Hilton will indirectly receive the benefit of proceeds of sale of 19,795 Shares at the Offer Price.
5. This includes all Shares in which Tom has a 'relevant interest' for the purposes of the Corporations Act. As Tom owns 33% of TDM's voting shares, he is deemed to have a relevant interest in any Shares in which TDM holds a relevant interest. TDM acts as nominee for its clients in respect of the Shares that they hold. TDM has the power to control the voting rights and disposal of those Shares as discretionary investment manager. Tom has a beneficial interest in 200,280 Shares, comprising half of the 400,559 Shares held by B.T.E Investments Pty Ltd, 91,150 Shares, comprising all of the Shares held by TDMAM Pty Limited, 82,183 Shares, comprising all of the Shares held by TDMAM Superannuation Pty Ltd as trustee for the TDMAM Superannuation Fund and 9,771 Shares, comprising 29.22% of the Shares held by TDM Superannuation Pty Ltd as trustee for the TDM Superannuation Fund. All of these Shares are under the control of TDM (as TDM has the power to control the voting rights and disposal of those Shares as discretionary investment manager of the Shares). Tom holds the Options on trust for TDM, who is the beneficial owner of the Options. Tom's holdings on Completion factors in his intention to exercise 10,500 Options upon vesting on 30 June 2024. As a consequence of TDM's participation in the selldown by Existing Securityholders under the Offer, Tom will indirectly receive the benefit of proceeds of sale of 48,969 Shares at the Offer Price.

Topic	Summary	For more information
1.5 KEY PEOPLE, INTERESTS AND BENEFITS		
What significant benefits and interests are payable to Directors and other persons connected with GYG or the Offer and what significant interests do they hold? continued	6. The Shares that Ian will acquire pursuant to the transactions mentioned in notes 2 and 3 above are not included in this row as the completion of those transactions will occur after Completion (see below for further details). 7. Bruce is selling 125,000 Shares in the Offer at the Offer Price. 8. As stated in note 4, all of Hilton Brett's Shares are under the control of TDM. Further, as stated in note 5, all of the Shares in which Tom Cowan has a relevant interest are under the control of TDM. This includes Hilton Brett's Shares. In order to avoid double counting, Hilton Brett's Shares are only included in the total once. Steven Marks receives executive remuneration as Co-CEO and Executive Director. Mr Marks' total fixed annual remuneration is $1,060,900 per annum (inclusive of superannuation) and he is entitled to STI benefits and to participate in a LTI Plan. For more information, see Section 6.3.2.1. Similarly, Hilton Brett receives executive remuneration as Co-CEO and Executive Director. Mr Brett's total fixed annual remuneration is $1,060,900 per annum (inclusive of superannuation) and he is entitled to STI benefits and to participate in a LTI Plan. For more information, see Section 6.3.2.2. The Shares and Options (including Shares issued on the exercise of these Options) recorded in the above table under "Interests held at Completion" for all Directors (except for Bruce Buchanan) will be subject to voluntary escrow arrangements as outlined in Section 9.7. Advisers and other service providers are entitled to fees for service, as outlined in Section 6.3.5.1. As outlined in Section 6.3.5.2, an associate of Barrenjoey Markets Pty Limited, Barrenjoey Private Capital holds 10.5% of Shares as at the Prospectus Date (on a fully diluted basis). Another associate of Barrenjoey, Barrenjoey Private Capital Management Pty Limited, acts as the manager in respect of that holding and may receive fees for that service. Employees of the Barrenjoey group, certain of which are or will be involved in the provision of lead manager and underwriting services for the Offer, are among the beneficial owners of that holding and/or other holdings in the Shares and so have an interest in the success of the Offer as it will provide future liquidity. A reference to employees in this disclosure includes employees, officers and directors of the Barrenjoey group.	**Sections 6.3.1.4, 6.3.2 and 6.3.5**
Will there be a controlling interest in the Company at Completion?	There will be no controlling interest in GYG held by any person immediately following the Offer.	**Section 7.1.3**

1. INVESTMENT OVERVIEW CONTINUED

Topic	Summary	For more information
1.5 KEY PEOPLE, INTERESTS AND BENEFITS		
Will any Shares be subject to restrictions on disposal following Completion of the Offer?	Upon Completion of the Offer, certain Shareholders and Optionholders will be subject to voluntary escrow arrangements in respect of Shares and/or Options they hold at Completion (other than any Shares acquired by them, or entities related to them, under the Offer at the Offer Price). These escrow arrangements will prevent those Shareholders from disposing of their Escrowed Shares during the Escrow Period (subject to relevant exceptions). This includes franchisees who participate in the Franchisee Offer who will also be required to agree to voluntary escrow arrangements on the Shares they acquire under the Franchisee Offer as those Shares will be acquired at a discount to the Offer Price. Assuming the Franchisee Offer is fully subscribed, a maximum of 54.3% of Shares on Completion will be Escrowed Shares. See Section 9.7 for a summary of the terms of the escrow arrangements and the limited exceptions that permit dealing in the Escrowed Shares during the Escrow Period.	**Section 9.7**
Related party arrangements and promoter interests	• Shareholder approval was obtained by the Company under Chapter 2E of the Corporations Act for the grant to Steven Marks of 3,091,250 Options (and for the giving of the associated loan facilities to the aggregate value of the Option Fee and Exercise Price of each tranche of the Options, being $45,277,119 in total) in May 2022. These Options and loans are reflected in the above interest disclosures for Steven Marks to the extent they remain on foot as at the Original Prospectus Date. See Section 6.3.3.3 for details of the extent to which those Options and loan facilities remain on foot as at the Original Prospectus Date. • Gaetano Russo Jr is the son of a director of the Company (Guy Russo) and franchisee of three GYG restaurants (Box Hill, Eastland and Croydon). These franchise arrangements are on arm's length commercial terms and conditions (in the case of Eastland, GYG gave the franchisee a 12-week royalty free period upon transfer, reflecting the performance of the restaurant at the time). Dylan Brett is the son of a director and co-CEO of the Company (Hilton Brett) and has entered into a letter of intent ("**LOI**") to franchise a GYG restaurant in Mona Vale, which has a tentative opening date in December 2024. As at the Original Prospectus Date, no franchise or other agreement in respect of the Mona Vale restaurant is yet on foot. The LOI is on arm's length commercial terms and conditions. • TDM agreed to secondments of two of its senior personnel to GYG in FY24 to support GYG whilst it was recruiting for those positions to be filled. For the period up to and including 31 March 2024, GYG reimbursed TDM a total of $527,125 for the direct employment costs of those individuals during their secondment. One of these secondments remains ongoing as at the Original Prospectus Date and reimbursement is being provided based on daily employment costs. This secondment arrangement is expected to cease on 30 June 2024.	**Sections 6.3.4 and 7.1.3**

Topic	Summary	For more information
1.5 KEY PEOPLE, INTERESTS AND BENEFITS		
Related party arrangements and promoter interests continued	• As at the Original Prospectus Date, TDM will beneficially own 109,500 Shares and 52,500 Options. This includes 52,500 Options that were previously or still are held on trust for TDM by nominees that it appointed to the Board (i.e. TDM's Board nominees, Tom Cowan and previously Hilton Brett do not retain the benefit of any Options or other remuneration they receive in their capacities as directors and hold them instead on trust for TDM). • As at the Original Prospectus Date, TDM will have a relevant interest in 33,052,250 Shares. All of these Shares are under the control of TDM (as TDM has the power to control the voting rights and disposal of those Shares as discretionary investment manager of the Shares).	**Sections 6.3.4 and 7.1.3**

Topic	Summary	For more information
1.6 OVERVIEW OF THE OFFER		
Who are the issuers of this Prospectus?	The issuers of this Prospectus are Guzman y Gomez Limited (ACN 125 554 743) and GYG SaleCo Limited (ACN 677 361 581).	**Important Notices**
What is SaleCo?	SaleCo is a special purpose vehicle established to enable Selling Securityholders to sell part or all of their investment in GYG under the Offer.	**Section 9.4**
What is the Offer?	The Offer is an initial public offering of approximately 15.3 million Shares, comprising 9.1 million new Shares to be issued by the Company and the sale of approximately 6.1 million existing Shares by SaleCo. The Offer is expected to raise approximately $335.1 million.	**Sections 7.1 and 9.4**
Why is the Offer being conducted?	GYG intends to utilise the proceeds of the Offer (after payment of transaction costs) to fund new restaurant openings over the coming years, with proceeds to be applied primarily to the significant expansion of the Australian corporate restaurant network together with further disciplined investment in the US. In FY25F, GYG expects to invest approximately $35.2 million in the Australian corporate restaurant network and approximately $13.9 million in the US network. The Company's other growth strategies outlined in Section 3.7 will be predominantly funded from operating cash flows. The proceeds of the offer will also provide GYG with significant flexibility to take advantage of opportunities to accelerate its network expansion strategy over the coming years, for example a further expansion of the US restaurant network if restaurant economics meet return objectives.	**Section 7.1.2**

Topic	Summary	For more information
1.6 OVERVIEW OF THE OFFER		
What is the price of Shares under the Offer?	The Offer Price is $22.00 per Share. Successful Applicants under the Institutional Offer, Broker Firm Offer, Priority Offer and Employee Offer will pay the Offer Price. Franchisees participating in the Franchisee Offer will pay a discounted price of 81.8% of the Offer Price, being $18.00 per Share. It is a condition of participating in the Franchisee Offer and being given the opportunity to subscribe for Shares at a discount to the Offer Price that the Participating Franchisee enters an Escrow Deed in respect of any Shares they acquire under the Franchisee Offer.	**Section 7.1**
Will the Shares be quoted on ASX?	The Company will apply for admission to the Official List of the ASX and quotation of Shares on the ASX under the code "GYG". Completion is conditional on the ASX approving that application. If approval is not given within three months after such Application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable, in accordance with the requirements of the Corporations Act. The Company will be required to comply with the ASX Listing Rules, subject to any waivers obtained by the Company from time to time. The ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that the ASX may admit the Company to the Official List is not to be taken as an indication of the merits of GYG or the Shares offered for subscription under this Prospectus.	**Sections 7.3 and 7.14**
How is the Offer structured?	The Offer comprises: • the **Retail Offer**, consisting of: – Broker Firm Offer, which is open to Australian and New Zealand resident retail clients of Brokers who have received a firm allocation of Shares from their Broker (see Section 7.4); – Priority Offer, which is open to Eligible GYG Shareholders and select investors in Australia and New Zealand who have received a Priority Offer Invitation (see Section 7.5); – Employee Offer, which is open to Eligible Employees of the Company, who are residents in Australia (see Section 7.6); – Franchisee Offer, which is open to Eligible Franchisees, who are residents in Australia and other jurisdictions determined by the Company in its discretion (see Section 7.7); and • the **Institutional Offer**, which consists of an offer to Institutional Investors in Australia and certain other jurisdictions around the world (see Section 7.8).	**Section 7.1.1**
Is the Offer underwritten?	Yes, the Joint Lead Managers have fully underwritten the Offer pursuant to the Underwriting Agreement.	**Sections 7.3 and 7.10**

Topic	Summary	For more information
1.6 OVERVIEW OF THE OFFER		
Who are the Joint Lead Managers for the Offer?	Barrenjoey Markets Pty Limited and Morgan Stanley Australia Securities Limited are the Joint Lead Managers to the Offer.	**Section 7.2**
What is the allocation policy?	The allocation of Shares between the Institutional Offer and the Retail Offer and to participants within the Priority Offer, Brokers within the Broker Firm Offer, Employees under the Employee Offer and Franchisees under the Franchisee Offer, will be determined by the Company in agreement with the Joint Lead Managers, having regard to the allocation policies outlined in Sections 7.4.4, 7.5.4, 7.6.4, 7.7.4 and 7.8.2. The Company, in agreement with the Joint Lead Managers, has absolute discretion regarding the level of scale-back and the allocation of Shares to Applicants under the Offer, and may reject an application or bid, or allocate fewer Shares than the number or the equivalent dollar amount than applied or bid for.	**Sections 7.3, 7.4.4, 7.5.4, 7.6.4, 7.7.4 and 7.8.2**
What is the proposed use of funds raised under the Offer?	The proceeds of the Offer received by the Company will be applied as described below. The proceeds of the Offer received by SaleCo in respect of the sale of Shares by it will be paid to SaleCo and paid by SaleCo to the Selling Securityholders (including to fund on the relevant Selling Securityholders' behalf the payment to GYG of the exercise price on the Sale Options).	**Section 7.1.2**

Sources of funds	$m
The Company	
Cash proceeds received from the issue of new Shares by the Company	$200.0
SaleCo	
Cash proceeds received from the sale of Shares by SaleCo	$135.1
Total sources	**$335.1**

Uses of funds	$m
FY25F restaurant network expansion	$49.1
Post-FY25F restaurant network expansion and general corporate purposes	$130.9
Payment of costs of the Offer	$20.0
Payment to Selling Securityholders	$133.2
Payment to GYG to fund the exercise price of the Sale Options	$1.9
Total uses	**$335.1**

1. INVESTMENT OVERVIEW CONTINUED

Topic	Summary	For more information
1.6 OVERVIEW OF THE OFFER		
What is the proposed use of funds raised under the Offer? continued	In determining the primary raise offer size, the Board and Management of GYG have considered: • the desirability of raising a level of capital that would assist in future investment in the Company's growth strategy in an efficient manner (including by allowing the Company in future years to release franking credits through dividends where financial performance allows); and • that this raising size would help facilitate an orderly and liquid market in GYG shares by creating a large enough Offer size that would assist in generating significant free float as well as giving the Company the ability to attract global and domestic institutional investors. The above descriptions are a statement of current intentions as at the date of this Prospectus. Investors should note that, as with any budget, the allocation of funds may change depending on a number of factors, including the outcome of operational activities, regulatory developments, the market, and general and specific economic conditions. In light of this, the Board reserves its right to alter the way the funds are applied.	**Section 7.1.2**
Are there any brokerage, commission or stamp duty payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of Shares under the Offer.	**Section 7.3**
What are the tax implications of investing in Shares?	A summary of the certain Australian tax consequences of participating in the Offer and investing in Shares is set out in Section 9.12. It is recommended that all Shareholders consult their own independent tax advisers regarding the income tax (including capital gains tax), stamp duty and GST consequences of acquiring, owning and disposing of Shares, having regard to their specific circumstances.	**Sections 7.3 and 9.12**
When will I receive confirmation that my Application has been successful?	It is expected that initial holding statements will be dispatched by standard post, or made electronically available via email, on or about Tuesday, 25 June 2024. Refunds to Applicants who make an application and are scaled back will be made as soon as possible after Settlement of the Offer, which is expected to occur on or about Friday, 21 June 2024. No refunds will be made where the overpayments relate solely to rounding.	**Section 7.3**

Topic	Summary	For more information
1.6 OVERVIEW OF THE OFFER		
What is the minimum and maximum Application size under the Offer?	**INSTITUTIONAL OFFER** There is no minimum or maximum application size under the Institutional Offer. **BROKER FIRM OFFER** The minimum application under the Broker Firm Offer is as directed by the Applicant's Broker. There is no maximum application size under the Broker Firm Offer. The Joint Lead Managers, the Company and SaleCo reserve the right to treat any applications in the Broker Firm Offer that are from persons who they believe may be Institutional Investors as bids in the Institutional Offer or to reject the application(s). The Joint Lead Managers, the Company and SaleCo also reserve the right to aggregate any applications that they believe may be multiple applications from the same person. **PRIORITY OFFER** Applications under the Priority Offer must be for a minimum of $2,200 worth of Shares. There is no maximum application size under the Priority Offer. **EMPLOYEE OFFER** Applications under the Employee Offer must be for a minimum of $2,200 worth of Shares and a maximum of $22,000 worth of Shares. **FRANCHISEE OFFER** Applications under the Franchisee Offer must be for a minimum of $2,070 worth of Shares and a maximum of $252,000 worth of Shares.	**Section 7.3**
How can I apply?	**INSTITUTIONAL OFFER** The Joint Lead Managers have separately advised Institutional Investors of the Application procedures for the Institutional Offer. **BROKER FIRM OFFER** Applicants under the Broker Firm Offer should contact their Broker to request a copy of the Prospectus and Application Form or download a copy at www.gyg.automicgroup.com.au. Broker clients should complete and lodge their Application Form with the Broker from whom they received their invitation to acquire Shares under this Prospectus. **PRIORITY OFFER** Applicants under the Priority Offer may apply for Shares online and must comply with the instructions provided in their personalised Priority Offer invitation and on the Offer Website.	**Sections 7.4.2, 7.5.2, 7.6.2, 7.7.2 and 7.8.1**

Topic	Summary	For more information
1.6 OVERVIEW OF THE OFFER		
How can I apply? continued	**EMPLOYEE OFFER** Eligible Employees may apply for Shares online and must comply with the instructions provided in their personalised Employee Offer invitation and on the Offer Website. **FRANCHISEE OFFER** Eligible Franchisees may apply for Shares online and must comply with the instructions provided in their personalised Franchisee Offer invitation and on the Offer Website. This will include agreeing to the Escrow Deed with respect to any Shares subscribed for as part of the Franchisee Offer. To the extent permitted by law, an Application by an Applicant under the Offer is irrevocable.	**Sections 7.4.2, 7.5.2, 7.6.2, 7.7.2 and 7.8.1**
Can the Offer be withdrawn?	The Company and SaleCo may withdraw the Offer at any time before the issue or transfer of Shares to successful Applicants. If the Offer, or any part of it, does not proceed, all relevant Application Monies will be refunded (without interest).	**Section 7.13**
Where can I find more information about this Prospectus or the method of applying for Shares under the Offer?	Enquiries in relation to this Prospectus may be directed to the GYG IPO Information Line on 1300 441 602 (within Australia) or +61 2 9934 0529 (outside Australia) from 8:30am until 7:00pm (Sydney time) Monday to Friday, excluding national public holidays. Enquiries in relation to the Broker Firm Offer should be directed to your Broker. If you are unclear in relation to any matter or are uncertain as to whether the Company is a suitable investment for you, you should seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest.	**Section 7.3**
When can I sell my shares on the ASX?	It is expected that trading of the Shares on ASX will commence on Thursday, 20 June 2024, initially on a conditional and deferred settlement basis. Normal settlement trading is expected to commence on or about Tuesday, 25 June 2024. Holding statements are expected to be dispatched on Tuesday, 25 June 2024. It is the responsibility of each Applicant to confirm their holding before trading in Shares. Applicants who sell Shares before they receive an initial statement of holding do so at their own risk.	**Section 7.3**

GYG'S SIGNATURE BURRITO

SECTION 2:

INDUSTRY OVERVIEW

2. INDUSTRY OVERVIEW

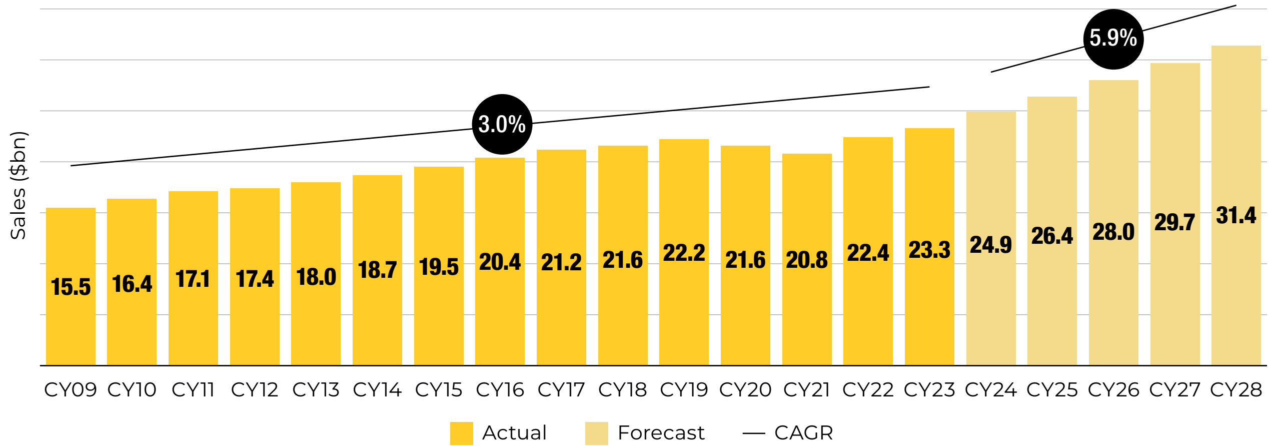
2.1 INTRODUCTION TO THE AUSTRALIAN QSR MARKET

GYG operates in the QSR industry, offering made-to-order Mexican-inspired food. QSR is part of the broader food service industry. Restaurants in the QSR industry are distinguished from other restaurant formats by their focus on convenience, consistency, speed of service and value-for-money.

This Section 2 provides an overview of the Australian and international QSR markets in which GYG operates. Certain data in this Section and elsewhere in this Prospectus, including certain market estimates, is based on a report issued in April 2024 that GYG commissioned Think Economics to prepare about trends in the Australian QSR market, and data that GYG has obtained from Think Economics in relation to the industry's key drivers, challenges, growth prospects and competitive dynamics. This Prospectus also utilises data and commentary from relevant industry reports and analyses published by market research firms Euromonitor International and IBISWorld (which were not prepared specifically for GYG or in connection with this Prospectus). For further details, see the Important Notices Section of this Prospectus.

The Australian QSR market is forecast to generate $24.9 billion in total sales in CY24 and grow at a CAGR of 5.9% from CY24-CY28.[19] Growth is expected to accelerate as a result of stronger transaction growth and favourable pricing dynamics.[20]

Figure 1: Australian QSR market (by sales)[21]



2.2 KEY DRIVERS OF SALES GROWTH IN THE QSR MARKET IN AUSTRALIA

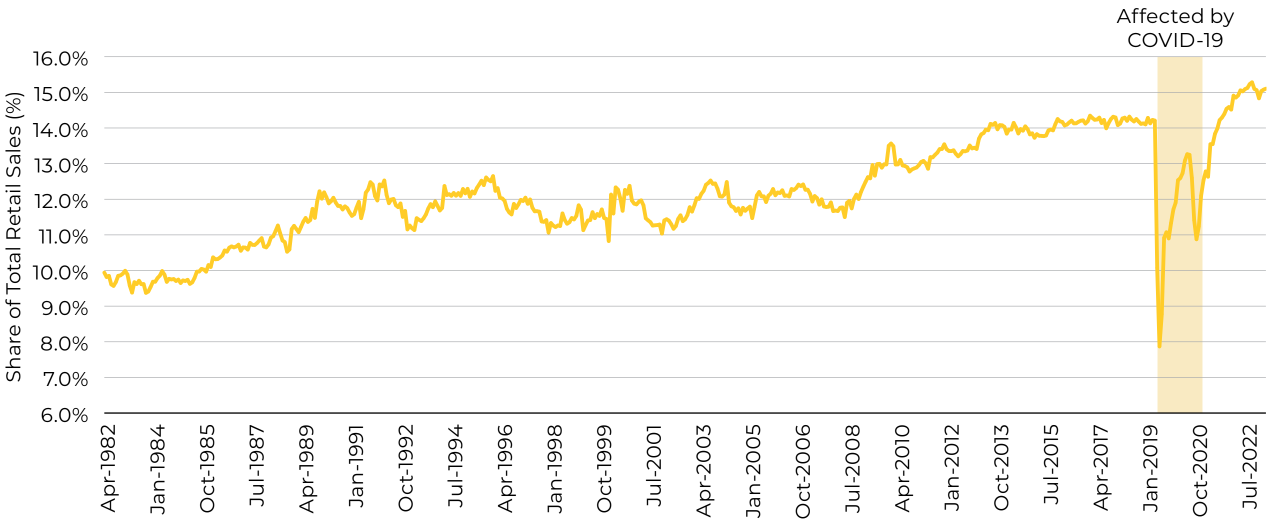
Drivers of QSR sales growth include consumption of food away from home, demand for convenience, value consciousness and population growth.

2.2.1 FOOD AWAY FROM HOME

Over the past 40 years, there has been a structural shift in where Australians choose to consume their meals. Consumption of food away from home has grown almost every year since 1983, with spend on cafes, restaurants and takeaway food services growing at an annualised 6.9% between 1983 and 2023.[22] On the other hand, spend on food retailing (such as supermarkets and other grocers) grew at an annualised 6.1% over the same period.[23] This shift has been driven by a change in lifestyle (that is, urbanisation, busier lifestyles and dual-income households), the rise of dining out as a social and cultural activity, greater variety, improved food quality and convenience.

19. Euromonitor International Passport Data on Australian Limited-Service Restaurant Industry (April 2024).
20. Euromonitor International Passport Data on Australian Limited-Service Restaurant Industry (April 2024).
21. Euromonitor International Passport Data on Australian Limited-Service Restaurant Industry (April 2024).
22. Australian Bureau of Statistics, Retail Trade, Australia.
23. Australian Bureau of Statistics, Retail Trade, Australia.

Figure 2: Café, restaurants and takeaway share of total retail sales[24]



2.2.2 DEMAND FOR CONVENIENCE

Societal, employment and lifestyle changes have reduced the amount of time that consumers are willing to dedicate to preparing and consuming meals at home, supporting a shift in preference towards eating out or purchasing takeaway and delivered meals. Certain participants in the QSR market have responded to a growing demand for convenience by increasing the prevalence of drive thrus[25] in their restaurant networks, and developing their digital platforms, which has fostered a new, easy-to-use sales channel for time-poor consumers.

2.2.3 VALUE CONSCIOUSNESS

QSRs are an affordable option for away from home food and may be more resilient to fluctuations in economic conditions due to their lower price point in comparison to other away from home food options. QSR operators have the ability to adapt menu items and relative pricing in response to changing consumer preferences. If economic conditions were to worsen, consumers may become increasingly value conscious; those who previously may have chosen casual restaurants may instead choose to eat at QSRs as they regulate their spending and prioritise value-for-money meals.

2.2.4 POPULATION GROWTH

The Australian population has grown at a CAGR of 1.4% over the period CY13 to CY23 and is forecast to increase by an annualised 1.5% to CY28.[26] Population growth will result in increased food consumption, which, when considered together with the drivers referred to above – food away from home, demand for convenience and value consciousness – is expected to benefit the overall food service industry in Australia, including the QSR market.

2.2.5 DEMOGRAPHICS

Demand for QSRs is driven by 15-24 year olds, who currently comprise the largest market segment for QSRs, followed by 25-34 years olds.[27] Over the next 30 years, the earning capacity of these groups is likely to increase, which may support industry sales growth should they maintain their expenditure at QSRs.

24. Australian Bureau of Statistics, Retail Trade, Australia.
25. Also known as a drive-through or drive-thru, a drive thru is a restaurant format prevalent in the QSR industry that allows consumers to purchase food without leaving their vehicles.
26. Medium series population growth forecast (2022 (base) – 2071), including net overseas migration; Australian Bureau of Statistics, Population Projections, Australia.
27. Australian QSR Industry Report, April 2024, Think Economics.

2. INDUSTRY OVERVIEW CONTINUED

2.3 RECENT TRENDS IN THE QSR INDUSTRY

2.3.1 HEALTH CONSCIOUSNESS

The increase in consumer awareness around healthy eating has influenced the evolution of QSR menus globally, with consumers actively choosing healthier options and placing increased emphasis on the freshness of ingredients and nutritional value of their meals. Existing QSR operators have sought to diversify their healthy menu options and the industry has seen new entrants offering higher quality, healthier fast food in response to shifting consumer preferences.

2.3.2 CUSTOMER LOYALTY

Digital sales channels, such as websites and mobile applications, are changing how QSRs and customers interact, with customers increasingly relying on these platforms as a quick and convenient ordering option. Certain QSRs have begun to integrate loyalty programs as part of their digital strategy to increase engagement amongst their customer base. Loyalty programs may offer customers personalised deals or reward transactions, for example by allowing customers to collect points that they can spend on subsequent purchases, increasing the likelihood of a repeat customer and capturing consumers who may be value conscious.

2.3.3 SUSTAINABILITY

As sustainability considerations become more prevalent, consumers are becoming more concerned with the long-term impacts of their consumption practices. For example, plant-based diets have gained popularity in recent years in response to concerns over health, animal welfare and environmental sustainability connected to meat consumption. Food options catering to plant-based diets are expected to continue to gain popularity amongst consumers over the long-term.[28] As a result, many QSR players have expanded their menus to include more meat-alternative options. In addition, environmentally conscious consumers may be more likely to demand eco-friendly packaging options. In response, QSRs are increasingly transitioning to reusable, recyclable or biodegradable packaging options.

2.4 KEY OPERATIONAL FEATURES OF QSR BUSINESSES

2.4.1 QSR BUSINESS MODELS

QSRs operate under three primary business models:

- **Corporate model:** owners of the brand and associated intellectual property. Corporate owners are responsible for the upfront capital expenditure to establish the restaurant, maintain ownership and operational control of the restaurant, and employ staff who work in the restaurant;
- **Franchise/license model:** third party franchisees purchase the rights from a franchisor to operate a restaurant under an existing brand. Franchisees assume responsibility for the day-to-day operations of the restaurant, including related operating costs and capital expenditure, as well as employing all staff who work in the restaurant. The franchisor can be remunerated in a number of ways, including through a fee charged as a percentage of sales (a "royalty") and other charges levied on the franchisee (both direct and indirect). Franchisors may provide franchisees with centralised services, such as procurement and supply chain benefits, compliance support, overall brand marketing, and employee training; and
- **Master franchise model:** operate as franchisees as described above, however they are responsible for the day-to-day operations of all restaurants within a defined geography. A master franchisee will typically pay a fee on sales generated and is responsible for the majority of, if not all, related operational costs and capital expenditure. In certain instances, master franchisees can sub-franchise in their region, in which case the nature of engagement with sub-franchisees would look more like the franchise model outlined above.

28. Fast Food and Takeaway Services in Australia, November 2023, IBISWorld.

2.4.2 RESTAURANT FORMATS

QSR restaurants can be categorised into several different formats:

- **Drive thru:** restaurants with one or more points at which orders can be placed, paid for and collected by guests while they remain in their vehicle. They can be established as either standalone restaurants or integrated with other services (such as a petrol station) and are typically found in suburban areas or on major thoroughfares. Drive thrus tend to be larger format restaurants, with larger kitchens and more seating than other formats. They may benefit from larger individual order sizes due to transaction mix. Drive thrus lend themselves to longer operating hours and, as a result, can better service all dayparts relative to other restaurant formats;
- **Strip:** restaurants situated on retail strips containing multiple other restaurants and businesses. Strip restaurants are typically a smaller format and located in inner-city, CBD or suburban areas. They may have a higher proportion of delivery sales, particularly in inner-city locations, compared to other restaurants; and
- **Other:** includes restaurants located in shopping centres, food courts, university campuses, and free-standing buildings without a drive thru lane. These locations often have high foot traffic and are co-located with competing QSRs and other casual dining options, meaning they often share seating with other operators. They may also have high rents relative to the size of the restaurant, be affected by seasonality and have limits on dayparts due to their alignment of operating hours with other retail and hospitality locations nearby.

Larger formats with multiple points of access, such as drive thrus, are able to better cater to consumer preferences for convenience, speed of service and accessibility. GYG focuses primarily on drive thru and strip locations when considering the opening of new restaurants. See Sections 3.3.3.1, 3.7.1.3 and 3.7.1.4 for more information on GYG's strategy in relation to restaurant formats.

2.5 STRUCTURE OF THE AUSTRALIAN QSR MARKET AND COMPETITIVE DYNAMICS

2.5.1 BASIS OF COMPETITION AMONGST QSR OPERATORS

QSR businesses compete on a range of factors including:

- **Scale:** certain QSR operators with greater scale are better able to invest in people, technology and brand in order to deliver a superior guest experience. Larger operators and/or their franchisees may benefit from economies of scale in relation to, for example, supply chain, menu innovation, marketing, and lease negotiations;
- **Brand recognition:** QSR operators have varying degrees of brand recognition and awareness among consumers, which may stem from their relative scale, accessibility, memorable guest experiences, and marketing efforts. QSR concepts with stronger brand recognition may attract more consumer attention and share of consumer spending by virtue of their brand name;
- **Menu:** participants in the QSR market may differentiate themselves on the basis of their menu items and the perceived healthiness and/or quality of their offering;
  - **Quality:** QSR operators may focus on the quality and freshness of ingredients and food, cooking methods, menu transparency and consistency across menu items and locations. Consumers typically perceive made-to-order food as being of higher quality than pre-made or other fast food options. Made-to-order food also allows customers to customise their orders according to their preferences, dietary restrictions or allergies (where possible), contributing to consumer satisfaction and loyalty;
  - **Healthy options:** QSR operators are increasingly adapting their menus in response to a consumer preference shift towards healthy, fresh food options;
  - **Dayparts:** QSRs can operate across breakfast, lunch, afternoon, dinner and late night and may strategically design their menus to cater to different dayparts, allowing them to drive sales throughout the day;

2. INDUSTRY OVERVIEW CONTINUED

- **Formats:** different formats offer unique strategic and operational opportunities, including dayparts optionality and location benefits;
- **Value:** consumers tend to seek value-for-money dining options. Value can be offered through a variety of means, including menu pricing, portion size and the perceived quality of the food;
- **Convenience:** QSR operators differentiate themselves on speed of service, accessibility, restaurant location and the quality of their delivery experience in order to meet consumer demand for convenience;
- **Guest experience:** reliability and consistency are key considerations for QSR consumers; and
- **Digital capabilities:** easy-to-use online platforms and loyalty programs are important tools to drive customer engagement and develop new sales channels.

2.5.2 BARRIERS TO ENTRY

There are a number of barriers to entry for international QSR operators, independent QSR operators and nascent local brands looking to enter or expand in the Australian market, including:

- **Restaurant economics:** QSRs typically operate on low margins and generally require certain minimum sales volumes to be financially viable. This is particularly the case in Australia, which has relatively higher operating costs compared to some other markets. Many QSR businesses fail because they are unable to achieve the necessary level of sales to remain financially viable or deliver an adequate return on invested capital;
- **Initial investment costs:** establishing a restaurant network requires investment in equipment, furniture and fittings, and lease costs, which individually or collectively can be prohibitive;
- **Site availability:** larger format sites with typically superior restaurant economics tend to be more difficult to identify and develop than pre-built, smaller format sites such as food courts. New entrants who are targeting large format locations and who do not have an experienced real estate team or relationships with local developers may struggle to find appropriate sites to develop and lease;
- **Supply chain and procurement:** developing an integrated, efficient and cost-effective supply chain involves careful selection of ingredients from a wide range of suppliers, who may have strong, long-term relationships with larger incumbents. The supply of fresh and healthy ingredients in particular may be more difficult to coordinate due to location or availability limitations;
- **Brand:** a significant proportion of the QSR market comprises large incumbents with category dominance. New entrants may struggle to differentiate themselves from players with strong brand awareness and may not have the financial resources to adequately market their business to consumers; and
- **Licences:** QSR operators require a food business licence to operate. They must adhere to strict food safety standards, as well as a number of other policies and regulations as outlined in Section 9.8.

2.5.3 COMPETITORS IN THE INDUSTRY

The QSR industry is segmented into mature brands (including, for example, Subway, McDonald's and KFC), growth brands (including for example, GYG, Grill'd and Sushi Hub) and nascent brands (including, for example, Betty's Burgers, Carl's Jr and Fishbowl). In addition to the established QSR chains listed below, independent operators also comprise a significant proportion of the QSR industry. GYG considers its competitors to be the leading brands in the mature, growth and nascent brand categories as per Figure 3.

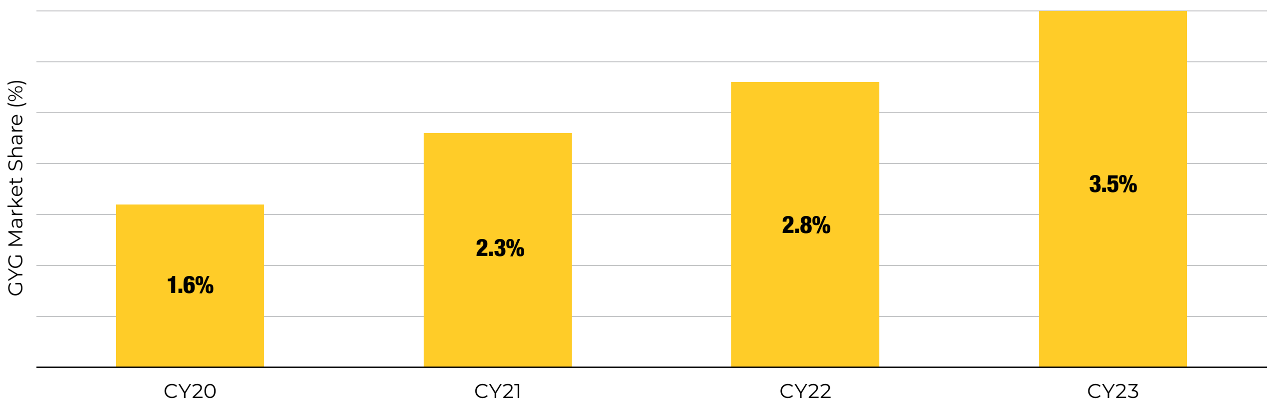
Figure 3: Australian QSR market by network maturity (as at 31 December 2023)[29]

	Established in Australia	Number of restaurants
Mature (30+ years)		
Subway	1988	1,227
McDonald's	1971	1,031
KFC	1968	785
Domino's	1983	736
Hungry Jack's	1971	459
Red Rooster	1972	321
Pizza Hut	1970	270
Oporto	1986	191
Nando's	1990	138
Chicken Treat	1976	59
Hero Sushi	1977	50
Sushi Train	1993	46
Growth (10-30 years)		
Zambrero	2005	233
GYG[30]	2005	183
Grill'd	2004	169
Sushi Hub	2006	164
Sushi Sushi	1998	155
Crust	2001	132
Roll'd	2012	103
Noodle Box	1996	98
Schnitz	2007	74
Mad Mex	2007	66
Rashays	1998	39
Burrito Bar	2011	39
El Jannah	1998	25
Nascent (0-10 years)		
Betty's Burgers	2014	58
Carl's Jr	2016	46
Fishbowl	2016	43
Taco Bell	2017	39
Pattysmiths	2018	33
Sushi Jiro	2017	23

GYG estimates that its share of the Australian QSR market is approximately 3.5%. This has grown steadily from approximately 1.6% as at the end of CY20, driven by both individual restaurant sales growth and network expansion.

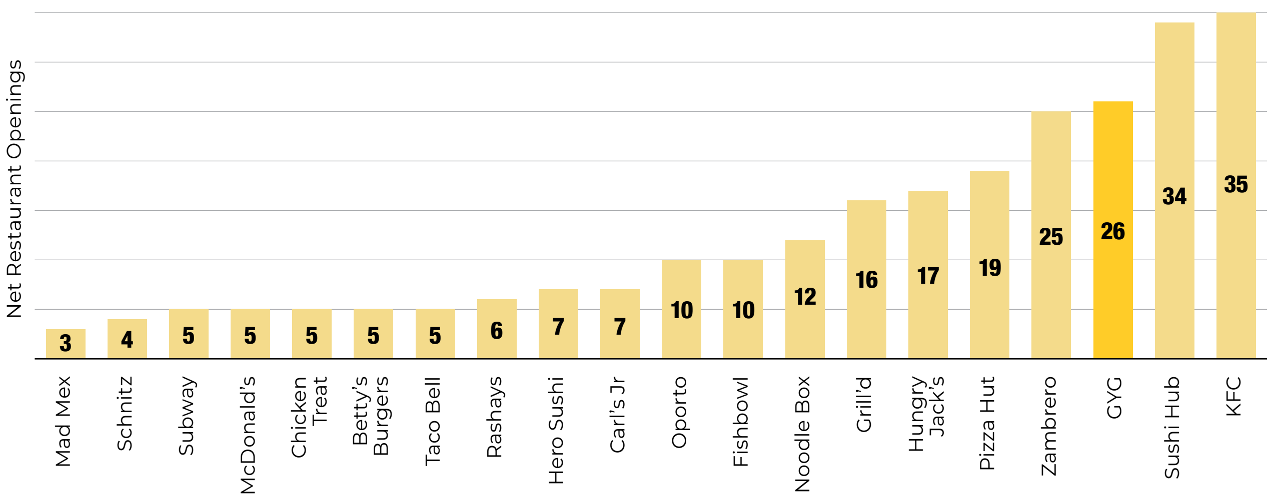
29. Australian QSR Industry Report, April 2024, Think Economics.
30. GYG's restaurant count reflects internal data as at 31 December 2023.

Figure 4: GYG market share as a % of the Australian QSR Market[31]



Based on net restaurant openings, GYG is one of the fastest growing QSRs in Australia, growing by 26 restaurants in CY23.

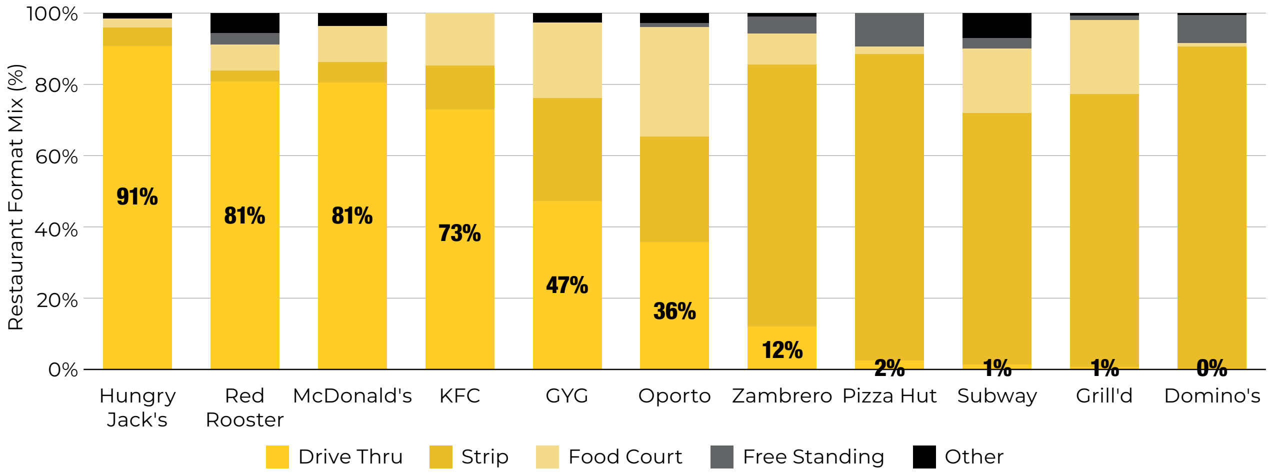
Figure 5: Australian QSR net restaurant openings by brand (CY23)[32]



There is a clear distinction between the drive thru dominant models across the 11 largest QSR brands (by restaurant count) and those focused on strip or shopping centre formats.

31. Market Share calculated by dividing GYG internal Network Sales data by Euromonitor International's April 2024 estimate of revenue generated by the Australian QSR market in each year.
32. Australian QSR Industry Report, April 2024, Think Economics.

Figure 6: Australian QSR restaurant formats as a % of total restaurant count by brand (as at 31 December 23)[33]



It is important to consider that not all QSR locations are equivalent on a sales basis. A key sales metric in QSR is average unit volume, or AUV, which refers to the aggregate sales for a restaurant or group of restaurants over a specified time period (typically annual) expressed on a per restaurant basis.

The AUV of a restaurant can vary based on:

- **Location:** QSRs that have restaurants in premium locations with high volumes of passing traffic and ease of access are more likely to attract more guests and therefore generate higher AUVs;
- **Visibility and branding:** QSRs that are highly visible (through, for example, the use of strong colours, signage and lighting) and which have clearly identifiable, consistent branding across their restaurant network may be more likely to capture the attention of potential guests and therefore generate higher AUVs;
- **Menu offering:** QSR brands focused on more premium or specialty menu items, including healthier options, may generate higher AUVs;
- **Sales channels:** operators with multiple touch points have the potential to generate higher AUVs. Strong digital capabilities can support higher AUVs due to reduced friction in the ordering process, unique customisation options and customer engagement opportunities through loyalty programs. A developed digital platform may also encompass delivery services, which enhances optionality for consumers, thereby providing an opportunity to increase AUV;
- **Format:** QSRs whose primary formats are larger and more accessible may be able to generate higher AUVs. For example, well-located drive thrus, such as those on busy intersections or high traffic thoroughfares, are typically exposed to higher passing road traffic than strip or food court restaurants due to their location and accessibility, which can translate into increased transactions and AUV;
- **Dayparts:** some QSRs may extend their trading hours by operating across multiple dayparts, driving increased transaction volumes, and, as a result, increased sales; and
- **Capacity and throughput:** a QSR's ability to fulfil a high volume of orders is critical to its sales potential. High volumes are supported by speed of service, which in turn is dependent on the type of food a QSR serves, the layout of its preparation and service areas, operational systems and employee productivity.

Refer to Sections 3.3.8 and 3.3.9 of the Prospectus for further information on AUV across the GYG network.

33. Australian QSR Industry Report, April 2024, Think Economics.

2. INDUSTRY OVERVIEW CONTINUED

2.6 REGULATORY ENVIRONMENT IN AUSTRALIA

The table below lists the key regulations and standards relevant to GYG's operations in Australia. For further details, including the scope of each regulation or standard and the circumstances under which GYG may be held liable for any breaches, see Section 9.8.

Figure 7: Key regulations and standards in Australia by category

Category	Key Regulations and Standards
Food service	The *Food Standards Australia New Zealand Act* ("**FSANZ Act**") is the primary piece of legislation governing food production and safety standards in Australia. The FSANZ Act sets out the Australia New Zealand Food Standards Code, which details general standards for all food producers, distributors and salespeople in Australia, including labelling and other information requirements, as well as food production and safety standards. The standards in the FSANZ Act are incorporated into each Australian State and Territory's food safety legislation.
Employment	The *Fair Work Act 2009* (Cth) ("**FW Act**") is the primary piece of legislation governing the employee and employer relationship in Australia. The Fair Work Act establishes a safety net comprising the National Employment Standards, modern awards and national minimum wage order for employees and enforces a compliance regime for employers. Under the Fair Work Act, GYG is legally responsible for contraventions of the legislation within its corporate-owned operations. In certain circumstances GYG can also be held legally responsible if its franchisees contravene their obligations under the Fair Work Act.
Franchising	The Franchising Code of Conduct (the "**Code**") is the primary law that regulates franchising agreements in Australia. The Code obliges franchisors and franchisees to act in good faith in their dealings with one another, requires franchisors to provide transparency in the use of franchisee funds and imposes financial penalties for particular kinds of breaches, amongst other obligations. The Code governs how GYG as a franchisor must conduct itself in the operation of its franchise network. Importantly, the Code obliges GYG to comply with certain obligations before entering into, during the term of and upon termination of its franchise agreements.
Consumer	As a consumer-facing business engaged in trade or commerce, GYG is subject to the *Competition and Consumer Act* (Cth) ("**CCA**") and the Australian Consumer Law ("**ACL**"). The CCA sets out the obligations of a business in dealing with suppliers, competitors and customers, as well as the rights of a purchaser of goods and services in Australia. The ACL protects consumers by prohibiting various types of unfair trading practices and provides basic consumer guarantees. In certain circumstances GYG may have liability under the CCA or ACL for the conduct of its franchisees – for example, when the franchisee makes false, misleading or deceptive representations about products using only information that GYG has provided to it and that it is required to use as part of its franchising arrangements.

Category	Key Regulations and Standards
Environment, planning and development	Each State and Territory government in Australia in which GYG operates has enacted legislation to regulate contamination. If GYG is responsible for contamination (i.e. the polluter) it will be primarily liable under such laws for any regulatory action in respect of that contamination. Similarly, each jurisdiction that GYG operates has enacted planning legislation that stipulates the types of development that require approval and the associated environmental impacts which must be assessed. GYG must comply with these laws when scoping and establishing new restaurants and as they may look to remodel current locations.
Privacy	The *Privacy Act 1988* (Cth) ("**Privacy Act**") is the principal piece of legislation that governs the handling of personal information in Australia and covers private sector entities with annual turnover over $3 million such as GYG. The Privacy Act regulates the collection, use, disclosure and storage of personal information. The Privacy Act also requires organisations to take certain steps in response to data breaches, including mandatory notification of "eligible data breaches" to the Office of the Australian Information Commissioner as well as affected individuals.

2.7 INTERNATIONAL QSR MARKET

Outside of Australia, GYG currently operates restaurants in Japan and Singapore via a master franchise agreement, and in the US through corporate-owned restaurants. Expansion of GYG's international footprint is one aspect of the Company's growth strategy, which is further detailed in Section 3.7.5 of this prospectus.

2.7.1 MARKET SIZE IN KEY INTERNATIONAL MARKETS

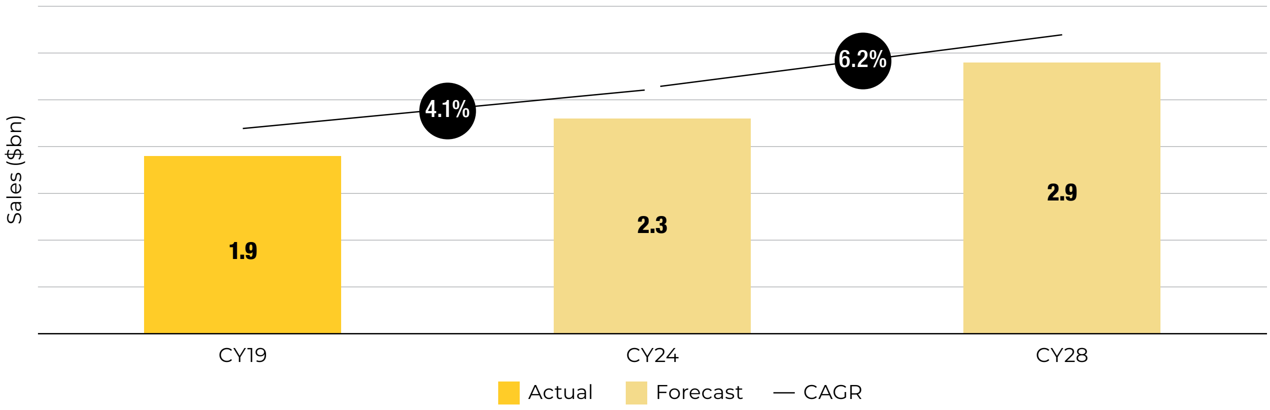
2.7.1.1 QSR market in Singapore

The Singaporean QSR market is expected to generate approximately $2.3 billion in sales in CY24.[34] Following COVID-19, the QSR market in Singapore has experienced a shift away from in-restaurant ordering, with significant growth in digital sales channels as consumers prioritise safety and the minimisation of physical contact. Evolving digital channels, alongside demand for customised ordering and the introduction of healthier, more premium menu items in response to changing consumer preferences, is expected to drive total QSR sales to grow at a CAGR of 6.2% from CY24-CY28.[35]

McDonald's is the largest player in the Singaporean QSR market, while other global chains including KFC, Burger King and Subway, also have a significant presence. Local players make up a smaller proportion of the market than in GYG's other key operating regions. In comparison to key players, GYG has a significantly more nascent presence in the Singaporean market, with approximately 2% market share.[36]

34. Euromonitor International Passport Data on the Limited-Service Restaurant Industry in Singapore (April 2024).
35. Euromonitor International Passport Data on the Limited-Service Restaurant Industry in Singapore (April 2024).
36. Market Share calculated by dividing GYG internal Network Sales data by Euromonitor International's estimate (as of April 2024) of the revenue generated by the Singaporean QSR market in each year.

Figure 8: Singaporean QSR market (by sales)[37]

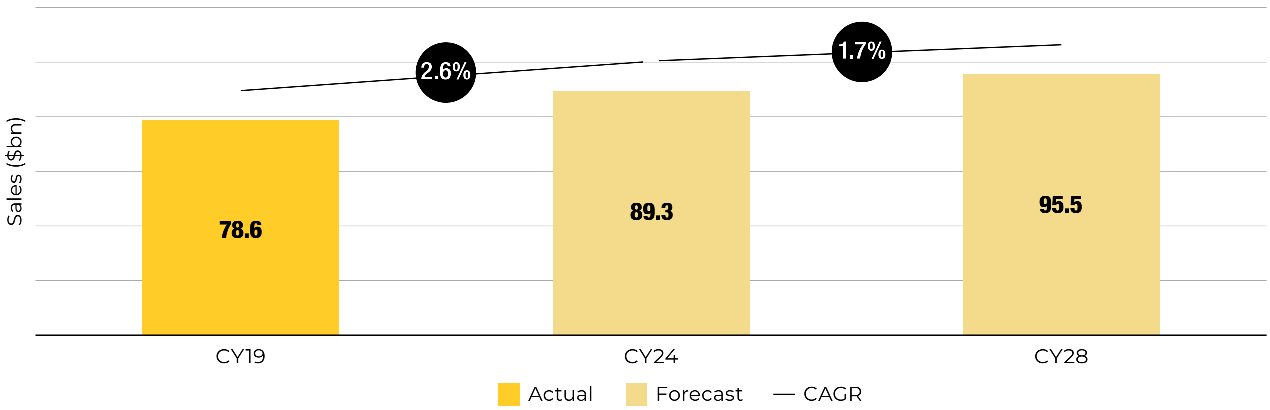


2.7.1.2 QSR market in Japan

The Japanese QSR market is expected to generate approximately $89.3 billion in sales in CY24 and grow at a CAGR of 1.7% from CY24-CY28.[38] Growth is expected to be driven by menu price increases and a focus on premiumisation to maintain growth.

The Japanese QSR market consists of convenience stores (for example, 7-Eleven, Lawson and Family Mart), as well as global (for example, McDonald's and KFC) and local (for example, Sukiya) fast food chains, and independent restaurants. In comparison to key players, GYG has a significantly more nascent presence in the Japanese market, with less than 1% of the share of the market.[39]

Figure 9: Japanese QSR market (by sales)[40]



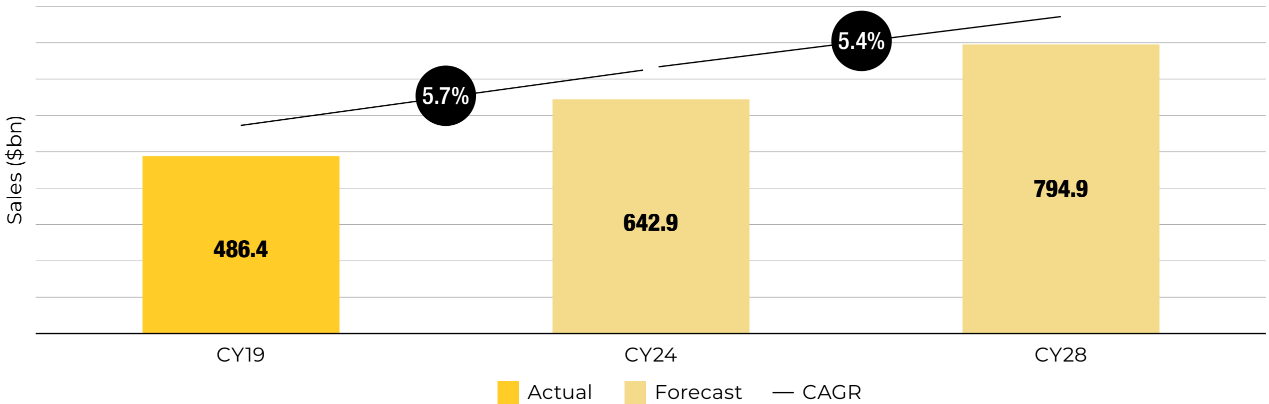
37. Euromonitor International Passport Data on the Limited-Service Restaurant Industry in Singapore (April 2024).
38. Euromonitor International Passport Data on the Limited-Service Restaurant Industry in Japan (April 2024).
39. Market Share calculated by dividing GYG's internal Network Sales data by Euromonitor International's estimate (as of April 2024) of the revenue generated by the Japanese QSR market in each year.
40. Euromonitor International Passport Data on the Limited-Service Restaurant Industry in Japan (April 2024).

2.7.1.3 QSR market in the US

The US is the largest QSR market globally and is expected to generate approximately $642.9 billion in sales in CY24, having demonstrated consistent growth in sales over time, with a CAGR of 5.7% from CY19-CY24. The market is expected to grow at a CAGR of 5.4% from CY24-CY28.[41] This growth is expected to be driven by restaurant location expansion and the successful implementation of loyalty programs as customers continue to seek value options.

The US QSR market consists primarily of large, established chain restaurants (for example, McDonald's, Chick-Fil-A and Taco Bell), with some contribution from smaller chains, convenience locations and local and independent restaurants. In comparison to key players, GYG has a significantly more nascent presence in the US market, with less than 1% of the share of the market.[42]

Figure 10: US QSR market (by sales)[43]



2.7.2 REGULATORY ENVIRONMENT

Although the policies and regulations overseeing the QSR industries in each of GYG's respective markets varies, GYG does not directly operate restaurants outside of Australia and the US, and therefore sees any differences in regulatory environment in these regions as less material given GYG does not have the responsibility for administering compliance. Nonetheless, GYG provides support to its international master franchisees to foster positive compliance behaviours and outcomes. In the US, GYG retains legal advisers to manage regulatory compliance in its corporate-owned restaurants.

41. Euromonitor International Passport Data on the Limited-Service Restaurant Industry in the US (April 2024).
42. Market Share calculated by dividing GYG's internal Network Sales data by Euromonitor International's estimate (as of April 2024) of the revenue generated by the US QSR market in each year.
43. Euromonitor International Passport Data on the Limited-Service Restaurant Industry in the US (April 2024).

ROCKHAMPTON DRIVE THRU

SECTION 3:

COMPANY OVERVIEW

3. COMPANY OVERVIEW

3.1 OVERVIEW OF GYG

Headquartered in Surry Hills, Sydney, GYG is one of Australia's fastest growing QSR businesses. GYG has differentiated its business by delivering clean, fresh, made-to-order, Mexican-inspired food. This is served to guests at high speed via multiple sales channels, restaurant formats and dayparts.

Since opening its first restaurant in the inner-Sydney suburb of Newtown in 2006, GYG has expanded its restaurant network to 210 restaurants across four countries as of 31 March 2024, including 185 in Australia, 16 in Singapore, 5 in Japan and 4 in the US. GYG operates a hybrid restaurant ownership model, with a mix of corporate and franchise restaurants.

GYG believes there is an opportunity to grow its network to more than 1,000 restaurants in Australia over the next 20+ years and aspires to expand its presence in international markets over time.

3.2 HISTORY OF GYG

GYG has grown significantly since it was founded by Steven Marks and Robert Hazan in 2005.

Figure 11: History of GYG

1. Former CEO of McDonald's Australia and President of McDonald's Greater China.
2. Former CFO and COO of McDonald's Australia.
3. Refer to Section 3.3.4 for a definition of 100% Clean.
4. This relates to the Australian restaurant count number.
5. This relates to the International restaurant count number (Singapore, Japan and the US).

3. COMPANY OVERVIEW CONTINUED

Figure 12 and Figure 13 show the growth of GYG over time. From FY15 to FY23, GYG has grown its global restaurant network from 62 restaurants to 194 restaurants. GYG's global Network Sales have increased from $101 million in FY15 to $759 million in FY23, a CAGR of 29%.

Figure 12: GYG global restaurant network

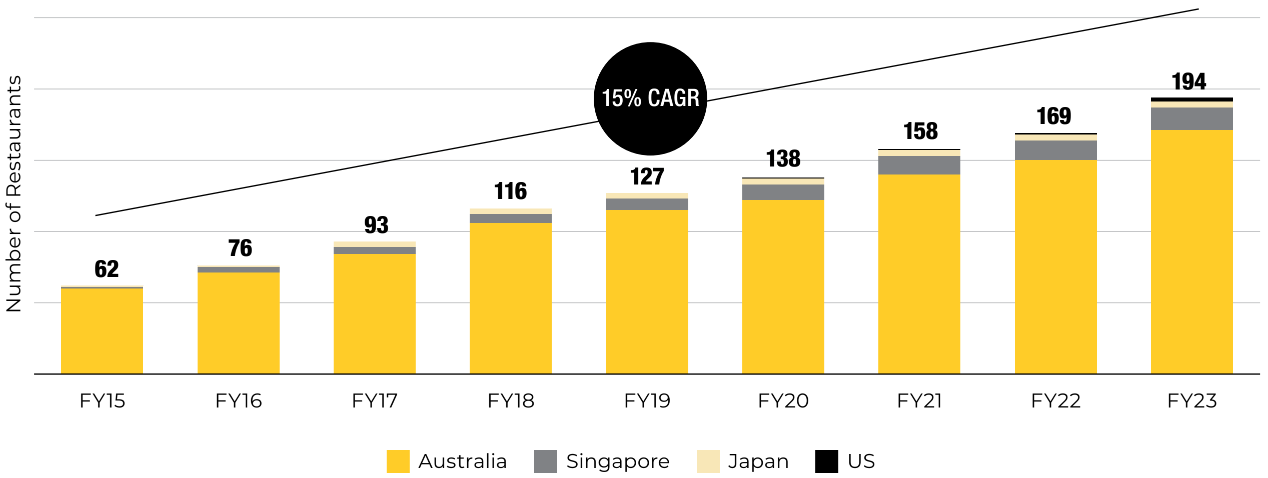
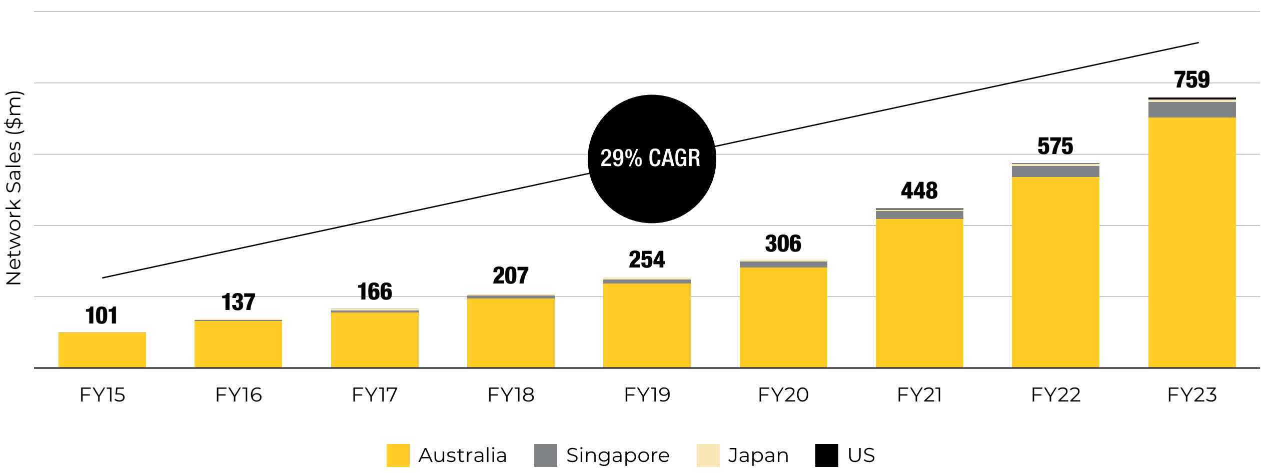


Figure 13: GYG global Network Sales[44]



44. Network Sales refers to the total sales generated by all corporate and franchise restaurants in the GYG network. Network Sales is a non-IFRS measure. See glossary in Section 4.2.4 for a full definition.

Commentary in Section 3 refers to certain metrics which GYG's Management uses to assess the operational performance of the Company. These metrics include Network Sales, AUV, Comparable Restaurant Sales Growth, Comparable Restaurant Margin, Network Restaurant Margin, Franchise Restaurant Margin, Comparable Corporate Restaurant Margin and Franchisee ROI. These are non-IFRS measures and are unaudited. See Section 4.2.4 for further information on non-IFRS measures.

3.3 KEY CHARACTERISTICS OF GYG'S BUSINESS MODEL

GYG is a QSR business with more than 200 restaurants globally. It operates a hybrid restaurant ownership model, with a mix of corporate and franchise restaurants. In Australia, the Company had 185 restaurants as of 31 March 2024, including 62 corporate owned and operated restaurants and 123 franchise owned and operated restaurants, of which 10 restaurants are owned and operated by a South Australian master franchisee. GYG also had 16 restaurants in Singapore and 5 restaurants in Japan which are owned and operated by separate master franchisees. GYG also had 4 corporate owned and operated restaurants in the US.

The use of a hybrid restaurant ownership model allows GYG to scale its business efficiently whilst allowing it to benefit from the strengths of both corporate and franchise operations. GYG is able to exert greater control over corporate restaurants, enabling it to achieve more consistency in aspects of the business such as brand, menu and guest experience. Franchising allows GYG to expand its restaurant network in Australia and internationally without the need for significant capital investment, as franchisees invest their own capital to open new restaurant locations. GYG uses the master franchise model selectively to enter new markets in a capital-light and lower risk manner, where it can benefit from the local expertise of master franchisees.

See Section 3.3.3.2 for further detail on GYG's ownership model.

GYG's revenue consists of sales generated by corporate restaurants in Australia and the US, and franchise royalty revenue from franchise restaurants in Australia, Singapore and Japan. Refer to Section 3.3.11.1 and 4.9.1 for further detail.

All commentary in this Section from Section 3.3 onwards relates to GYG's Australian restaurant network only unless otherwise noted. This is because the majority of restaurants both now and over the Prospectus forecast period are located in Australia, resulting in the Australian restaurant network being the most material to the financial performance and position of the Company.

3. COMPANY OVERVIEW CONTINUED

3.3.1 VISION, MISSION AND VALUES

GYG's vision, mission and values are detailed in Figure 14 below:

Figure 14: Vision, Mission and Values

VISION

TO REINVENT FAST FOOD AND CHANGE THE WAY THE MASSES EAT

MISSION

BE THE BEST AND BIGGEST RESTAURANT COMPANY IN THE WORLD

VALUES

IT'S ALL ABOUT THE FOOD!

Our food is what separates us from all others. It's our brand, our heart and soul. Execution must be perfect – every order, every day!

MAKE EVERY GUEST LOVE US

We control our guest experience. Make it memorable, every time! And don't forget... Our smiles are contagious!

BE REAL

We say (with respect) what we think, and we don't make excuses.

GOT YOUR BACK

We are in this together. We take care of each other – always!

ITS UP TO US!

The future is ours to dominate!

3.3.2 GUEST EXPERIENCE

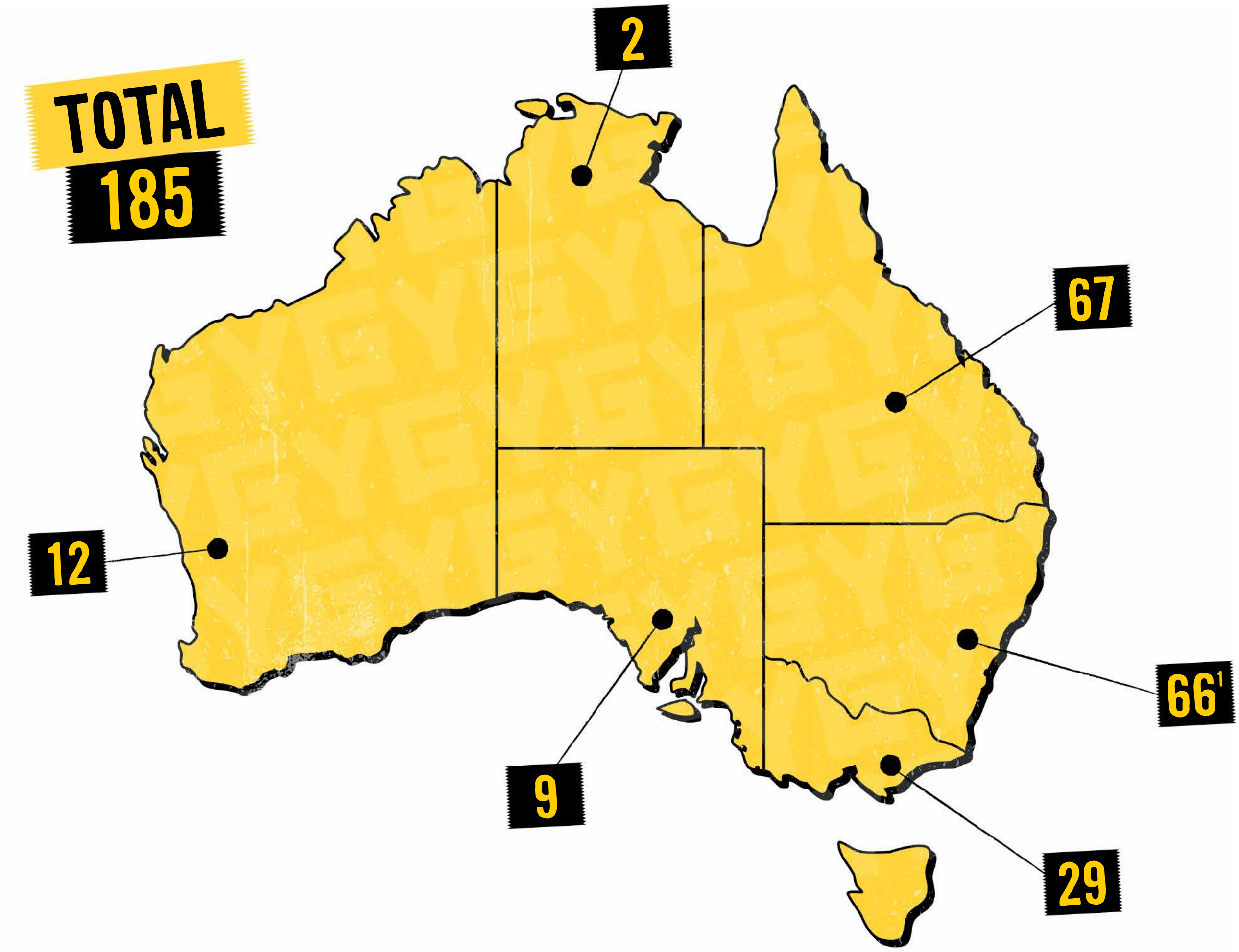
GYG has a strategic priority to deliver the "*best guest experience*" through the following pillars:

- **Food:** the quality and safety of food is a key focus of GYG's employees, franchisees and restaurant crew. Refer to Section 3.3.4 for further detail;
- **Speed:** GYG's bespoke sticker system and double linear preparation lines support quick and efficient order preparation. Refer to Section 3.3.3.3 for further detail;
- **Guest service:** exceptional service for all guests is a key priority for GYG, as encapsulated by the Company's value "*Make every guest love us*"; and
- **Restaurant design:** restaurants are designed to be easily identifiable, vibrant, and enticing to guests. Refer to Section 3.3.3.3 for further detail.

3.3.3 RESTAURANT NETWORK

As at 31 March 2024, GYG had a network of 185 restaurants across all Australian states and territories, except Tasmania, 16 restaurants in Singapore, 5 restaurants in Japan, and 4 restaurants in the US.

Figure 15: GYG's Australian restaurant network as of 31 March 2024



Note:

1. Combined NSW and ACT restaurant network.

3.3.3.1 Formats

GYG operates a number of restaurant formats. Of these, the most prominent formats are *drive thru* and *strip*. Restaurants which do not conform to either of these formats are grouped together under the category of *other* formats. Refer to Section 2.4.2 for an overview of the different restaurant formats.

Figure 16: GYG restaurant formats as at 31 March 2024

Drive thru	Strip	Other[45]
Restaurants (Corporate/Franchise)		
88 29C/59F	57 19C/38F	40 14C/26F
Typical Size (m^2)[46]		
175 – 265	125 – 255	80 – 210

3.3.3.2 Ownership

As at 31 March 2024, GYG had 62 Australian corporate restaurants and 123 Australian franchise restaurants, including 10 restaurants in South Australia which operate under a master franchise agreement (refer to Section 3.3.9.3 for further detail).[47]

GYG operates under a hybrid restaurant ownership model which provides flexibility and allows the Company to realise the relative benefits of both corporate and franchise restaurants. Corporate restaurants can serve as a brand and performance benchmark for the wider network to emulate, enabling GYG to ensure more consistency of brand, menu and guest experience. The franchise model enables GYG to open restaurants with dedicated owner-operators who can carefully oversee the day-to-day operations of a restaurant. Franchising also allows GYG to open restaurants in Australia and internationally in a capital-light nature, supporting high growth and strong returns on investment.

GYG determines who will be the most appropriate owner for each individual restaurant. In the normal course of business, corporate restaurants can become franchised and similarly, franchise restaurants can become corporate through acquisition by or sale to GYG where this is mutually agreed between the parties.

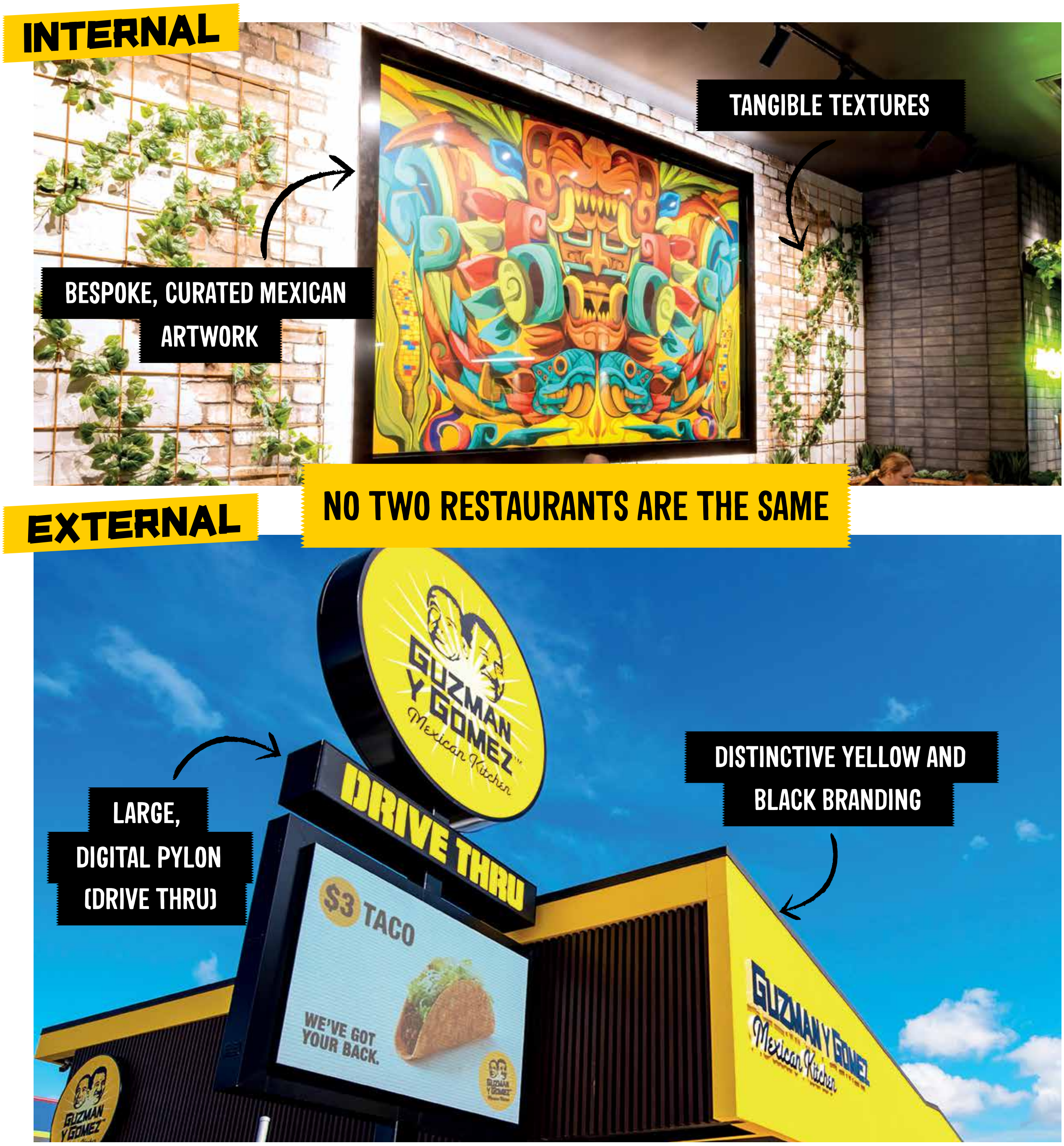
GYG uses the master franchise model to selectively enter new markets in a capital-light and lower risk manner. Master franchisees typically have local expertise which can be used to identify the best sites for restaurants, navigate local regulations, or develop appropriate marketing strategies. Under the master franchise model, GYG has less control over the day-to-day operations and financial performance of the restaurants, as well as less visibility into the financial reporting. In addition, master franchise restaurants usually receive more direct support from the master franchisee than they do from GYG in areas such as restaurant operations and marketing. As such, GYG typically excludes restaurants operating under a master franchise arrangement when evaluating the performance of its restaurant network. Further details about the nature of the Company's franchise model are provided in Section 3.3.11.

45. Other includes GYG restaurants located in shopping centres, food courts and university campuses.
46. Typical restaurant size range is defined as one standard deviation from the mean and rounded to the closest $5m^2$.
47. One restaurant operated by the master franchise in South Australia is located in Mildura, Victoria.

3.3.3.3 Restaurant design and operating platform

GYG's restaurant design is intended to be vibrant, fun and unique, drawing inspiration and influence from Mexican and urban street culture.

Figure 17: Internal and external restaurant design



3. COMPANY OVERVIEW CONTINUED

All GYG restaurants have digital menu boards inside the restaurant and in drive thru lanes (if they are drive thru restaurants). The content is dynamic and controlled by a content management system which allows GYG to deploy changes to the menu instantly, such as the placement of campaigns and promotions.

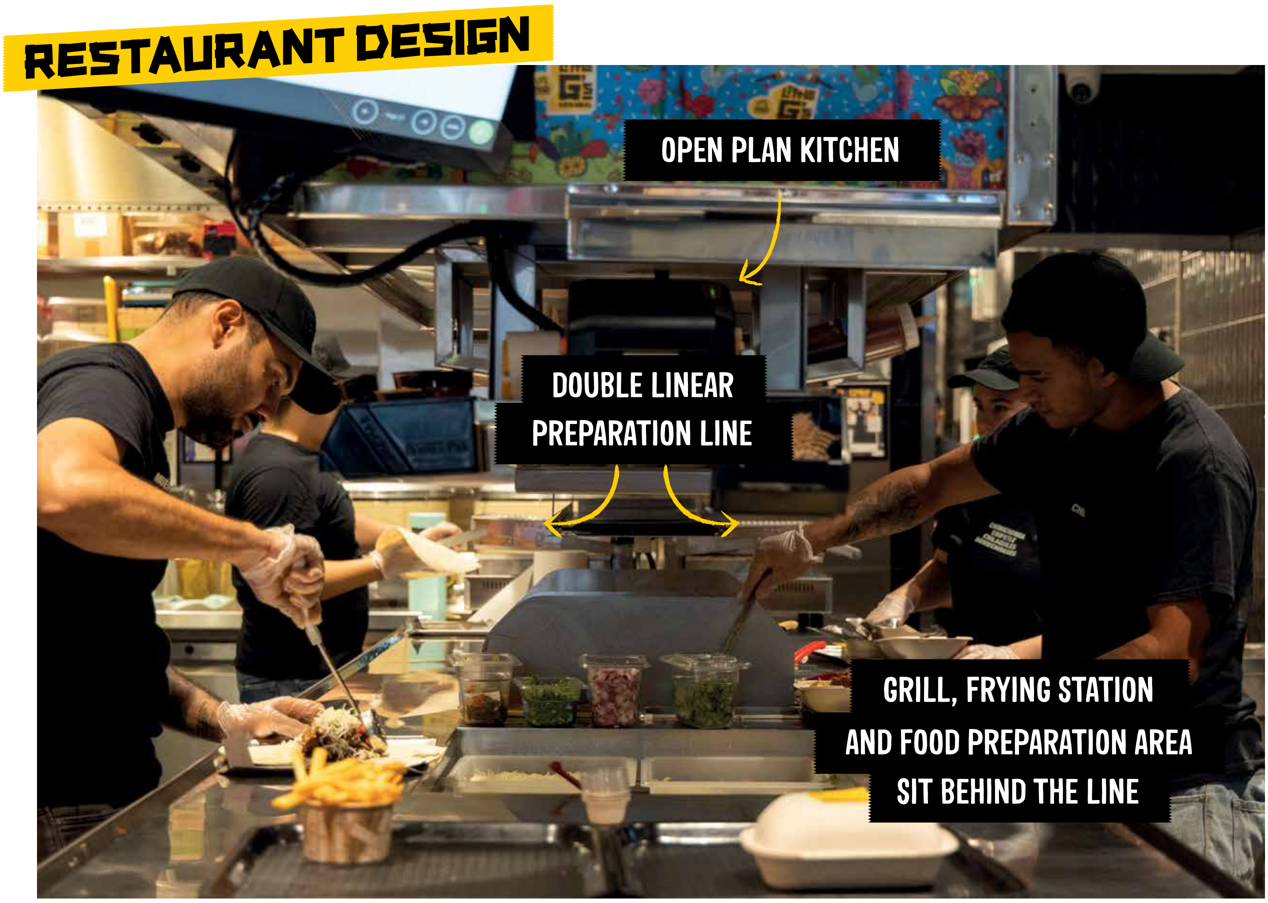
Figure 18: Digital menu boards

New or refurbished restaurants now typically include a dedicated digital pickup window and delivery collection zone to support growth in new channels while minimising unnecessary crowding and queuing in the restaurant.

Figure 19: Digital pickup windows and delivery collection zones

GYG's restaurant operating platform is designed to reduce bottlenecks and maximise throughput. Open plan kitchens feature double linear preparation lines which allow for more than twice the volume of orders to be prepared at a time compared to a single preparation line. Double linear preparation lines also ensure that orders through channels such as digital and delivery can be easily prepared without impacting the flow of in-restaurant orders.

Figure 20: Restaurant operating platform



Once an order is placed, GYG's bespoke sticker system prints a sticker at the appropriate food preparation station. Stickers assist with order accuracy given the made-to-order nature of meals and customisation options available with GYG's menu. Each sticker highlights customisations, such as additions or omissions, which the crew refers to during food preparation and is attached to the packaging so that the guest can see what each packaged item contains.

3. COMPANY OVERVIEW CONTINUED

Figure 21: Bespoke sticker system

The combination of double linear preparation lines and the bespoke sticker system enables a typical GYG restaurant to produce up to 450 made-to-order burritos or bowls per hour. GYG targets a KDS speed of less than 4 minutes across the network.[48] In the 9 months to 31 March 2024, the proportion of orders with a KDS speed under 4 minutes was 69%.

3.3.4 FOOD

One of GYG's core values is: *"It's all about the food! Our food is what separates us from all others. Execution must be perfect – every order, every day!"* Every menu item is created with this value as a guiding principle.

Much of GYG's food is prepared from fresh ingredients which are delivered daily to restaurants by GYG's suppliers. GYG exclusively uses fresh free-range chicken in its restaurants, and believes it is the only Australian QSR to do so when compared with QSR Market Leaders (as defined by Think Economics).[49]

In 2016, GYG began a comprehensive review of its food menu to ensure that every ingredient was *100% Clean*, meaning that it contains no added preservatives, no added colours, no artificial flavours, and no unacceptable additives. Through concerted efforts alongside suppliers and an independent nutritionist, GYG was able to eliminate food ingredients that did not meet these criteria. As of September 2019, the GYG food menu in Australia is made using ingredients that are *100% Clean*.[50]

48. KDS speed is a measure of the time taken between the finalisation of the order placement (i.e. once it is paid for) and the delivery of the order to the customer (or having it ready for them to collect).
49. QSR Market Leaders includes McDonald's, KFC, Hungry Jacks and Red Rooster; Australian QSR Industry Report, April 2024, Think Economics.
50. This does not extend to GYG's beverage menu, which includes products supplied by third parties where GYG does not have control over input ingredients.

Some of the key features of GYG's menu include:

- **Mains:** *Burritos, Bowls, Cali Burritos, Nachos, Nacho Fries, Tacos, Quesadillas, Enchiladas* and *Salads*;
- **Fillings:** *Grilled Free-Range Chicken, Shredded Beef Brisket, Pulled Pork, Ground Beef, Sautéed Vegetables with Fresh Guacamole* and *Pulled Shiitake Mushroom*;
- **Spice:** *Mild* or *Spicy*;
- **Size:** *Regular, Mini*, or kid-friendly portions through the *Little G's* range;
- **Sides:** *Crispy Chicken Tenders, Chipotle-Seasoned Fries* and *Corn Chips with Guacamole*;
- **Dessert:** *Churros* with *Dulce de Leche* or *Chocolate Sauce, Soft Serve Cones* and *Sundaes* and *Nacho Sundae*;
- **Breakfast:** *Brekkie Burritos, Tacos, Quesadillas, Guacamole* or *Avocado on Toast*, whilst fillings include *Bacon* free from added nitrates, *Free-Range Chicken Chorizo, Free-Range Scrambled Eggs* and *Sautéed Vegetables with Fresh Guacamole*; and
- **Barista-made Coffee:** bespoke GYG blend.

Figure 22: GYG's food

Food menu items are prepared on a made-to-order basis, meaning that they can be fully customised to suit guest preferences. Guests can select extra fillings such as *Pickled Jalapeños* or *Guacamole*, or choose to remove certain ingredients. As outlined in Section 3.3.3.3, GYG's high throughput capacity allows restaurants to increase the number of orders they can process in any given time period, and also allows it to offer its Mains in a *Mini* size at a lower average price point compared to its *Regular* size without compromising overall restaurant sales.

3. COMPANY OVERVIEW CONTINUED

Figure 23: Customisability of GYG's menu

GYG has a custom-built test kitchen in Surry Hills, Sydney, and employs an in-house Head of Culinary to ensure continuous improvement of the existing menu and to test new offerings. GYG's product launches include *Crispy Chicken Tenders, Chipotle-Seasoned Fries,* the *$3 Taco, Pulled Shiitake Mushroom, Brekkie Burritos, Coffee, Soft Serve* and the relaunch of *Quesadillas*.

GYG has a recommended menu pricing policy and the majority of restaurants in the network (160 as of 31 March 2024) have menu prices consistent with this policy. As of 31 March 2024, 25 restaurants price their menu at a 0.6% premium to the recommended menu pricing (on a weighted average product basis) due to the higher cost to transport food and other inputs to these largely regional restaurants. Franchisees have discretion under Australian law to set their own menu prices however they have not historically deviated from corporate restaurant menu prices, except for the previously mentioned price premium in select restaurants.

3.3.4.1 Food safety

GYG is dedicated to creating a culture of food safety awareness and works hard to ensure that its food safety standards are understood and implemented by each of its employees and franchisees in the execution of their roles.

As much of GYG's food is prepared from fresh ingredients, restaurant crew handle high-risk foods such as uncooked meats and fresh vegetables on a daily basis. GYG therefore requires a broad and comprehensive food safety management system. Refer to Figure 24 for an overview of GYG's food preparation process.

Figure 24: GYG's food preparation process

GYG has implemented a food safety management system which identifies risks, implements controls and processes and is designed to achieve compliance with HACCP standards.[51] GYG continually reviews its food safety policies, standards and procedures to effectively manage food safety risks associated with changes in products, processes and technologies.

GYG's "10 Golden Rules of Food Safety" form the foundation of food safety management in all corporate, franchise and master franchise restaurants and all food safety training for crew (see Figure 25). Food safety training is delivered via structured programs which develop technical skills, increase awareness, manage risk and drive increasing levels of operational excellence.

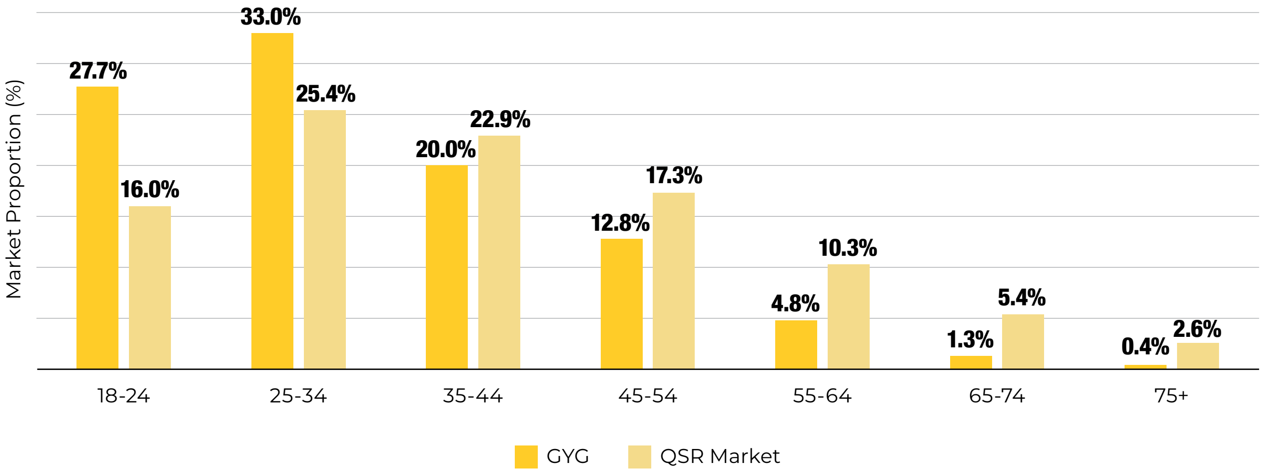
Figure 25: "10 Golden Rules of Food Safety"

51. HACCP stands for Hazard Analysis Critical Control Points. For most food businesses in Australia, having a Food Safety Program based on HACCP is a legal requirement.

3.3.5 GUEST SEGMENTATION

GYG's food offering and restaurant experience is designed to cater to 'anyone who eats'. Whilst GYG does not prioritise any particular guest demographic, research from Think Economics indicates that GYG has a higher market share among individuals aged 18-24 and 25-34 relative to peers within the broader QSR market.[52]

Figure 26: Proportion of GYG Network Sales by demographic segment[53]



GYG's strong foothold among the young adult demographic provides GYG with the opportunity to grow alongside this cohort by continuing to offer a compelling guest experience and driving ongoing loyalty to GYG's brand (refer to Section 2.2.5).

3.3.6 ACCESSIBILITY

3.3.6.1 Channels

GYG operates a diverse, multi-channel model that aims to meet guests where they prefer to transact. GYG's primary channels are in-restaurant, drive thru lane, owned digital and delivery aggregators.[54]

The in-restaurant, drive thru lane and delivery aggregator channels serve as critical entry points for new guests who are not familiar with GYG's owned digital channels.

GYG's owned digital channel is an integral part of GYG's strategy, allowing GYG to maintain direct relationships with its guests and offer a personalised experience through recommendations, promotions and rewards. This improved guest experience has the potential to drive increased guest loyalty over time. The owned digital channel is GYG's fastest growing sales channel, with network sales growing by 49% in 1H24 compared to the prior comparative period.

Orders via the delivery aggregator channel incur a commission to the platform which is typically based on a percentage of the order value. To offset this, GYG charges a premium on all menu items ordered through this channel. This premium is approximately 25% above GYG's standard menu prices.

52. Australian QSR Industry Report, April 2024, Think Economics.
53. Australian QSR Industry Report, April 2024, Think Economics.
54. Delivery aggregators refer to platforms that facilitate the ordering and delivery of goods or services from restaurants and other retail merchants to consumers. They offer a convenient way for consumers to browse menus, place orders and track the status of their delivery typically through their own mobile app or website.

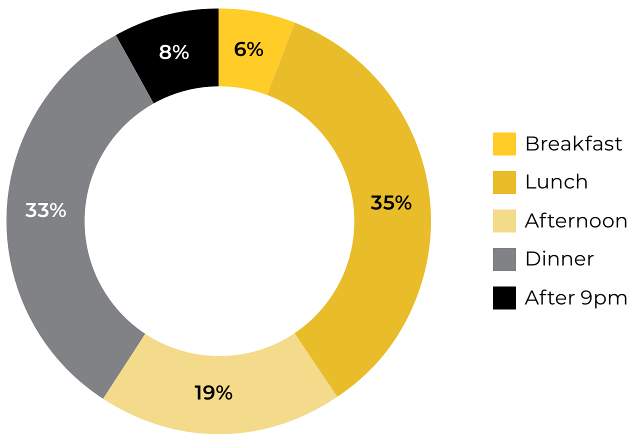
Figure 27: GYG restaurant channels

Channel	% of Network Sales in 1H24	Description
In-Restaurant	36%	**Refers to sales made inside GYG's restaurants using cash, debit or credit card**. Guests may choose to dine-in or takeaway once they have received their food
Drive Thru Lane	24%	**Refers to sales made in a drive thru lane at GYG's drive thru restaurants**. The strength of this channel reflects the speed and convenience of GYG's drive thru experience
Delivery Aggregators	23%	**Refers to delivery or takeaway sales via third-party delivery aggregators.** GYG has strategic partnerships with all the major national third-party delivery aggregators
Owned Digital	17%	**Refers to sales made via GYG's mobile app or website (refer to Section 3.3.7 for further detail).** It includes sales from GYG's catering orders

3.3.6.2 Dayparts

GYG restaurants operate across all dayparts: Breakfast, Lunch, Afternoon, Dinner and After 9pm.

Figure 28: 1H24 Network Sales mix by daypart



GYG's entire main menu is typically available across all dayparts except for Breakfast, which has a separate menu. Breakfast is currently available at 139 restaurants, whilst After 9pm is currently available at 168 restaurants.

Refer to Section 3.7.2.1 for detail on GYG's daypart growth strategy.

3.3.7 DIGITAL EXPERIENCE

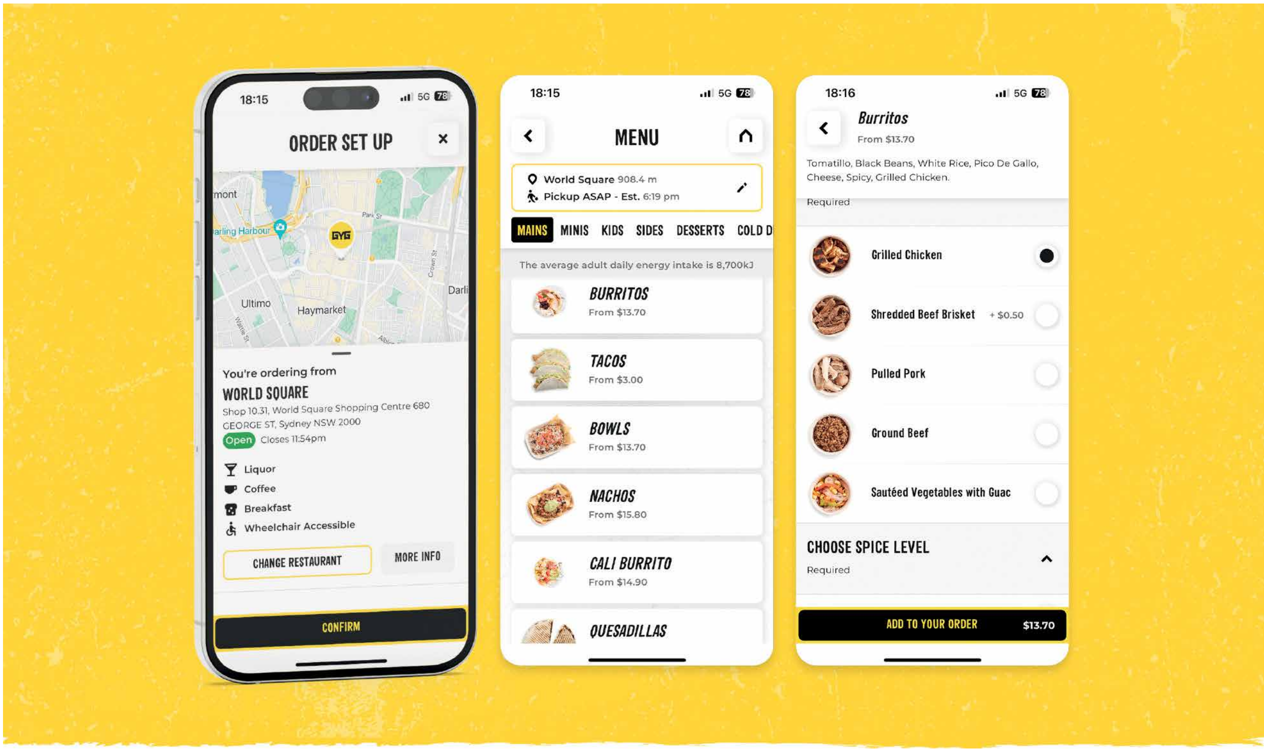
In April 2022, GYG launched its all new, award-winning mobile app and website.[55] GYG's mobile app and website promote guest engagement and provide data analytics capabilities to drive sales, increase operational efficiency and improve the guest experience.

- **Mobile ordering and payment:** the user interface allows for easy menu navigation and order customisation. When a guest opens the mobile app or website, the system uses geolocation capabilities that identify the closest restaurant, however guests have the flexibility to select any restaurant. Guests can place orders and pay directly through the mobile app and website, streamlining the process, increasing accuracy, and reducing wait times in the restaurant.
- **GOMEX loyalty program:** GYG's loyalty program incentivises repeat purchases by rewarding guests with GOMEX points that can be converted into "GYG dollars" for use in future transactions.
- **Personalised experience:** the mobile app and website use guest data to provide tailored recommendations, promotions and rewards to guests. It also allows for guests to save their favourite orders, enhancing guest satisfaction and loyalty.

GYG's mobile app and website are designed to be the best way to order from GYG. Since launching in April 2022 through to 31 March 2024, the GYG app has been downloaded approximately 1.7 million times from the Apple App and Google Play stores. As at 31 March 2024, the GYG app had a 4.3 star Apple App Store rating from over 4,100 reviews and a 4.6 star Google Play Store rating from over 2,700 reviews.

Refer to Section 3.7.4 for detail on GYG's digital growth strategy.

Figure 29: GYG's mobile app

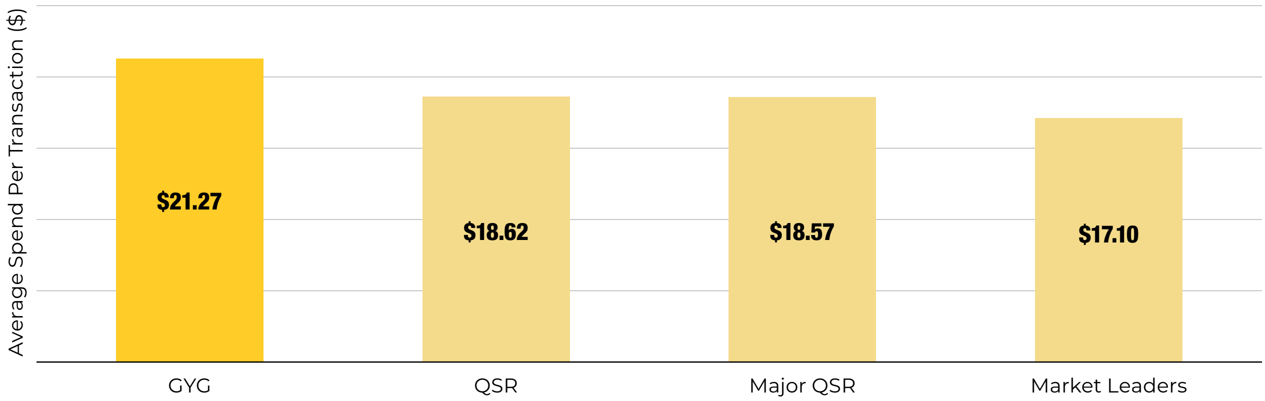


55. Australian Design Awards, 2023.

3.3.8 RESTAURANT PERFORMANCE

Based on the financial performance of its restaurants, GYG believes that its restaurants generally have strong AUVs. GYG's AUVs are supported by a high volume of transactions and healthy average spend per transaction as shown in Figure 30.

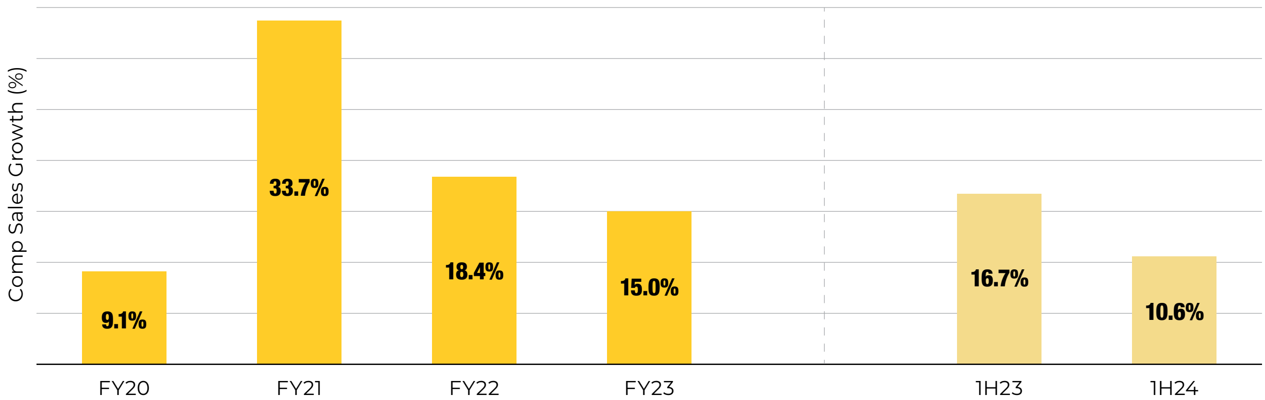
Figure 30: QSR industry average spend per transaction[56]



GYG has delivered strong Comparable Restaurant Sales Growth ("**Comp Sales Growth**" or "**Comp Sales**") each year from FY20 to FY23 (refer to Figure 31). Comp Sales Growth is a standard measure to reflect the improvement in sales performance for existing restaurants (refer to Section 4.2.4 for an explanation of how Comp Sales Growth is calculated). GYG has achieved strong Comp Sales Growth despite COVID-19 and the subsequent economic slowdown impacting consumer spending in Australia. In particular, GYG's Comp Sales grew 33.7% in FY21 as the FY20 comparison period included the COVID-19 lockdown period. From FY20 to FY23 GYG's cumulative Comp Sales Growth was approximately 76%, of which approximately 61% was a result of growth in transaction volumes and approximately 15% was a result of price and transaction mix. Strong Comp Sales Growth has supported AUV growth across all restaurant formats (refer to Figure 32).

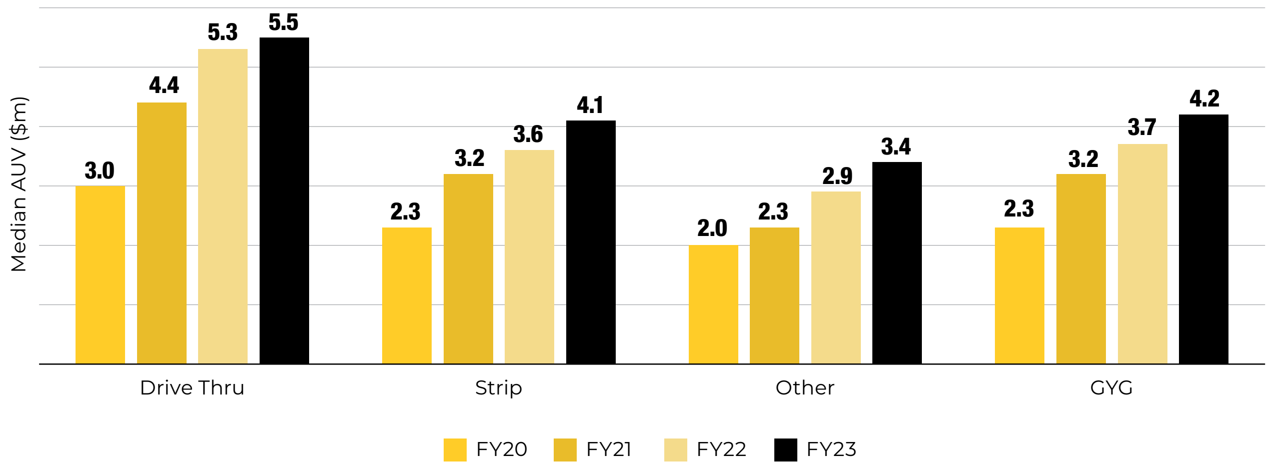
GYG's Comp Sales Growth is discussed in further detail in Section 4.9.1.

Figure 31: Comp Sales Growth



56. 12 months to 31 December 2023. Australian QSR Industry Report, April 2024, Think Economics. Major QSR is defined by Think Economics as Subway, McDonald's, KFC, Domino's, Hungry Jack's, Red Rooster, Pizza Hut, Zambrero, Oporto, GYG and Grill'd. Market Leaders is defined by Think Economics as McDonald's, KFC, Hungry Jack's and Red Rooster.

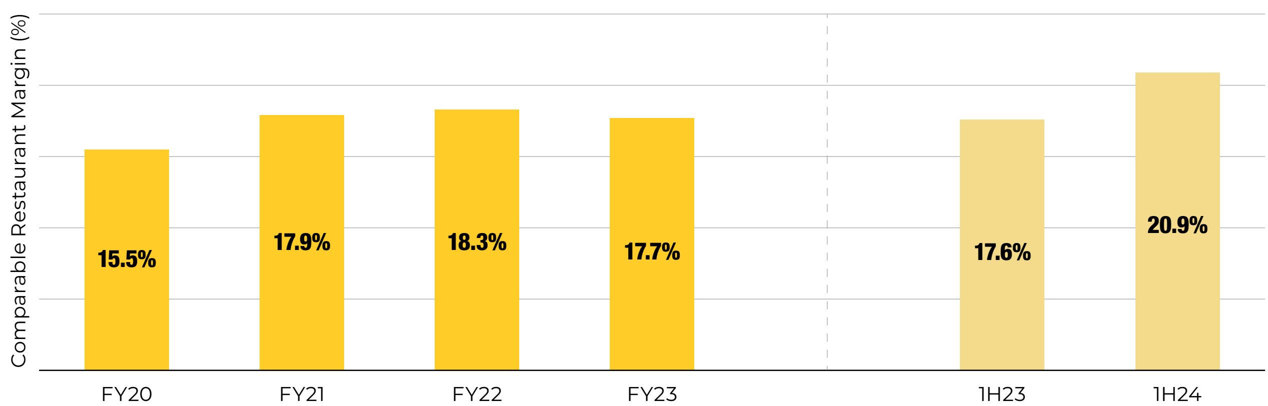
Figure 32: Median annual AUV ($m)[57]



GYG's restaurant sales have grown at a faster rate than restaurant expenses. This has driven an improvement in Comparable Restaurant Margin from 15.5% in FY20 to 17.7% in FY23 and 20.9% in 1H24.[58] GYG's robust Comparable Restaurant Margin strengthens GYG and its franchisees' resilience to cyclical changes in input prices or other external variables, such as weather events.

Comparable Restaurant Margin, like Comparable Restaurant Sales Growth, is a measure used by GYG to monitor the ongoing health of the Australian restaurant network over time and on a like-for-like basis. It is an aggregate measure that includes both corporate and franchise restaurants. Comparable Restaurant Margin is distinct from the Corporate Restaurant Margin shown in Section 4 as it includes franchise restaurants and excludes restaurants that have not been open for a minimum of 56 weeks. A 56-week measurement excludes the impact of elevated sales and costs immediately following restaurant opening dates. Comparable Restaurant Margin does not directly reconcile to GYG's Pro Forma Historical and Forecast Results by Segment (see Section 4.4.1). Franchise restaurant margins are an important measure of the health of the franchise network, however they do not have a direct impact on GYG's financial performance.

Figure 33: Comparable Restaurant Margin (%)[59]



57. Median Annual AUV reflects the median annual AUV for all Australian corporate and franchise restaurants included in the calculation of Comparable Restaurant Sales Growth so that restaurants can be compared on a like-for-like basis (see Section 4.2.4 for further detail).
58. Comparable Restaurant Margin reflects Network Restaurant Margins for all Australian restaurants included in the calculation of Comparable Restaurant Sales Growth (see Glossary and Section 4.2.4 for further detail). Excludes 10 restaurants owned by the South Australia master franchisee as they are not representative of the broader restaurant network (see Section 3.3.3.2 for further detail).
59. Comparable Restaurant Margin reflects Network Restaurant Margins for all Australian restaurants included in the calculation of Comparable Restaurant Sales Growth (see Glossary and Section 4.2.4 for further detail). Excludes 10 restaurants owned by the South Australia master franchisee as they are not representative of the broader restaurant network (see Section 3.3.3.2 for further detail).

3.3.9 RESTAURANT ECONOMICS

GYG's business model is driven by strong restaurant economics which have supported the Company's ability to open new restaurants with a high degree of confidence (refer to Section 3.7.1 for further detail on GYG's new restaurant openings strategy).

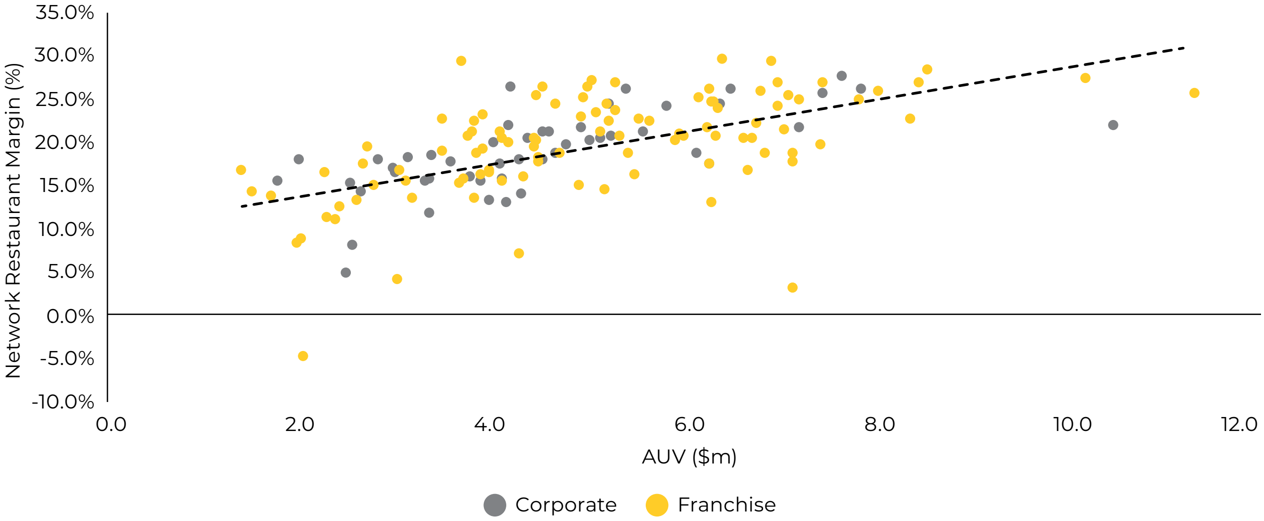
Figure 34 displays median restaurant economics by format for 1H24 (annualised). These figures are not intended to be representative of the performance of any individual restaurant in the network.

Figure 34: Annual median restaurant economics by format for 1H24 (annualised)[60]

Median restaurant	Drive thru	Strip	Other
AUV ($m)	6.1	4.5	4.1
Network Restaurant Margin ($m)	1.3	0.9	0.7
Network Restaurant Margin (%)	21.6%	19.8%	17.9%

GYG's strong restaurant performance is broad-based across the network and restaurant economics are not materially different between corporate and franchise restaurants, as shown in Figure 35.

Figure 35: Scatter plot of AUV and Network Restaurant Margin for 1H24 (annualised)[61]



60. Based on annualised performance for 1H24 for Australian corporate and franchise restaurants. AUV and Network Restaurant Margin ($m) are calculated individually using the median across the group of restaurants. Excludes restaurants that were opened in the period as their performance is not representative of the broader restaurant network as they are yet to achieve steady-state margins. Excludes restaurants owned by the South Australia master franchisee as they are not representative of the broader restaurant network (see Section 3.3.3.2 for further detail).
61. Based on annualised performance for 1H24 for Australian corporate and franchise restaurants. Excludes restaurants that were opened in the period as their performance is not representative of the broader restaurant network as they are yet to achieve steady-state margins. Includes restaurants owned by the South Australia master franchisee to give a more complete representation of the financial performance of the Australian restaurant network, notwithstanding that GYG does not believe that the South Australia restaurants are representative of the broader restaurant network.

3. COMPANY OVERVIEW CONTINUED

3.3.10 Marketing

Marketing, including brand, campaigns and promotions, is a core part of GYG's strategy:

- **Brand:** GYG's brand strategy is built around authentic story-telling of the brand's key elements, including:
  - providing fresh, clean food at fast food speeds;
  - appealing to the growing health consciousness and value consciousness of consumers (refer to Sections 2.2 and 2.3);
  - supporting community initiatives, such as sponsorship of local sports teams, to increase brand awareness; and
  - celebrating Mexican cultural traditions and holidays such as Cinco De Mayo and Day of the Dead.
- **Campaigns:** GYG runs marketing campaigns to drive sales across menu items (both existing and new), dayparts and channels and to increase brand awareness.
  - GYG uses a variety of channels for campaigns, including outdoor, transit, TV, radio, social media, digital media and public relations.
  - GYG's publication of content across social media allows for constant engagement with guests, particularly in the 18-34 age demographic. For example, GYG reaches approximately 14 million people across each of Meta (Facebook and Instagram) and Tik Tok each month. Across these platforms, greater than 60% of followers are aged between 18 and 34 years.
  - Examples of recent campaigns include:
    - › "Clean is the New Healthy" campaign (April 2024) focused on GYG's *100% Clean* menu;
    - › Crispy Chicken Tenders launch (October 2023); and
    - › "Did you Know" campaign (February 2023) focused on 60 facts about GYG.

Figure 36: Select GYG marketing campaigns

- **Promotions:** GYG does not believe that a continuous cycle of discounting or limited-time offers is consistent with achieving the Company's mission and vision. Instead, GYG looks for opportunities to deliver consistent value to guests through initiatives such as:
  - menu bundles and value deals;
  - promotions exclusive to the mobile app and website, including double GOMEX points on Mondays (March 2024), "Scan and Win" or GYG branded merchandise giveaways;
  - new restaurant opening day specials ("$5 Burritos & Bowls"); and
  - collaborations with third-party delivery aggregators to offer discounted menu items and free delivery days.

GYG has 41 employees in the marketing function, which supports both corporate and franchise restaurants. The marketing function is funded by a national marketing fund, where a fixed fee of 3% of net restaurant sales is charged to all restaurants in the network.[62,63] Marketing fees are budgeted to be spent in the financial year in which they are collected (refer to Section 4.9.2 and 4.9.4 for further detail).

3.3.11 Franchise partners

Franchise partners are a critical part of GYG's business model. GYG's philosophy on franchising is centred on the following key principles:

- a relationship of transparency and fairness between GYG and the franchisee is critical to the success of the ownership model;
- the health and profitability of the franchise network is fundamental to the health and future growth of GYG; and
- alignment between GYG and the franchisee on areas such as values and brand supports the integrity of the entire network and is crucial to being able to optimise the guest experience.

GYG has developed a robust approach for identifying and recruiting franchise partners to attract candidates with operating experience, and who are aligned with GYG's core values. GYG typically expects franchisees to be solely focused on GYG as owner-operators involved in the day-to-day operations of their restaurants. Franchise partners are generally not permitted to own or operate other non-GYG businesses as a key condition of the franchise agreement.

GYG does not restrict franchise partners from owning multiple GYG restaurants under the franchise agreement, however the Company believes that an appropriate target for most franchisees is 3 to 4 restaurants. GYG franchisees typically own between 1 and 5 restaurants.[64] The median number of restaurants per franchisee is 2.

62. Net restaurant sales refers to sales net of delivery commissions.
63. This excludes the master franchise in South Australia, which is charged an administrative levy of 0.75% of net restaurant sales. The master franchisee is responsible for funding most marketing initiatives in South Australia.
64. Excluding outliers.

Figure 37: Franchise partner candidate criteria

DO YOU HAVE WHAT IT TAKES?

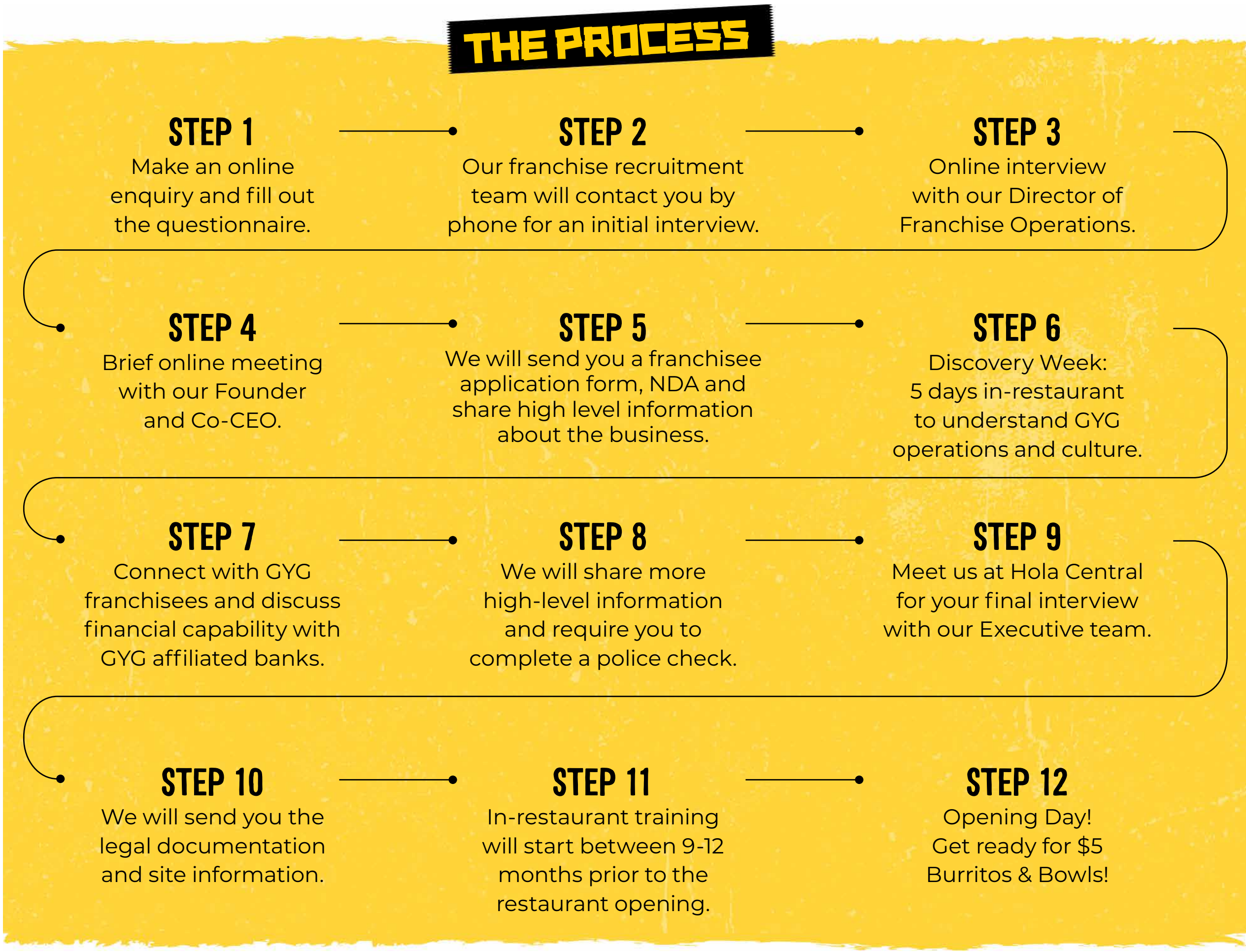
INITIAL APPLICATION

- Energetic, resilient and relentless
- Passion for food
- People come first
- Understands 'hospitality lifestyle'
- Able to engage on a long-term commitment
- Ready to relocate and become an owner-operator
- Willing to divert other business involvement
- Financially capable to invest in the business
- Have family and personal support
- Brand fit

CRITERIA TO OPEN ADDITIONAL RESTAURANTS

- Operational excellence
- Crew development and satisfaction
- Restaurant look and feel in line with brand requirements
- Provision of financial information
- Sound financial performance
- Debt to equity ratio
- Cultural alignment with GYG

Figure 38: Franchise partner recruitment process



GYG uses a pipeline mapping process to identify locations or areas that would be best operated by an existing franchisee, a new franchisee, or as a corporate restaurant. Factors that can go into this decision include proximity to existing corporate or franchise restaurants, GYG's existing presence and brand awareness in a market, the availability of a suitable franchisee and the expandability of existing franchisees. Based on the most recent 25 franchise restaurant openings as of 31 March 2024, 64% went to existing franchise partners, 12% went to existing GYG employees, and 24% went to new franchise partners. Information on GYG's real estate strategy and ownership mix is described in more detail in Section 3.7.1.4.

GYG has a healthy pipeline of franchise partner candidates to support the future opening of new restaurants. As at 31 March 2024, GYG has a committed or identified franchisee for 36 of the next 43 franchise restaurant openings.

GYG engages with franchisees on an ongoing basis to foster collaboration and strengthen relationships. This includes an annual summit, franchisee roundtables, advisory committees, an operations review cycle, regular restaurant standard reviews, ongoing training and monthly webinars.

3.3.11.1 Franchise charges

GYG believes in a fair approach to franchise charges which are structured such that GYG and the franchisee receive an equitable and transparent split of restaurant profits which is fair to both GYG and the franchisee. Figure 39 provides a breakdown of the most common ongoing charges levied on GYG's franchisees.

Figure 39: Key franchise charges

Payment	Description	Typical Charge
Franchise Fee	Upfront fee to cover costs of securing the restaurant location, construction project management, franchise training, and restaurant set-up (including IT support)	$90,000 per new restaurant
Franchise Royalty	Ongoing sales royalty using a tiered structure. Reflects franchisee's use of the GYG brand, IP and systems (see Section 3.3.11.2 for further detail on GYG's new royalty structure)	8% of net weekly sales up to $60,000 15% of net weekly sales over $60,000 GYG provides franchisees with a rebate of royalties on delivery commissions paid to delivery partners
Marketing Contribution	Ongoing marketing fund fee to fund national brand promotions (see Section 3.3.10 for further detail)	3% of net sales
Online Order	Charge to reflect costs associated with mobile app and website transactions (including payment processing fees)	2.3% of mobile app and website sales
Distribution Fee Premium	Levied on imported goods delivered to restaurants by GYG's distribution partner. The fee is used by GYG to manage exchange rate fluctuations and to cover the cost of freight forwarding, ongoing supply chain management, and support	$1.55 – $4.00 per carton of delivered goods

To ensure there is financial transparency in the franchise model, GYG does not receive any rebate or other financial benefit from suppliers to the franchisees other than as disclosed in Figure 39 above and does not profit from any transaction between franchisees and third parties.

3.3.11.2 Impact of new royalty

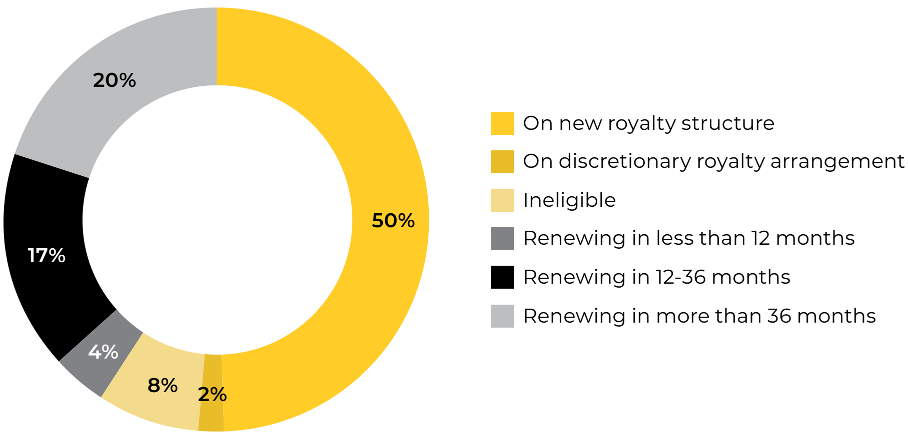
Prior to 2021, GYG charged the majority of its Australian franchisees a flat sales royalty of 8% on net weekly sales. At the beginning of 2021, GYG introduced a tiered sales royalty structure. Under this new structure, a sales royalty of 8% was payable on net weekly sales of up to $50,000, and a sales royalty of 15% was payable on net weekly sales above this threshold.

In July 2023, the sales threshold was increased from $50,000 to $60,000 of net weekly sales to alleviate inflationary pressures on the cost of food and packaging, opex and capital expenditure. This change in the sales threshold was applied to all franchise restaurants operating under the tiered sales royalty structure. Extensive analysis and franchisee engagement was conducted to ensure that the new structure was equitable to both GYG and the franchisees. Under the new structure, the franchise royalty rate based on target restaurant economics is approximately 8.7% for strip restaurants and approximately 10.5% for drive thru restaurants (refer to Section 3.7.1.5 for further detail).[65]

The tiered sales royalty structure applies to all franchise restaurants opened from early 2021. Those franchise restaurants opened prior to this date will rollover to the new royalty structure upon renewal of their franchise agreements. As of 31 March 2024, 50% of franchise restaurants have transitioned to the new tiered royalty structure, while a further 41% are expected to transition in due course. 8% of restaurants are ineligible to transition.[66] Figure 40 provides an overview of the royalty renewal schedule as of 31 March 2024.

As the remainder of the eligible franchisee network transitions to the tiered sales royalty structure, this will support an uplift in the Franchise Royalty Rate over time (refer to Section 3.7.3.2 for further detail). GYG believes that the Franchise Royalty Rate is important because it directly impacts GYG's financial performance (see Section 4.9.1 for further information).

Figure 40: Royalty renewal schedule as of 31 March 2024[67]

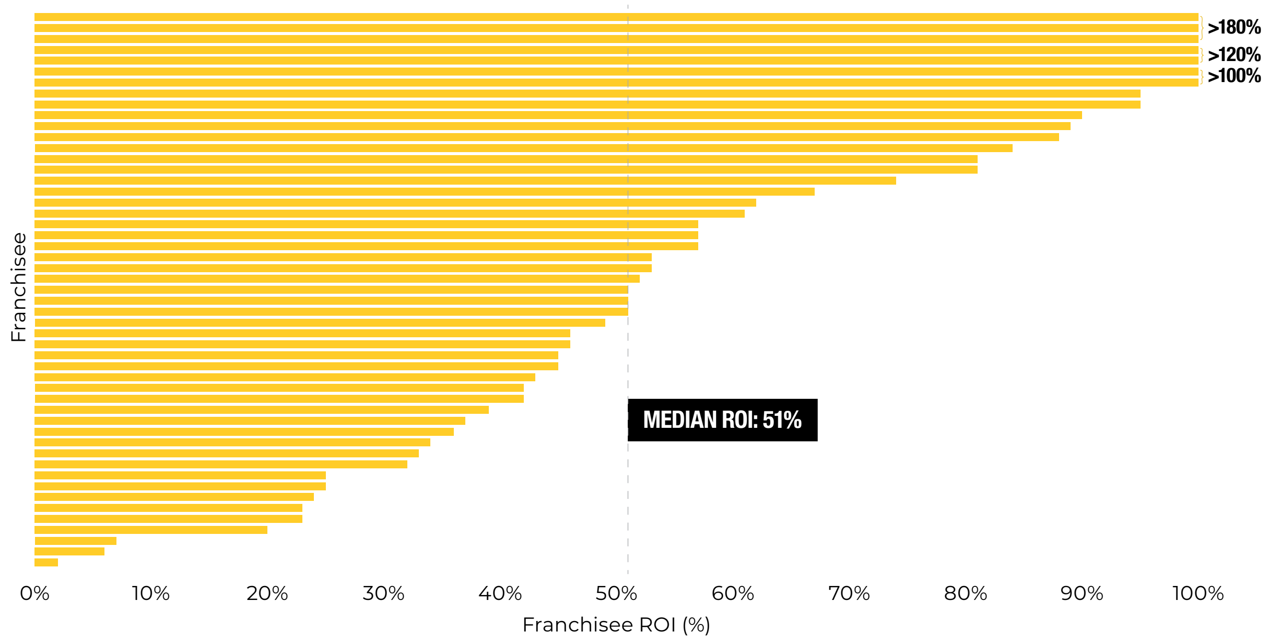


65. Assumes delivery accounts for 30% of sales in strip restaurants and 15% of sales in drive thru restaurants.
66. South Australia is under a master franchise agreement with a fixed 4% to 5% royalty rate.
67. Figure does not sum to 100% due to rounding.

3.3.11.3 Franchise network health

GYG actively monitors the health and profitability of the franchise restaurant network. In 1H24, GYG's median Franchisee ROI was 51%.[68]

Figure 41: Franchisee ROI for 1H24 (annualised)[69]



All of GYG's franchisees had a positive annualised Franchisee ROI in 1H24.

Notwithstanding this, there can be occasions where GYG has concerns around franchisee performance or viability. In such instances the Company typically provides support which may include royalty deferrals, royalty relief, or assistance with marketing investment or other means to drive sales. In the financial periods disclosed in the prospectus, such support is not material. GYG holds the head lease on the majority of restaurants, including franchise restaurants (excluding the restaurants operated by master franchisees). Should a franchisee be unable to continue operating their restaurant, GYG has the right to continue to operate that restaurant.

68. Franchisee ROI represents the ROI achieved by an Australian franchisee across all restaurants that they own. It is calculated on an individual franchisee basis based on their aggregate Franchise Restaurant Margin (which is net of royalties) divided by their aggregate restaurant capex (including any refurbishments or subsequent investment). Franchise Restaurant Margin is based on annualised actuals for 1H24 for 51 relevant franchisees who own an aggregate of 107 restaurants. Excludes restaurants that have traded less than 4 months as their margins are ramping up (see Section 3.7.1.5 for further detail). Excludes restaurants owned by the South Australia master franchisee.
69. Franchisee ROI represents the ROI achieved by an Australian franchisee across all restaurants that they own. It is calculated on an individual franchisee basis based on their aggregate Franchise Restaurant Margin (which is net of royalties) divided by their aggregate restaurant capex (including any refurbishments or subsequent investment). Franchise Restaurant Margin is based on annualised actuals for 1H24 for 51 relevant franchisees who own an aggregate of 107 restaurants. Excludes restaurants that have traded less than 4 months as their margins are ramping up (see Section 3.7.1.5 for further detail). Excludes restaurants owned by the South Australia master franchisee.

3.3.11.4 South Australia

GYG has a master franchisee in South Australia that operates 10 restaurants.[70] The master franchise agreement has a remaining term of 43 years. These restaurants are subject to different franchise charges compared to those disclosed in Section 3.3.11.1. Key charges include a sales royalty of between 4% to 5% of net weekly sales and an administrative marketing levy of 0.75% of net restaurant sales. The master franchisee is the employer of all restaurant crew in South Australia and is responsible for funding the majority of marketing initiatives in its jurisdiction. See Section 9.5.2 for a summary of the material terms of this master franchise agreement.

3.3.12 INFRASTRUCTURE

GYG has invested heavily in its infrastructure, including people and systems, both to support its existing corporate and franchise restaurants and to enable future expansion of the restaurant network. From FY20 to FY24F, GYG's Australia G&A expenses have increased from $17.7 million to $63.3 million (see Section 3.7.3.3 and 4.9.6.2).

3.3.12.1 Real estate platform

GYG has a dedicated real estate team of 28 employees (as at 31 March 2024) who:

- identify, assess and secure sites for new corporate and franchise restaurants, ensuring that GYG has a sufficient pipeline of high-quality restaurant sites on a multi-year basis to achieve its growth ambitions;
- manage relationships with landlord partners, property developers, preferred builders and preferred planning consultants;
- manage the restaurant design and construction process to ensure restaurants are built according to GYG specifications; and
- manage the existing real estate portfolio, including lease renewals and the restaurant refurbishment pipeline.

GYG's Board has established a Real Estate Sub-Committee that meets monthly to review and approve new restaurant sites. Over the 12 months to 31 March 2024, 49 sites were approved by the Real Estate Sub-Committee, or an average of 4 per month. The Real Estate Sub-Committee approves sites based on detailed criteria, including:

- demographics, population, proximity to existing QSR brands and traffic drivers (such as shopping centres, offices, schools, public transport, hospitals and universities), traffic, parking and vehicle access; and
- economic feasibility of sites to ensure they meet targets for profitability and ROI, including factors such as expected sales, available lease term, rental expense and upfront capital expenditure required. The target minimum ROI hurdle rate for new sites is 20%.

Once restaurants are approved, a Development Application ("**DA**") is typically prepared and lodged with the local council for approval. The approval process typically takes 12 months for a drive thru site and 6 months for a strip site.

The final phase of the real estate process is design and construction. GYG's internal construction team works closely with third-party construction firms (and, where applicable, its franchisees) to build the site in accordance with GYG's design specifications. The design and construction process can take a further 6-18 months depending on restaurant format, size, nature of the build and whether it is being performed by a GYG preferred builder (this may not be the case where, for example, the builder selection decision rests with the landlord of the relevant property).

A typical drive thru restaurant takes between two and three years from signing a lease to restaurant opening. A typical strip restaurant has a shorter lead time to open, usually taking 12 months or less from signing a lease to restaurant opening.

70. One restaurant operated by the master franchisee in South Australia is located in Mildura, Victoria.

3. COMPANY OVERVIEW CONTINUED

Figure 42: New restaurant real estate process

GYG may also close restaurants in appropriate circumstances. This may occur where, for example, it is unable to renew leases on acceptable commercial terms, it identifies a more suitable location in that area, or if the financial performance of the restaurant no longer supports its operation. GYG has closed 6 restaurants since 1 July 2020.

3.3.12.2 Restaurant operations support team

GYG has a comprehensive team of Culinary & Operations Coaches who provide support and leadership to the restaurants:

- **Corporate restaurants:**
  - GYG has a target ratio of one Culinary & Operations Coach for every 3 corporate restaurants. There are 29 employees in the corporate Culinary & Operations team as at 31 March 2024, including 21 Coaches who are supported by State Managers.
  - The corporate Culinary & Operations team is responsible for the overall performance of the corporate restaurants, which includes supporting restaurants to maintain brand standards, guest experience standards, restaurant profitability, and ensuring cultural alignment to GYG's values and code of conduct.

- **Franchise restaurants:**
  - GYG has a target ratio of one Culinary & Operations Coach for every 10 franchise restaurants. There are 20 employees in the franchise Culinary & Operations team as at 31 March 2024, including 15 Coaches.
  - The franchise Culinary & Operations team is responsible for supporting franchisees to achieve their budgets, maintain brand and restaurant standards, adhere to the brand guidelines and initiatives, and ensure franchisees are complying with internal policies and guest experience standards.
- **New restaurants:**
  - GYG has a dedicated New Restaurant Operations team of 6 employees (as at 31 March 2024) whose primary focus is to coordinate new restaurant openings and ensure the smooth execution of tasks prior to the opening date.
  - The New Restaurant Operations team includes a Head of Field Support, who coordinates and mobilises a field support team. This is a team of experienced GYG crew members covering various roles in existing GYG restaurants, who assist in providing training and positional support to new restaurants in their opening weeks.[71]

GYG believes these are high ratios relative to the QSR market. This allows GYG to provide the necessary leadership support to drive continuous improvements in restaurant performance and guest experience.

3.3.12.3 People team

GYG's people team of 23 employees (as at 31 March 2024) provides recruitment, people partnering, employee relations, and learning and engagement services to GYG's corporate head office ('Hola Central') and corporate restaurants. This function also provides training, policies and procedures, and advisory support to franchisees as needed.

GYG's learning and development initiatives for restaurant crew are focused on driving operational excellence and improving the guest experience.

3.3.12.4 Technology platform

GYG has 34 employees in the technology function as at 31 March 2024. This includes an internal IT support team which operates 24 hours a day, 7 days a week to support restaurants and Hola Central employees. GYG uses a range of IT solutions to enhance the guest experience, empower restaurant crew and franchisees and support the growth of the Company.

71. The Field Support team is not included in the employee count of the New Restaurant Operations team.

Figure 43: Areas addressed by technology

Area	Explanation	Examples
Restaurant operations technology ("front-of-house")	Technology solutions which focus specifically on restaurant operations and performance	• Point of sale system ("**POS**") • Kitchen management systems • Digital menu boards • Food delivery and stickering systems • Payroll and time & attendance systems
Guest acquisition & retention technology	Technology solutions aimed at acquiring new guests or retaining existing guests	• Customer relationship management • Knowledge management system • Marketing automation • GYG mobile app and website
Hola Central technology ("back-of-house")	Technology solutions which support the broader GYG business and operations but do not directly impact restaurant operations	• Financial management • Human capital management • Real estate & leasing systems • Inventory & supply chain management • Business intelligence & analytics • Productivity solutions
Infrastructure	Technology which underlies and supports GYG's other technology solutions	• Software design & development • DevOps (processes to support software development) • Data warehouse • Cloud hosting • Observability & testing • Networking
Cyber security	Technology solutions which seek to identify digital threats, protect digital systems, and recover from third-party attacks on these systems	• Identity management • Networking & firewalls • Application protection • Data protection • Vulnerability management • Endpoint security

GYG typically uses third-party technology solutions rather than developing them internally to expedite implementation and minimise internal resource consumption. However, GYG has built a bespoke, in-house analytics and reporting platform called *Cerebro*. *Cerebro* ingests data from different sources and provides near real-time operational and financial insights on most restaurants in Australia.[72] GYG also completed a bespoke development of its mobile app and website to enable the Company to promote guest engagement and improve the guest experience (see Section 3.3.7).

72. This does not apply to restaurants operated by the South Australian master franchisee. GYG typically receives financial information from the South Australian master franchisee on a monthly basis and in a different format to GYG's corporate and other franchise restaurants.

Cyber security is an area of critical importance for GYG. GYG's cyber security framework has three components:

- **Identify and detect:** recognise potential cyber threats and vulnerabilities targeting GYG;
- **Defend and protect:** implement and manage security measures that defend GYG's system and data against cyber threats; and
- **Respond and recover:** respond to cyber security incidents by containing, eradicating and mitigating the impact of an attack.

GYG has implemented and adheres to the Essential 8 framework, as recommended by the Australian Cyber Security Centre. GYG is currently transitioning to the National Institute of Standards and Technology ("**NIST**") Cyber Security Framework. GYG is pursuing alignment with the NIST framework and expects to achieve a maturity level of 2 in the short-term.[73]

3.3.12.5 Supply chain

GYG has a team of 19 employees in the supply chain function (as at 31 March 2024) who manage supplier and local distributor relationships, and coordinate procurement and fulfilment activities for corporate and franchise restaurants.

GYG has approximately 50 suppliers, with the top 5 suppliers accounting for approximately 60% of food and packaging purchases in FY23. The top 10 suppliers represented approximately 85% of food and packaging purchases over the same period. GYG and its suppliers are focused on continuous improvement with priorities including:

- volume and price efficiencies;
- food safety and quality;
- new product development;
- packaging and sustainability; and
- the continued evolution and extension of GYG's *100% Clean* food philosophy.

GYG's supply chain team is responsible for developing product specifications and defining key product attributes which suppliers adhere to and regularly consulting with an independent nutritionist who assists with technical aspects of the *100% Clean* principles. GYG works closely with suppliers to ensure adherence to the Company's *100% Clean* principles. This includes periodic visits and audits of their facilities, reviews of their food safety and quality accreditations, and signed declarations of compliance to GYG's *100% Clean* principles for each product.

GYG has also worked closely with its suppliers to develop many proprietary products including its tortillas, taco shells, corn chips, fries, proteins, marinades, salsas, sauces and seasonings. These products have been developed in accordance with GYG's *100% Clean* principles. Refer to Section 3.3.4 for further detail.

3.4 PEOPLE AND ORGANISATIONAL STRUCTURE

GYG is led by Founder and Co-CEO, Steven Marks and Co-CEO, Hilton Brett. The use of the co-CEO model brings Steven and Hilton's complementary skill sets together and enables each co-CEO to focus on their respective areas of expertise. Under the co-CEO model, Steven is responsible for food, marketing, operations and the US, whilst Hilton is responsible for finance, legal, technology, people and real estate.

As at 31 March 2024, GYG has 3,247 employees working in corporate restaurants and 252 employees in Hola Central. GYG has invested significantly in its team, developing a guest-obsessed culture with a passion for food at its core.

GYG's management is focused on developing its existing people and attracting new talent, ensuring that the Company has the right set of skills at every level and function. New Hola Central employees are required to work in a GYG restaurant as part of their onboarding, providing them with exposure to the core operations of a GYG restaurant, from guest experience to food preparation and the double linear food preparation line.

73. The NIST Cyber Security Framework is a globally recognised and rigorous approach to manage and protect digital information and assets. NIST maturity level 2 means that a company has adopted a risk-informed cyber security approach, with policies, procedures and practices for cyber security risks.

3. COMPANY OVERVIEW CONTINUED

Figure 44: GYG employees as at 31 March 2024

Function	Employees
CEO	*2*
Marketing	*41*
Operations	*91*
Finance and Legal	*33*
Real Estate	*28*
Technology	*34*
People and Talent	*23*
Hola Central	**252**
Restaurants[74]	**3,247**
Total	**3,499**

3.5 SUSTAINABILITY

Sustainability is embedded into GYG's vision "*to reinvent fast food and change the way the masses eat*". GYG believes leadership in sustainability is a key component of its mission to "*be the best and biggest restaurant company in the world*". The Company's proactive approach to sustainability is displayed through its packaging, restaurants, food and community partnerships.

GYG uses sustainable packaging for its bowls, nachos, enchiladas and condiments and its takeaway bags are recyclable. GYG was an early adopter of bagasse sugarcane pulp packaging, a renewable resource with a low carbon footprint. GYG also uses Forest Stewardship Council certified wood and paper in food contact bags and takeaway bags. GYG is a signatory to the Australian Packaging Covenant Organisation ("**APCO**") and is committed to continuously working towards APCO's packaging targets.

GYG uses some recycled materials in the construction of new restaurants and is currently conducting a solar panel trial with a view to reducing reliance on non-renewable energy resources.

GYG believes in ethically sourcing its ingredients. GYG serves only free-range chicken and eggs and using free-range chicken as the main ingredient in its chorizo. GYG's pork is sow stall free and its beef is free of hormonal growth promotants. GYG's coffee beans are Rainforest Alliance certified.

Since 2008, GYG has supported Misión México Foundation, an organisation focused on breaking cycles of poverty, abuse and inequality in Mexico through education, health, housing, economic empowerment, and community development. GYG has partnered with The Hunger Project, a global, non-profit organisation committed to the sustainable end of world hunger.

3.6 INTERNATIONAL

GYG had 16 restaurants in Singapore, 5 restaurants in Japan and 4 restaurants in the US as of 31 March 2024. GYG's restaurants in Japan and Singapore are operated under master franchise agreements and its restaurants in the US are corporate owned and operated. GYG receives a royalty of 3.5% of Network Sales in Singapore and 3.0% of Network Sales in Japan.

74. Restaurant employee count only reflects corporate restaurant employees. It does not include franchise employees who are not directly employed by GYG.

GYG considered master franchise arrangements to be the most appropriate method for it to enter Singapore and Japan as it allowed GYG to enter these markets in a capital and operationally light manner while benefiting from the local market knowledge and operating expertise of local master franchisees with whom GYG had developed a relationship. Any support or services provided to these master franchisees is done from Hola Central in Australia. As a result, GYG treats these markets as part of the Australia Segment for segment reporting purposes (see Section 4.4).

GYG's initial entry into the US market has been via a corporate ownership model.[75] This model provides GYG with full operating control to test and refine its operating model in the US and ensure any future restaurant openings are underpinned by robust restaurant economics. Franchising opportunities are also being considered but will only be pursued if GYG can find franchise partners who are aligned with GYG's vision, mission and values (see Section 3.3.1) and have the operating and financial capability required to open and operate GYG restaurants effectively.

3.7 GYG'S GROWTH STRATEGY

GYG's growth strategy is centred around new restaurant openings, existing restaurant sales growth, margin improvement, digital initiatives and international expansion.

Following completion of the Offer, GYG believes it will have sufficient liquidity to fund its growth strategy. Refer to Section 4.7.2 for more information on GYG's available liquidity and Section 7.1.2 for the expected investment over the Prospectus Forecast period.

The risks associated with GYG not achieving its growth strategy are outlined in detail in Section 5.2.1, which should be read in conjunction with the overview of GYG's growth strategy below. In particular, new restaurant openings in Australia are expected to be the biggest contributor to GYG's Network Sales growth over the long-term and GYG's strategy involves a material increase in the rate of openings of new restaurants from historical levels and there is no guarantee that this will be achieved.

3.7.1 NEW RESTAURANT OPENINGS

New restaurant openings in Australia are expected to be the largest contributor to GYG's Network Sales growth over the long term.

3.7.1.1 Restaurant network opportunity

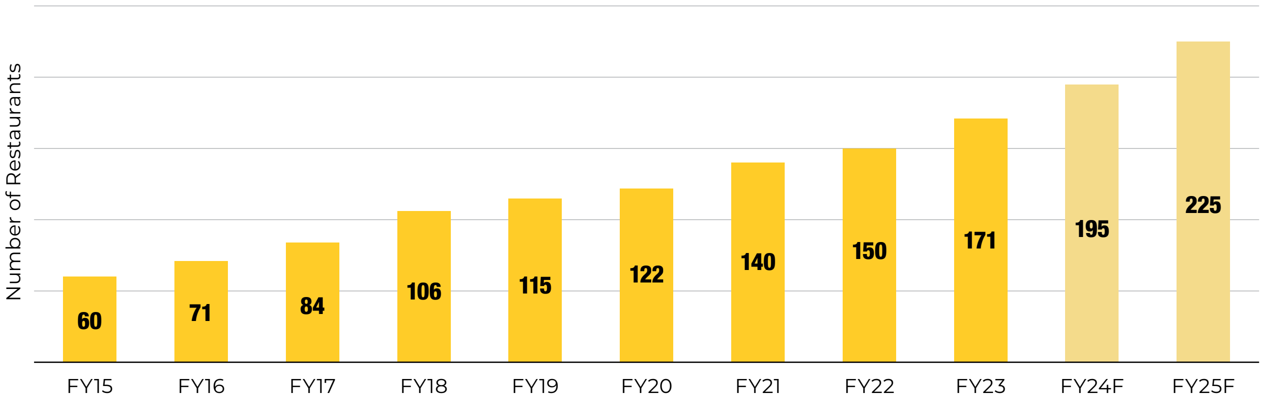
GYG believes there is an opportunity to grow its network to more than 1,000 restaurants in Australia over the next 20+ years. This estimate is based on extensive internal planning and an assessment of market size, population growth, demographics and QSR spend on a state-by-state and market-by-market basis.

GYG commissioned Think Economics to undertake an independent and detailed analysis of the QSR industry in Australia including long-term industry projections.[76]

As part of its remit, Think Economics evaluated the network densities of the largest QSR brands in Australia through benchmarking the average distance between each of the operator's restaurants, as well as the population within 3km of each restaurant. The results suggested that the most mature QSR operators with predominantly drive thru models[77] have an average distance between restaurants of approximately 3.3km and median populations of approximately 33,000 living within 3km of each restaurant in their network. Applying these two density criteria and overlaying population growth forecasts, GYG's implied network opportunity totals 1,000 restaurants.[78]

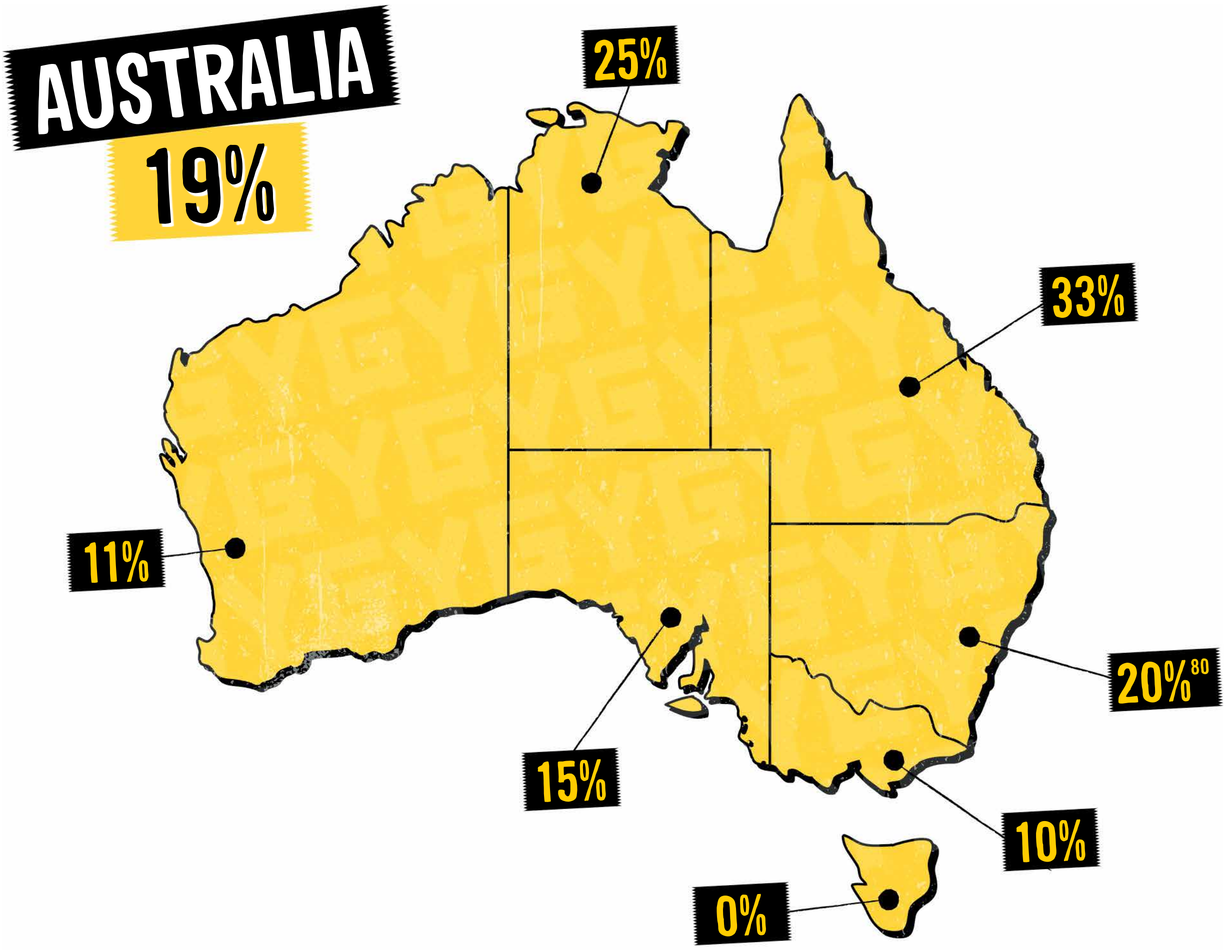
75. Under the corporate ownership model, all restaurants are operated by a wholly owned subsidiary of GYG.
76. Australian QSR Industry Report, April 2024, Think Economics.
77. Includes McDonald's, KFC and Hungry Jack's.
78. Australian Bureau of Statistics, Population Projections, Australia, 2022 (base) – 2071.

Figure 45: Number of GYG restaurants in Australia



GYG believes it has a significant opportunity to open new restaurants across all markets in Australia. Figure 46 shows the estimated penetration for GYG restaurants in each state and territory in Australia as of 31 March 2024.

Figure 46: Penetration of network opportunity by Australian state/territory[79]



79. Calculated as number of restaurants trading as at 31 March 2024 divided by estimated network opportunity in each state and territory based on Think Economics research.
80. Reflects combined penetration of network opportunity for NSW and ACT.

Section 3.7.1.2 provides an analysis of GYG's performance in the Gold Coast, a market in which GYG is already successfully operating at the network densities that Think Economics identified for the most mature QSR businesses with predominantly drive thru models.

3.7.1.2 Gold Coast catchment case study[81]

GYG's restaurant density in the Gold Coast, Queensland offers some insights into the sustainable rate of restaurant and catchment population density. Replicating this across relevant markets in Australia helps to support a potential network size of 1,000 restaurants.[82]

The Gold Coast is the most developed network region within GYG's portfolio. The region contains 14 restaurants, with an average distance between restaurants of 2.9km, which is consistent with the average metropolitan benchmark across the three major drive thru operators (McDonald's, KFC and Hungry Jack's) of 3.3km.

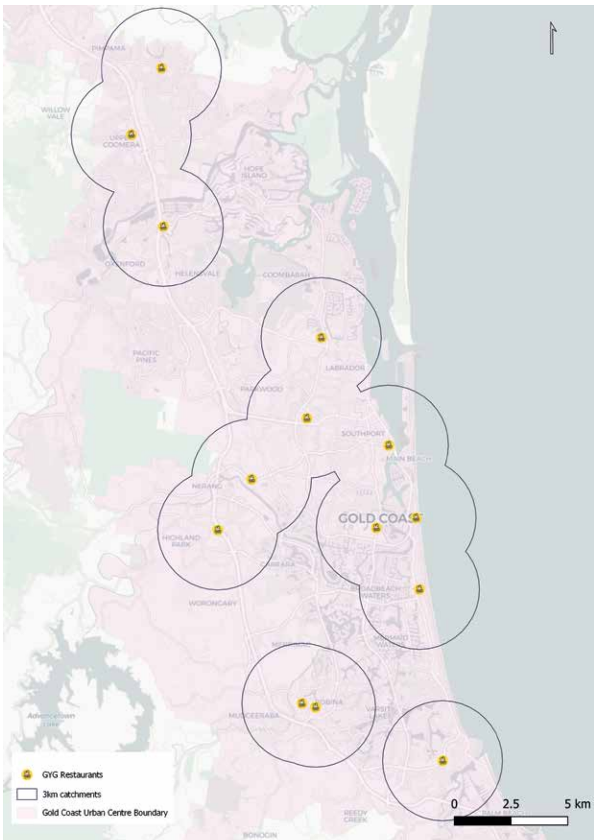
395,435 people live within 3km of an existing Gold Coast restaurant (28,245 people per restaurant) which aligns with rates of catchment population density observed by Think Economics across the major QSR networks.

In 1H24, the median weekly AUV across the Gold Coast network was approximately $96,000, which is 10% above the GYG Australian network median of approximately $87,000.

GYG believes that there is further network opportunity in the Gold Coast region. The current Board-approved pipeline (see Section 3.7.1.4) includes two new restaurants planned to open in the Gold Coast region.

Figure 47: GYG mature network case study – Gold Coast

	GYG Gold Coast Network
Restaurants	14
Mean distance between restaurants	2.9km
Population within 3km catchments (total)	395,435
Population within 3km catchments (per restaurant)	28,245
Total case study area population	512,575
Population per restaurant	36,612



81. Australian QSR Industry Report, April 2024, Think Economics.
82. This excludes markets with small or geographically dispersed populations that are unable to support a QSR restaurant.

3.7.1.3 New restaurant openings

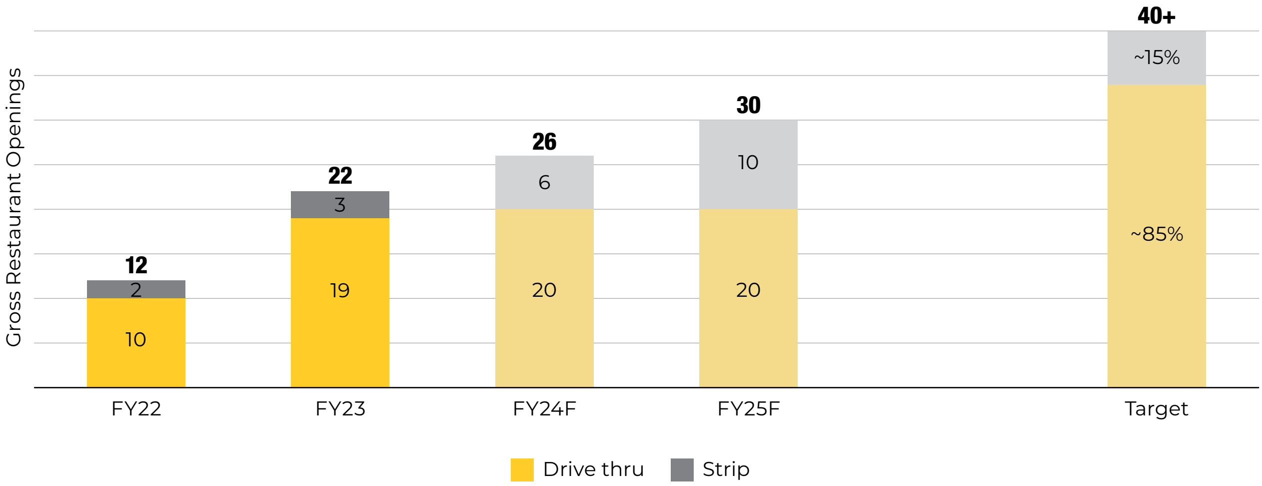
GYG expects to open 26 restaurants in FY24F, of which 20 are drive thrus. As at the Original Prospectus Date, 24 new restaurants have been opened in FY24F.

GYG expects to open 30 restaurants in FY25F, of which 20 are expected to be drive thrus.

GYG believes that it has substantially built the team, restaurant pipeline, and infrastructure to be able to open 30 new restaurants per annum over the near-term, increasing to 40 restaurants per annum within 5 years.

It is expected that approximately 85% of new restaurants will be drive thrus and approximately 15% will be strips. However, in the near-term, GYG expects strip restaurant openings to be above 15%.

Figure 48: Gross restaurant openings



Based on this target mix of restaurant formats, the indicative target mix for corporate restaurants identified in Section 3.7.1.4 and the expected capital expenditure investment required to open new drive thru and strip restaurants identified in Section 3.7.1.5, GYG believes, following completion of the Offer, that it will have sufficient liquidity to fund the target new restaurant openings over the Prospectus Forecast period.

Section 3.3.12.1 provides a detailed overview of GYG's real estate platform and process.

3.7.1.4 Real estate strategy

GYG's pipeline contains 95 Board-approved sites for restaurants expected to open out to FY27. The pipeline is constantly evolving as new sites are approved and existing sites reach completion or are removed due to delays or failures to obtain requisite approvals. Central to GYG's new restaurant opening strategy is the identification of new sites that meet the Company's criteria for investment, which cannot be guaranteed.

GYG is prioritising sites that can support drive thru formats. Of the 95 restaurants in the current pipeline, 82 are drive thru locations, representing 86% of the total. This strategy is driven by the potential for superior restaurant economics of the drive thru format compared with other formats (see Section 3.7.1.5). GYG will also open select new strip restaurants that satisfy the restaurant economic targets outlined in Section 3.7.1.5. GYG is not currently planning to open new restaurants outside of drive thru and strip formats, however it may consider opportunities that meet its new restaurant investment criteria where those arise from time to time.

GYG does not have an explicit target mix of franchise and corporate ownership, with the decision made on a restaurant-by-restaurant basis as outlined in Section 3.3.11. Indicatively, GYG expects the ratio of new franchise to corporate restaurants to be approximately 60:40, however in any given year the actual ratio could depart from this.

GYG does not typically acquire freehold title and instead takes out leases for its corporate and franchise restaurants. However, in certain circumstances, GYG retains the flexibility to acquire freehold title where there is a compelling strategic rationale to do so and the ROI is substantially in-line with target levels. In South Australia, the master franchisee is responsible for identifying and establishing its own restaurants. The master franchisee has ultimate control over the quantity, timing and investment in new restaurant openings in its jurisdiction.

GYG's real estate strategy does not prioritise any particular consumer demographic as restaurant success has been shown to be agnostic to consumer demographics. For instance, GYG's two largest restaurants by sales are Swanston Street in Melbourne CBD (annualised sales of approximately $10.4 million in 1H24) and Cranbourne, South-East of Melbourne CBD (annualised sales of approximately $11.3 million in 1H24). The former restaurant is located in a higher-income metropolitan catchment that primarily caters to professional workers, tourists and university students while the latter restaurant is in a lower-income suburban area with a higher proportion of technicians, trade workers and labourers as well as families.[83]

3.7.1.5 Target restaurant economics

In general, GYG expects new restaurants to achieve certain economic targets. These are shown in Figure 49. These new restaurant targets are consistent with the median restaurant economics currently being achieved (see Section 3.3.9).

Figure 49: Target annual new restaurant economics[84]

	Drive thru	Strip
Sales	**$5.5m**	**$4.2m**
Delivery % of Sales	15%	30%
Restaurant Margin ($)	$1.1m	$0.9m
Restaurant Margin (%)	**~20%**	**~20%**
Franchise Royalty ($)[85]	$0.6m	$0.4m
Franchise Royalty (%)	**~10.5%**	**~8.7%**
Franchise Margin ($)[86]	$0.5m	$0.5m
Franchise Margin (%)	**~10%**	**~12%**
New restaurant capital expenditure[87]	~$2.0m	~$1.8m
Corporate restaurant ROI[88]	**~55%**	**~50%**
Franchise restaurant ROI[89]	**~30%**	**~30%**

Note that past performance is not an indicator of future performance and just because GYG has historically achieved median restaurant economics consistent with those outlined above, there is no certainty that restaurants will continue to be able to do so in the future. See, in particular, the risks outlined in Sections 5.2.1 (Failure to achieve growth objectives) and 5.2.4 (Consumer environment and general economic conditions in GYG's key markets may decline) which explain some of the risks to the achievement of target economics in the future.

83. Australian Bureau of Statistics Census 2021 data for area codes SAL20662 (Cranbourne) and 20604 (Melbourne City).
84. There is typically an initial period of 6 to 12 months where restaurant costs are elevated, after which target Restaurant Margins are expected to be achieved.
85. Based on current tiered royalty structure of 8% on the first $60,000 of weekly net sales and 15% on net sales above $60,000. Net sales is calculated as total sales less commissions paid on delivery orders.
86. Calculated as Restaurant Margin less Franchise Royalty.
87. Refers to the initial expenditure made to establish new restaurants (after any landlord contributions).
88. Calculated as Corporate Restaurant Margin divided by new restaurant capital expenditure for a single restaurant location.
89. Calculated as Franchise Restaurant Margin divided by new restaurant capital expenditure for a single restaurant location.

3.7.2 EXISTING RESTAURANT SALES GROWTH

GYG believes there is a significant opportunity to continue to drive growth in Comp Sales via daypart expansions, marketing initiatives, menu innovation, and continuous improvement initiatives to enhance the guest experience.

3.7.2.1 Dayparts

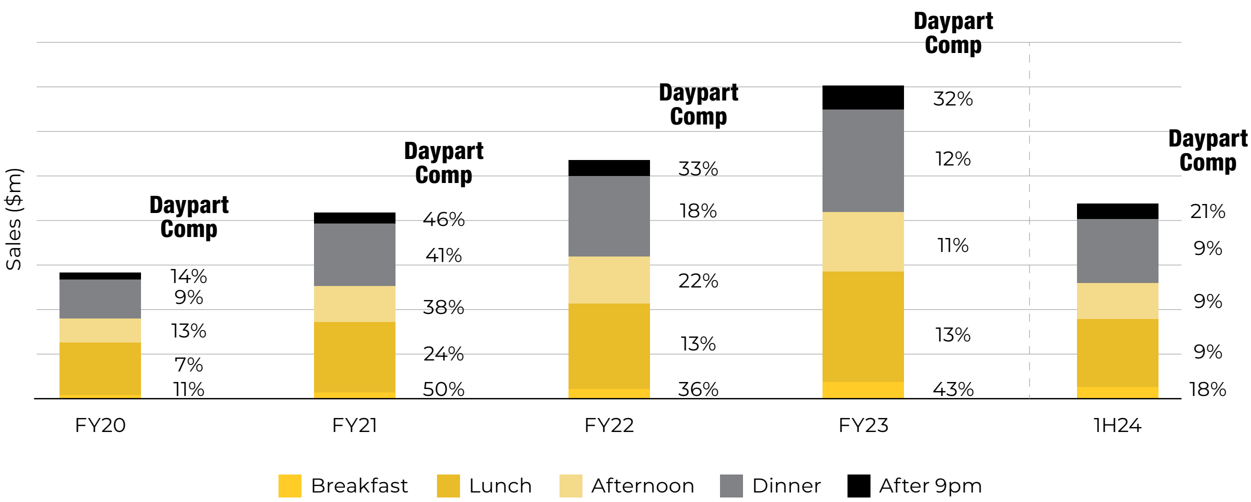
GYG has experienced strong growth across all dayparts, driven by menu innovation, extension of restaurant opening hours and marketing initiatives.

Breakfast has been the fastest growing daypart since FY20 and represented 6% of Network Sales in 1H24. GYG remains focused on rolling out its Breakfast daypart across the network and utilising specific marketing initiatives to drive increased consumer awareness of, and sales from, this daypart.

The After 9pm daypart, which represented 8% of Network Sales in 1H24, also represents a growth opportunity. GYG has had success extending the operating hours of some existing restaurants to capture additional sales between the hours of 11pm and 5am. 33 restaurants are currently open after 11pm. These restaurants generated AUVs 26% higher than the median level for their respective formats (see Section 3.3.9) and transacted an average of 15% of their sales during the After 9pm daypart in 1H24. GYG plans to extend the operating hours of more restaurants over time where there is a clear opportunity to capture incremental sales.

Growth in these dayparts not only supports increased sales but also improved restaurant margins as it can lead to greater labour efficiency, improvements in gross margin through a reduction in food waste and further leverage over the restaurant cost base.

Figure 50: GYG Comp Sales Growth by daypart



3.7.2.2 Marketing

Investment in marketing initiatives has been, and is expected to continue to be, a driver of growth in restaurant AUVs. GYG's marketing function and approach is outlined in Section 3.3.10. GYG will continue to invest in marketing to grow brand awareness, driving growth in transactions, guest frequency and sales.

3.7.2.3 Menu innovation

GYG's ongoing menu innovation supports increased average spend per transaction and purchase frequency from existing guests while attracting new guests to the brand.

GYG will continue to invest across two categories of menu innovation as outlined in Figure 51.

Figure 51: Menu innovation

EXISTING INGREDIENTS/MENU INPUTS

DESCRIPTION

New products or product bundles utilising existing GYG ingredients and/or menu items.

RATIONALE

Ease of implementation due to minimal changes to supply chain or restaurant operations.

HISTORICAL EXAMPLES

NEW INGREDIENTS/MENU INPUTS

DESCRIPTION

New products requiring ingredients or inputs that are not currently utilised at GYG.

RATIONALE

Introduce new product categories to the GYG menu to increase existing guest loyalty and attract new guests.

HISTORICAL EXAMPLES

3.7.2.4 Guest experience continuous improvement initiatives

GYG utilises and expects to continue to utilise a range of operational initiatives to support Comp Sales Growth. Several ongoing operational initiatives are outlined below.

- **Improved speed of service:** the time taken from a guest placing an order to receiving their food is a critical component of the guest experience and restaurant throughput, which are both drivers of growth in restaurant sales. GYG will continue to target a KDS speed of less than 4 minutes across the network (see Section 3.3.3.3).
- **Improved order accuracy:** incorrect orders adversely impact the guest experience. To improve order accuracy and speed, GYG's bespoke sticker system provides clear order instructions, including any customisations (refer to Section 3.3.3.3 for further detail). The GYG digital channel is also expected to improve order accuracy as guest orders are automatically entered into the POS, reducing the risk of manual errors. Other key initiatives to reduce order accuracy relate to crew training.
- **Crew training:** the ongoing training and development of GYG's restaurant crew is critical to running great restaurants. Training begins at the onboarding stage with new restaurant crew required to undertake 6 online learning modules and a minimum of 15 hours of training with a more experienced crew member within their first month at GYG. All crew are subsequently signed off by restaurant leaders upon completion of their onboarding training. Existing restaurant crew receive ongoing training specific to their role in the restaurant. For example, crew who take guest orders at the POS are trained to offer guests menu bundles or menu sides.
- **Internal Guest Experience team:** GYG has a team of 15 employees as at 31 March 2024 in Hola Central who are responsible for guest experience across the entire network. The Guest Experience team's role is to listen to and help resolve guest issues as they arise. The Guest Experience team receives and responds to guest feedback via multiple channels including email, mobile app and website, social media and third-party review websites.
- **Digital pickup windows and delivery collection zones:** GYG currently operates 33 restaurants with a dedicated window or line to pick up digital orders (including delivery). These enhance the guest experience for both in-restaurant and pick-up orders. Given the growth in digital revenue, the majority of new restaurants are expected to have dedicated digital pickup zones. Refer to Section 3.3.3.3 for further detail.

3.7.3 MARGIN IMPROVEMENT

The Company has implemented several initiatives to improve Australia Segment Underlying EBITDA margins in recent financial years. See Section 4.4.1 for more information on Segment Underlying EBITDA. GYG believes that Australia Segment Underlying EBITDA is an important indicator of profitability given the Australia Segment accounts for almost all revenue as at the Original Prospectus Date.

These initiatives are ongoing and GYG expects to achieve further increases in margins over time as a result of the items set out in Sections 3.7.3.1 to 3.7.3.3.

3.7.3.1 Corporate restaurant margin expansion

GYG's Comparable Corporate Restaurant Margin has expanded from 10.9% in FY20 to 19.7% in 1H24.[90] This differs to the Corporate Restaurant Margin reported in Section 4.4.1 as it excludes corporate restaurants that are not open for a minimum of 56 weeks as these restaurants can take time to achieve steady-state margins.

The key initiatives driving Comparable Corporate Restaurant Margin expansion have included the following:

- **Comp Sales Growth:** Comp Sales Growth over this period has resulted in Comparable Corporate Restaurant Margin expansion as higher sales dollars leverage fixed restaurant costs.
- **Restaurant format mix:** in FY20, GYG's corporate network of 29 restaurants was skewed towards CBD strip and food court restaurants, with only 8 drive thru restaurants (28% of the total network). These strip and food court locations typically generate below median restaurant margins. As of 31 March 2024, GYG's corporate network of 62 restaurants includes 29 drive thru locations (47% of the total network) which has supported an uplift in Comparable Corporate Restaurant Margins. This positive mix-shift is expected to continue as GYG opens new corporate drive thrus with the target restaurant economics outlined in Section 3.7.1.5.
- **Hola Central support:** the Company has invested in, and continues to invest in, additional talent to support the corporate restaurant network, with the total number of corporate Culinary & Operations Coaches increasing from 7 in FY20 to 21 in 1H24, and the average number of restaurants managed by each Coach decreasing from 4 to 3, in line with the target specified in Section 3.3.12.2. Hola Central has dedicated Commercial Finance personnel who provide financial analysis and commercial support to corporate restaurants with an emphasis on guest experience, restaurant sales and profitability.
- **Restaurant crew:** training and development of corporate Restaurant Managers and Assistant Restaurant Managers is a key priority, with a focus on driving higher restaurant sales and improved management of controllable costs (cost of food and packaging, labour and opex) and, as a result, improved restaurant margins. This training and development has resulted in the ability to attract and retain better quality restaurant leadership.
- **Business intelligence & analytics ("BI"):** GYG is prioritising investment in internal BI tools, such as *Cerebro*. With *Cerebro*, corporate Culinary & Operations Coaches and Restaurant Managers receive almost real-time information with which to make better operating and financial decisions, resulting in improved visibility of controllable costs. Refer to Section 3.3.12.4 for further detail on *Cerebro*.

3.7.3.2 Franchise Royalty Rate uplift

GYG's Franchise Royalty Rate for Australian franchise restaurants has grown from 6.4% of franchise network sales in FY20 to 8.0% in 1H24.[91]

GYG's tiered royalty structure means that as AUVs across the franchise network exceed the $60,000 weekly threshold and continue to grow, the average ongoing royalty rate paid by franchisees also grows. As per Section 3.3.11.2, 50% of the franchise network is on the current tiered royalty structure as of 31 March 2024 with a further 41% to transition in due course.

As restaurant AUVs continue to grow across the network, new restaurants are opened and existing eligible franchise restaurants transition to the tiered royalty structure, GYG anticipates that the Franchise Royalty Rate in Australia will grow to more than 10% within 5 years.

The ability of franchisees to generate a sufficient return on their investment is a fundamental principle of GYG's franchising model (see Section 3.3.11) and any future changes to the royalty structure will always be considered as part of broader strategic initiatives to improve the health of the franchise network and GYG more generally.

90. Comparable Corporate Restaurant Margin reflects Corporate Restaurant Margins (excluding costs that are not directly attributable to the individual restaurant) for all Australian corporate restaurants included in the calculation of Comparable Restaurant Sales Growth (see Section 4.2.4 for further detail). This is consistent with the definition of Comparable Restaurant Margin in Section 3.3.8.
91. The weighted average royalty rate in FY20 was below GYG's previous flat royalty of 8% due to the rebate provided for commissions paid on delivery sales and a number of franchise restaurants on alternative royalty structures.

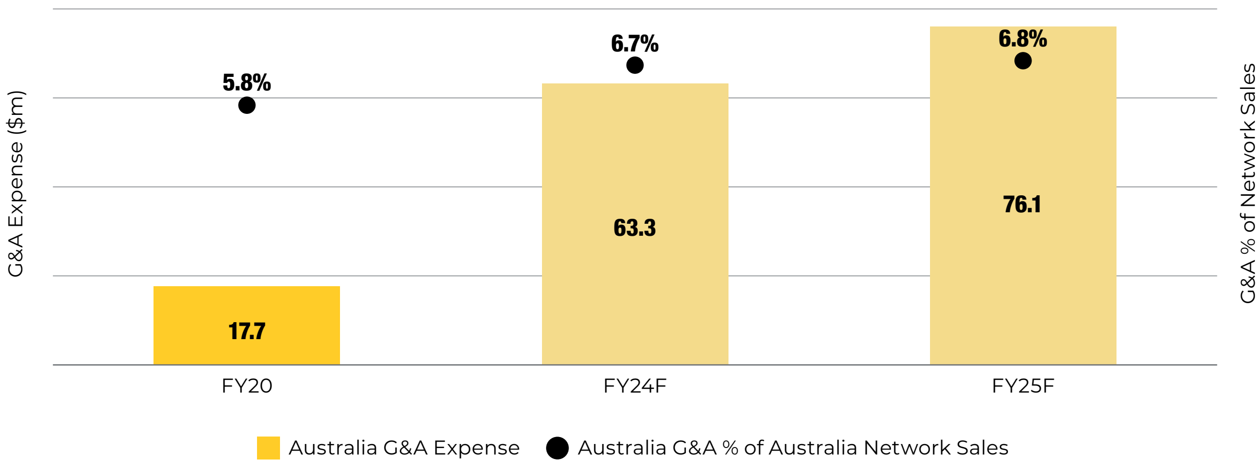
3.7.3.3 Leveraging infrastructure investment[92]

GYG has invested significantly in its Hola Central infrastructure in recent years. See Section 3.3.12 for more information on GYG's infrastructure. In FY24F, GYG's G&A expense is forecast to be $63.3 million, representing 6.7% of Network Sales. This is up from $17.7 million, or 5.8% of Network Sales in FY20. For FY25F, GYG is forecasting G&A expense of $76.1 million representing 6.8% of Network Sales. The majority of the additional G&A expense in FY25F compared with FY24F relates to the full year impact of expenditures incurred in FY24F to support the future growth of the Company.

Investment in infrastructure has spanned all functions outlined in Section 3.3.12 and will support the future growth aspirations of the Company. GYG believes that it will be able to leverage this investment in G&A expenses as the restaurant network continues to expand and is targeting a reduction of G&A expenses relative to Network Sales beyond the forecast period.

Refer to Management Discussion and Analysis on the Pro Forma Historical Financial Information and Pro Forma Forecast Financial Information in Sections 4.8.2.4 and 4.9.6.2.

Figure 52: Australia G&A expense as a percentage of Australian Network Sales[93]



92. All references to G&A expenses and Network Sales in Section 3.7.3.3 refer to the Australia Segment. Refer to Section 4.4 and 4.9.6.2 for further detail.
93. Reflects the Australia Segment as defined in Section 4.4.

3.7.4 DIGITAL INITIATIVES

GYG's digital initiatives are a key growth driver for the Company, and include the following:

- **Mobile app and website:** GYG's mobile app and website sales have contributed significantly to growth since the launch of the new digital experience in April 2022 (see Section 3.3.7). The average spend per transaction on the GYG mobile app and website is currently 17% higher than the in-restaurant average. GYG believes that by continuing to invest in the digital experience, for example by adding new features to the mobile app, it can drive more digital transactions, leading to higher Network Sales.
- **GOMEX loyalty program and personalised marketing:** the new GYG mobile app and website allow guests to more easily earn and utilise GOMEX points, increasing purchase frequency. Because GYG owns the data generated from its mobile app and website, the Company can utilise it to generate personalised and targeted marketing initiatives. GYG intends to use this data to provide personalised offers based on prior guest orders and prioritise the engagement channels that result in the strongest response rate for each guest. GYG is yet to leverage the full benefits of personalised marketing and believes this represents a significant growth opportunity as mobile app and website usage increases.
- **GYG native delivery:** GYG is currently trialling a white-label, native delivery solution that would allow guests to order delivery via the GYG mobile app and website. GYG intends to utilise a third-party delivery aggregator to execute the deliveries and does not intend to employ delivery drivers or do any component of the physical delivery itself. Within this channel, the entire transaction would remain within the GYG digital ecosystem. GYG intends to provide a superior guest experience at a lower cost than that of third-party delivery aggregators, however this remains unproven. This solution is expected to launch by the end of FY24F.
- **Systems:** GYG remains focused on making ongoing investment in leading third-party software solutions to improve operational efficiency and support growth. The Company is currently implementing Workday as its core human capital management system. The implementation is expected to complete in 1H25 and will improve the sophistication of GYG's people capabilities across Hola Central and the entire restaurant network. Artificial intelligence also remains an opportunity for the Company. GYG is currently in the phase of exploring AI technologies, evaluating opportunities to optimise existing operational processes and potentially unlock new avenues for growth.

3.7.5 INTERNATIONAL EXPANSION

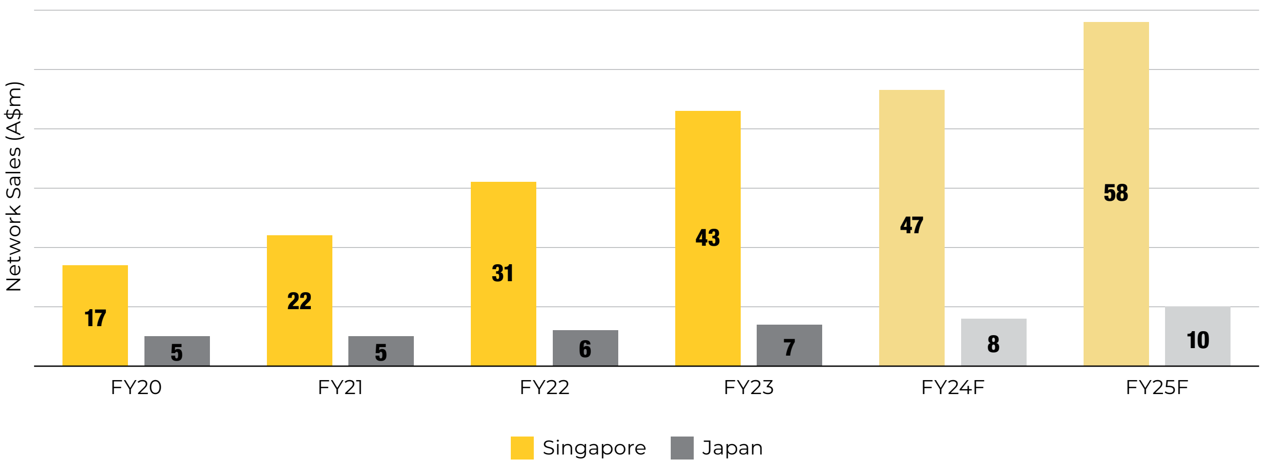
GYG believes there is a growth opportunity in each of the existing international markets in which it has restaurants.

Singapore is currently GYG's largest international market in terms of restaurant count and Network Sales and has experienced strong network sales growth from FY20 to FY23. This is forecast to continue in FY24F and FY25F (see Figure 53). GYG works collaboratively with the master franchisee on its future growth plans and expects continued restaurant openings in Singapore over the medium-term. However, the master franchisee has ultimate control over the quantity, timing and investment in new restaurant openings in their region.

The experience in the Singapore market has demonstrated that the GYG model has international transferability and provides a template for future international markets.

Japan currently generates less Network Sales than Singapore however it represents a large market opportunity for GYG. GYG's current penetration by both restaurant count and Network Sales in Japan is very low (see Section 2.7.1.2). The focus in Japan involves establishing and growing brand awareness. GYG is currently working with the master franchisee on an appropriate future growth plan. Like other markets under a master franchise agreement, the master franchisee has ultimate control over the quantity, timing and investment in new restaurant openings in Japan.

Figure 53: Network Sales in Singapore and Japan (A$m)



The US is the largest QSR market in the world (see Section 2.7.1.3) and represents a growth opportunity for GYG. GYG is taking a measured approach to expansion in the US and anticipates opening up to 3 additional restaurants in the Greater Chicago region by FY25F. Greater Chicago was selected as the initial market for GYG in the US as it has a diverse demographic profile, supports both drive thru and strip formats and does not have any known idiosyncratic factors that could make it non-representative of the broader US market.

While GYG believes there is a large growth opportunity in the US due to the size of the market, it will continually assess and adjust the pace and extent of new restaurant expansion having regard to the financial and operational performance of existing restaurants. Improvement in the US Corporate Restaurant Margin is the key performance measure that GYG is focused on. GYG is forecasting an improvement in the US Corporate Restaurant Margin in FY25F on the back of operational efficiencies (see Section 4.5 and Section 4.9.6.1). Ultimately, GYG believes that average annual sales per restaurant of approximately US$3 million is required to achieve a restaurant margin that can support a ROI acceptable to management. Additionally, due to the relative nascency of the US market and other factors, capital expenditure on new restaurants in the US is higher than in Australia. See Section 4.9.12 for further detail.

Following completion of the Offer, GYG believes it has sufficient liquidity to fund the forecast new restaurant openings in the US. Refer to Section 4.9.12 for the forecast investment required in new restaurant openings in the US.

GYG believes that its concept has global appeal and is transferable to markets all over the world. Whilst it does not currently have plans to expand into new international markets, GYG does evaluate new market opportunities it receives from time-to-time and expects to expand into more countries over time.

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SECTION 4:

FINANCIAL INFORMATION

4. FINANCIAL INFORMATION

4.1 INTRODUCTION

4.1.1 FINANCIAL INFORMATION

The financial information contained in Section 4 is summarised in Figure 54 for each of the following periods: the financial years ended 30 June 2022 ("**FY22**") and 30 June 2023 ("**FY23**"); the half years ended 31 December 2022 ("**1H23**") and 31 December 2023 ("**1H24**"); and forecast financial years ending 30 June 2024 ("**FY24F**") and 30 June 2025 ("**FY25F**").

Figure 54: Summary of Financial Information in Section 4

	Statutory Financial Information	Pro Forma Financial Information
Historical Financial Information	**Statutory Historical Financial Information** includes the: • Consolidated Statements of Profit or Loss for FY22 and FY23 ("**Statutory Historical Results**"); • Consolidated Statements of Profit or Loss for 1H23 and 1H24 ("**Statutory Historical Interim Results**"); • Consolidated Cash Flow information for FY22, FY23, 1H23 and 1H24; and • Consolidated Statement of Financial Position as at 31 December 2023.	**Pro Forma Historical Financial Information** includes the: • Pro Forma Consolidated Statements of Profit or Loss for FY22 and FY23 ("**Pro Forma Historical Results**"); • Pro Forma Consolidated Statements of Profit or Loss for 1H23 and 1H24 ("**Pro Forma Historical Interim Results**"); • Pro Forma Consolidated Cash Flow information for FY22, FY23, 1H23 and 1H24; and • Pro Forma Consolidated Statement of Financial Position as at 31 December 2023.
Forecast Financial Information	**Statutory Forecast Financial Information** comprises: • Consolidated Forecast Statement of Profit or Loss for FY24F and FY25F ("**Statutory Forecast Results**"); and • Consolidated Forecast Cash Flow information for FY24F and FY25F.	**Pro Forma Forecast Financial Information** comprises: • Pro Forma Forecast Consolidated Statement of Profit or Loss for FY24F and FY25F ("**Pro Forma Forecast Results**"); and • Pro Forma Forecast Consolidated Cash Flow information for FY24F and FY25F.

Also included in Section 4 are:

- the basis of preparation and presentation of the Financial Information (see Section 4.2);
- information regarding certain non-IFRS financial and operating measures (see Section 4.2.4);
- the pro forma adjustments to the Statutory Historical Financial Information and reconciliations of the Statutory Historical Financial Information to the Pro Forma Historical Financial Information (see Section 4.6.1);
- Segment Information (see Section 4.4);
- a summary of key pro forma operating and financial metrics (see Section 4.5);
- a summary of the Company's net cash and lease assets and liabilities before and after the Offer (see Section 4.7.2);
- a summary of the Company's lease commitments as at 31 December 2023 (see Section 4.7.3);

- the Directors' best estimate assumptions underlying the Forecast Financial Information (see Section 4.8);
- Management discussion and analysis of the Financial Information (see Section 4.9);
- an analysis of the key sensitivities in respect of the Forecast Financial Information (see Section 4.10); and
- a summary of the Company's proposed dividend policy (see Section 4.11).

In preparing the Statutory Financial Information, the accounting policies of GYG have been applied consistently throughout the periods presented. A summary of significant accounting policies is included in Appendix A to this Prospectus.

The Financial Information presented in this Prospectus has been reviewed by Deloitte Corporate Finance Pty Limited ("**Investigating Accountant**") in accordance with the Australian Standard on Assurance Engagements ASAE 3450 'Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information', as stated in its Independent Limited Assurance Report on the Financial Information. Investors should note the scope and limitations of the Independent Limited Assurance Report (see Section 8).

The information in Section 4 should be read alongside the risk factors in Section 5 and the other information contained in this Prospectus, including the summary of significant accounting policies in Appendix A.

All amounts disclosed in the figures are presented in Australian dollars and, unless otherwise noted, are rounded to the nearest $100,000. Rounding in the Financial Information may result in some immaterial rounding differences between the components and the total percentage calculations outlined within the figures and commentary. Amounts translated from foreign currencies have been converted at the average exchange rate over the relevant period (for the statement of profit or loss and statement of cash flows) and at the exchange rate as at the reporting date (for statement of financial position items).

4.2 BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL INFORMATION

4.2.1 OVERVIEW

The Directors are responsible for the preparation and presentation of the Financial Information.

The Historical Financial Information contained in this section consists of the Statutory Historical Financial Information and the Pro Forma Historical Financial Information for the periods ending FY22, FY23 and 1H23 and 1H24. The Historical Financial Information included in this Prospectus is intended to present potential investors with information to assist them in understanding GYG's historical financial performance, cash flows and financial position.

The Pro Forma Historical Financial Information has been prepared solely for inclusion in this Prospectus and has been derived from the Statutory Historical Financial Information and adjusted for the effects of certain pro forma adjustments described further below.

The Financial Information has been prepared in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards ("**AAS**") issued by the Australian Accounting Standards Board ("**AASB**"), which are consistent with International Financial Reporting Standards ("**IFRS**") and interpretations issued by the International Accounting Standards Board.

The Historical Financial Information presented in this section is in an abbreviated form insofar as it does not include all the disclosures and presentations, comparative information or statements required by AAS and other mandatory professional reporting requirements applicable to financial reports prepared in accordance with the Corporations Act.

Presented within the Historical Financial Information of this section are certain non-IFRS financial measures that GYG uses to manage and report on its business that are not defined under or recognised by AAS or IFRS. An explanation of these financial measures is available in Section 4.2.4.

Investors should note that past results are not a guarantee of future performance.

4.2.2 PREPARATION OF HISTORICAL FINANCIAL INFORMATION

The Statutory Historical Financial Information has been extracted from GYG's annual reports for the periods of FY22 and FY23 and GYG's interim reports for the half-years 1H23 and 1H24. The consolidated statutory financial statements included within the annual reports have been audited by Deloitte Touche Tohmatsu who issued unmodified audit opinions in respect of these periods. The consolidated statutory financial statements included within the interim reports have been reviewed by Deloitte Touche Tohmatsu who issued unmodified review conclusions in respect of these periods.

The Statutory Historical Financial Information is summarised in Section 4.3.

The Pro Forma Historical Financial Information has been prepared for the purposes of inclusion in this Prospectus. It has been derived from the Statutory Historical Financial Information and adjusted for the effects of the pro forma adjustments described in Section 4.3.3 of this Prospectus. In particular, in preparing the Pro Forma Historical Financial Information, pro forma adjustments have been made to reflect:

- incremental costs associated with being a publicly traded company including Board and governance costs, incremental audit, tax, legal and compliance related costs and ASX listing fees;
- the removal of non-recurring costs which are not considered part of ongoing business operations;
- net impact of incremental employee remuneration arrangements aligned with the fixed, long-term and short-term incentives for management going forward. This includes assuming the Co-CEO leadership structure was in place in FY22 and FY23;
- the impact of the Offer including the offset of certain Offer costs against equity;
- the impact of the Pre-IPO Capital Raise; and
- the tax impact of the above adjustments.

The following statutory to pro forma reconciliations are contained within this section:

- The statutory historical consolidated statements of profit or loss and the pro forma historical consolidated statements of profit or loss at the EBIT and NPAT levels (refer to Section 4.3.3);
- Statutory historical consolidated net cash flows from operating activities and summary pro forma historical consolidated statements of cash flow (refer to Section 4.6.1); and
- Statutory historical consolidated statement of financial position and pro forma historical consolidated statement of financial position (refer to Section 4.7.1).

4.2.3 PREPARATION OF FORECAST FINANCIAL INFORMATION

This Prospectus includes Forecast Financial Information which has been prepared with due care and attention, based on the specific and general best-estimate assumptions of GYG set out in Section 4.8.

The Forecast Financial Information has been prepared by the Directors based on an assessment of current economic and operating conditions and general and specific assumptions regarding future events and actions. The Directors are responsible for the preparation and presentation of the Forecast Financial Information.

The disclosure of the assumptions in Section 4.8.2 is intended to assist potential investors in assessing the reasonableness and likelihood of the assumptions occurring and is not intended to be a representation that the assumptions will occur. The Forecast Financial Information has been reviewed by Deloitte Corporate Finance Pty Limited but has not been audited. Investors should note the scope and limitations of the Independent Limited Assurance Report included in Section 8.

Investors should be aware that the timing of actual events and their impact may differ from that assumed in preparing the Forecast Financial Information and this may have a materially positive or negative effect on the actual financial performance or financial position of GYG.

The Forecast Financial information is not intended to be a representation or guarantee that the assumptions will occur. Accordingly, none of the Directors, management nor any other person can give investors any assurance that the outcomes discussed in the Forecast Financial Information will arise.

Investors are encouraged to review the Forecast Financial Information in conjunction with the forecast assumptions as set out in Section 4.8.2, the sensitivity analysis in Section 4.10, the risk factors in Section 5 and all other information included in this Prospectus.

The Forecast Financial Information is presented on both a statutory and pro forma basis for FY24F and FY25F.

The Statutory Forecast Financial Information has been prepared solely for the inclusion in this Prospectus. It has been prepared on a consistent basis with how GYG's statutory financial statements are expected to be prepared for future financial periods. The Statutory Forecast Financial Information assumes Completion of the Offer will occur on 24 June 2024 and therefore reflects a full-year impact of GYG's intended operating and capital structure following Completion of the Offer.

The Pro Forma Forecast Financial Information reflects the full-year effect of the operating and capital structure that will be in place upon Completion of the Offer, excluding costs and non-recurring items related to the Offer that are not expected to occur in the future.

4.2.4 EXPLANATION OF CERTAIN NON-IFRS FINANCIAL AND OPERATING MEASURES

GYG uses certain financial and operating measures to manage and report on its business that are not recognised under AAS. These measures are collectively referred to in Section 4, and under Regulatory Guide 230 Disclosing Non-IFRS Financial Information published by ASIC, as "non-IFRS financial measures".

Management believes that such non-IFRS financial measures, together with the IFRS measures, permit a more complete and comprehensive analysis of GYG's underlying operating performance, and that these measures provide useful information to users in measuring GYG's financial and operating performance and condition and in making comparisons with GYG's publicly listed peers in overseas markets.

Non-IFRS financial measures are therefore intended to supplement the measures calculated in accordance with Australian Accounting Standards and not as a substitute for those measures. These non-IFRS financial measures do not have a prescribed definition under IFRS and the method that GYG uses to calculate them may be different to methods adopted by other companies to calculate similarly titled measures.

In the disclosures in Section 4, GYG uses the following non-IFRS financial measures:

- **Network Sales** is calculated as the aggregate sales of all or a specified group of GYG restaurants over a specified time period, including restaurants owned and operated by franchisees and master franchisees unless otherwise specified. Network sales is an important metric in assessing the overall performance of the restaurant network, including sales generated by franchise restaurants;
- **Comparable Restaurant Sales Growth (or Comp Sales Growth or Comp Sales)** represents the percentage change of the total sales generated by a restaurant or group of restaurants in a relevant period, compared to the total sales from the same restaurant or group of restaurants in the prior corresponding period. Restaurants that have not been open for a minimum of 56 weeks are excluded from the calculation of Comp Sales. A 56-week measurement excludes the impact of elevated sales immediately following restaurant opening dates. The calculation also adjusts for the impact of restaurant refurbishments, closures and other significant non-recurring factors that could impact restaurant sales in a period;
- **Corporate Restaurant Margin** refers to corporate restaurant sales less cost of food and packaging, labour, delivery commissions, rent and outgoings paid, marketing expenditure and other costs attributable to a set of restaurants that are owned and operated by the Company. It excludes any impact from AASB 16 *Leases*;

- **Segment Underlying EBITDA** reflects GYG's underlying earnings before interest, tax, depreciation and amortisation. This does not include the impacts of AASB 16 *Leases* or AASB 2 *Share Based Payments*. This represents GYG's current operating metric and reflects Corporate Restaurant Margin (which is done on a rent and outgoings paid basis excluding the impacts of AASB 16 *Leases*), franchise revenue earned from franchise restaurants and general and administrative expenses allocated to the respective segment.
  - GYG considers Segment Underlying EBITDA to be a critical piece of information to understand the underlying performance of the business and allows GYG to benchmark performance against companies who have similar corporate and franchise owned restaurants. Given the nature of the GYG network, it is expected that these peers are US-based publicly listed companies who account for impacts of leases within occupancy expense. Segment Underlying EBITDA also allows investors to distinguish between the more developed Australia operations and the nascent US operations. A full reconciliation between Segment Underlying EBITDA and Pro Forma Historical and Forecast Results is included in Section 4.4.1;
- **EBIT** is calculated as profit or loss before interest income, interest expense and interest on the lease liability recognised under AASB 16 *Leases* and income tax expense;
- **EBITDA** is calculated as profit or loss before interest income, interest expense, interest on the lease liability recognised under AASB 16 *Leases*, income tax expense, depreciation, amortisation and amortisation of reacquired rights;
- **Average Unit Volume (AUV)** refers to aggregate sales for a restaurant or group of restaurants over a specified time period expressed on a per restaurant basis;
- **Operating Cashflow** is EBIT after the removal of non-cash items in EBIT (e.g. timing differences between cash receipts and expenses and accrued revenue and costs, share-based payment expenses and movements in provisions and changes in working capital). Operating Cashflow assists management's understanding of the cash flow generation of the business prior to capital expenditure and financing cash flows including lease payments under AASB 16 *Leases*;
- **Working Capital** comprises inventories, trade receivables, trade payables, accruals and employee entitlement provisions;
- **Restaurant Capital Expenditure** includes capital expenditure to maintain or refurbish existing restaurants and initial expenditure to establish new restaurants (before landlord contributions) and excludes acquisitions from and disposals to franchisees;
- **Restaurant Capital Expenditure (net of landlord contributions)** includes capital expenditure to maintain or refurbish existing restaurants and initial expenditure to establish new restaurants (after landlord contributions) and excludes acquisitions from and disposals to franchisees. In making investment decisions, GYG considers landlord contributions to be an important input into the overall commercial viability and return on investment of prospective restaurant sites; and
- **Other Capital Expenditure** reflects capital expenditure to maintain Hola Central fixed assets and excludes acquisitions from and disposals to franchisees.

4.3 HISTORICAL AND FORECAST RESULTS

4.3.1 STATUTORY AND PRO FORMA HISTORICAL AND FORECAST RESULTS

The Pro Forma Historical and Forecast Results are summarised in Figure 55 and are reconciled to the Statutory Historical and Forecast Results in Figure 56. See Section 4.9 for management's discussion and analysis relating to Figures 55, 56 and 57.

Figure 55: Pro Forma Historical and Pro Forma and Statutory Forecast Results

		Pro Forma Historical		Pro Forma Forecast		Statutory Forecast	
$m	**Notes**	**FY22**	**FY23**	**FY24F**	**FY25F**	**FY24F**	**FY25F**
Revenue	1	171.8	259.0	339.7	428.2	339.7	428.2
Other revenue and income	2	13.3	17.7	22.1	26.6	22.1	26.6
Cost of food and packaging	3	(44.2)	(70.4)	(86.8)	(109.3)	(86.8)	(109.3)
Employee benefits	4	(73.2)	(110.5)	(146.1)	(180.1)	(153.6)	(180.1)
Administrative expenses	5	(24.8)	(38.9)	(50.9)	(57.1)	(61.0)	(57.1)
Marketing expenses	6	(11.3)	(13.7)	(17.2)	(22.1)	(17.2)	(22.1)
Other expenses	7	(10.0)	(14.0)	(17.7)	(26.3)	(17.7)	(26.3)
EBITDA		**21.7**	**29.3**	**43.0**	**59.9**	**25.4**	**59.9**
Depreciation and amortisation	8	(13.5)	(22.8)	(28.1)	(35.4)	(28.1)	(35.4)
Amortisation of reacquired rights	9	(0.9)	(2.7)	(2.9)	(4.8)	(2.9)	(4.8)
EBIT		**7.2**	**3.7**	**12.0**	**19.7**	**(5.6)**	**19.7**
Finance income	10	4.4	12.4	15.7	17.2	5.3	17.2
Finance costs	11	(6.0)	(8.5)	(13.2)	(17.4)	(13.2)	(17.4)
Profit/(loss) before income tax expense		**5.6**	**7.6**	**14.5**	**19.5**	**(13.5)**	**19.5**
Income tax expense	12	(2.4)	(4.7)	(11.1)	(13.5)	(2.7)	(13.5)
Profit/(loss) after income tax expense		**3.2**	**3.0**	**3.4**	**6.0**	**(16.2)**	**6.0**

Notes:

1. Revenue comprises corporate restaurant sales and royalties earned from franchisees.
2. Other revenue and income includes franchise marketing fee revenue and other costs recovered from franchisees. Franchise marketing fee revenue partially offsets marketing costs, including salaries and wages associated with the marketing function. Refer to Section 4.9.4 for details on marketing costs.
3. Cost of food and packaging includes raw materials and packaging to support corporate restaurant sales.
4. Employee benefits expense includes salaries, wages, other employment related costs (e.g. annual leave, long service leave and superannuation contributions) and accounting for equity settled share plans.
5. Administrative expenses includes the cost of professional fees, software licenses, commissions and fees, and utilities, amongst others.
6. Marketing expenses represents marketing costs before salaries and wages associated with the marketing function. Details of this are included in Section 4.9.4.
7. Other expenses includes delivery commissions and occupancy-related expenses, amongst others.
8. Depreciation and amortisation consists of depreciation of property, plant and equipment, amortisation of intangible assets and depreciation of right-of-use assets under AASB 16 *Leases*.
9. Amortisation on reacquired rights due to the buyback of franchise restaurants from franchisees – amortised over the remaining term of the lease agreement.
10. Finance income includes interest earned on deposits and the lease interest income accounted for under AASB 16 *Leases*.
11. Finance costs predominantly includes interest on lease liabilities accounted for under AASB 16 *Leases*.
12. Income tax represents the income tax expense in respect of the income generated in each period from the application of the pro forma effective tax rate for Australia. Details of this are included in Section 4.8.2.7.

Figure 56: Statutory Historical and Forecast Results

		Statutory Historical		Statutory Forecast	
$m	**Notes**	**FY22**	**FY23**	**FY24F**	**FY25F**
Revenue	1	171.8	259.0	339.7	428.2
Other revenue and income	2	13.9	19.7	22.1	26.6
Cost of food and packaging	3	(44.2)	(70.4)	(86.8)	(109.3)
Employee benefits	4	(71.9)	(107.0)	(153.6)	(180.1)
Administrative expenses	5	(24.4)	(43.9)	(61.0)	(57.1)
Marketing expenses	6	(11.3)	(13.7)	(17.2)	(22.1)
Other expenses	7	(10.0)	(14.0)	(17.7)	(26.3)
EBITDA		**23.9**	**29.6**	**25.4**	**59.9**
Depreciation and amortisation	8	(13.5)	(22.8)	(28.1)	(35.4)
Amortisation of reacquired rights	9	(0.9)	(2.7)	(2.9)	(4.8)
EBIT		**9.4**	**4.1**	**(5.6)**	**19.7**
Finance income	10	3.2	4.6	5.3	17.2
Finance costs	11	(6.0)	(8.5)	(13.2)	(17.4)
Profit/(loss) before income tax expense		**6.6**	**0.2**	**(13.5)**	**19.5**
Income tax expense	12	(2.7)	(2.4)	(2.7)	(13.5)
Profit/(loss) after income tax expense		**3.9**	**(2.3)**	**(16.2)**	**6.0**

Notes: Refer to Figure 55 and associated notes.

4.3.2 Statutory and Pro Forma Historical Interim Results

Figure 57: Pro Forma and Statutory Historical Interim Results

		Pro Forma Historical		Statutory Historical	
$m	**Notes**	**1H23**	**1H24**	**1H23**	**1H24**
Revenue	1	121.2	167.5	121.2	167.5
Other revenue and income	2	8.7	11.7	10.7	11.7
Cost of food and packaging	3	(32.9)	(43.2)	(32.9)	(43.2)
Employee benefits	4	(51.8)	(65.3)	(51.3)	(69.2)
Administrative expenses	5	(17.9)	(26.9)	(19.9)	(28.7)
Marketing expenses	6	(6.9)	(8.5)	(6.9)	(8.5)
Other expenses	7	(6.3)	(10.7)	(6.3)	(10.7)
EBITDA		**14.2**	**24.7**	**14.5**	**18.9**
Depreciation and amortisation	8	(11.2)	(14.5)	(11.2)	(14.5)
Amortisation of reacquired rights	9	(1.4)	(1.4)	(1.4)	(1.4)
EBIT		**1.6**	**8.8**	**2.0**	**3.0**
Finance income	10	5.4	7.7	2.1	2.3
Finance costs	11	(3.8)	(6.4)	(3.8)	(6.4)
Profit/(loss) before income tax expense		**3.3**	**10.1**	**0.3**	**(1.1)**
Income tax expense	12	(2.3)	(6.2)	(1.5)	(2.9)
Profit/(loss) after income tax expense		**0.9**	**3.8**	**(1.1)**	**(4.0)**

Notes: Refer to Figure 55 and associated notes.

4.3.3 PRO FORMA ADJUSTMENTS TO STATUTORY HISTORICAL AND FORECAST RESULTS

The Pro Forma Historical and Forecast Consolidated Statements of Profit or Loss included in this Prospectus have been derived by applying certain pro forma adjustments to the Statutory Historical and Forecast Consolidated Statements of Profit or Loss. These adjustments have been summarised in Figures 58 and 59.

Figure 58: Pro Forma Adjustments to the Statutory Historical and Forecast Results

		FY22		FY23		FY24F		FY25F	
$m	**Notes**	**EBIT**	**NPAT**	**EBIT**	**NPAT**	**EBIT**	**NPAT**	**EBIT**	**NPAT**
Statutory results		**9.4**	**3.9**	**4.1**	**(2.3)**	**(5.6)**	**(16.2)**	**19.7**	**6.0**
Offer costs (incl. Pre-IPO Capital Raise)	1	–	–	–	–	13.7	9.6	–	–
Incremental public company costs	2	(1.6)	(1.1)	(1.6)	(1.1)	(1.6)	(1.1)	–	–
Non-recurring income and expenses:									
System implementation costs	3a	–	–	3.8	2.7	5.1	3.6	–	–
Government compensation for compulsory acquisition of land	3b	(0.5)	(0.4)	(1.9)	(1.3)	–	–	–	–
Senior executive restructure	3c	1.0	0.7	2.8	1.9	0.6	0.4	–	–
Subtotal – non-recurring income and expenses		**0.5**	**0.3**	**4.6**	**3.3**	**5.7**	**4.0**	**–**	**–**
Executive remuneration and share-based remuneration	4	(1.1)	(0.8)	(3.4)	(2.4)	(0.3)	(0.2)	–	–
Capital structure	5	–	0.8	–	5.5	–	7.3	–	–
Pro Forma results		**7.2**	**3.2**	**3.7**	**3.0**	**12.0**	**3.4**	**19.7**	**6.0**

Notes:

1. **Offer costs:** reflects the costs incurred in relation to the Pre-IPO Capital Raise and the Offer (fees payable to advisers, tax, accounting and legal fees and other offer-related costs). $13.7m of the Pre-IPO Capital Raise and Offer costs will be expensed in the income statement in FY24F. The remaining $10.5m of Pre-IPO Capital Raise and Offer costs are offset against issued capital.
2. **Incremental public company costs:** reflects GYG's estimate of the incremental annual costs that will be incurred as a listed company. These costs include ASX and share registry fees, incremental insurance costs, as well as annual general meeting and annual report costs for all periods.
3. **Non-recurring income and expenses:**
   (a) *System implementation costs:* relates to labour, consulting and licensing fees associated with the development of IT projects that do not meet the criteria for capitalisation in accordance with IFRIC Software-as-a-Service (**SAAS**) guidance and therefore have been expensed as incurred. The costs do not relate to the ongoing operations and no material amount is anticipated in FY25F.
   (b) *Government compensation for compulsory acquisition of land:* reflects the receipt of $1.9m related to compensation from QLD State Government metro projects due to the compulsory acquisition of a restaurant.
   (c) *Senior executive restructure:* reflects costs incurred in relation to the restructure of the North American Leadership Team in CY23. This includes a gross cash settlement of US$1.0m in relation to the final settlement of claims initiated by former US executives. This resulted in $0.4m in net costs after taking into account legal costs and the proceeds of insurance. In addition, the restructure costs include redundancy costs of $1.6m and other related costs of $2.4m.
4. **Executive remuneration and share-based remuneration:** reflects adjustments to bring executive remuneration in the historical period in line with GYG's go forward Co-CEO model and adjustments to reflect the appropriate AASB 2 *Share Based Payments* expenses. No pro forma adjustment has been included in FY22 and FY23 for a share-based payment expense associated with the Co-CEO model.
5. **Capital structure:** adjustment to reflect the interest income to be earned in line with GYG's capital management and use of Pre-IPO Capital Raise and Offer proceeds described in Section 4.7.2. The capital structure adjustments for FY22, FY23 and FY24F relate to the inclusion of the net proceeds from the Pre-IPO Capital Raise and Offer as if they occurred on 1 July 2021. The Pro Forma interest has been calculated on a monthly basis with reference to the prevailing RBA term deposit interest rate in each month, applied to the amount assumed to have been held on term deposit which is equal to GYG's Pro Forma cash holding less $50 million.

Figure 59: Pro Forma Adjustments to the Statutory Historical Interim Results

		1H23		1H24	
$m	**Notes**	**EBIT**	**NPAT**	**EBIT**	**NPAT**
Statutory results		**2.0**	**(1.1)**	**3.0**	**(4.0)**
Offer costs (incl. Pre-IPO Capital Raise)	1	–	–	–	–
Incremental public company costs	2	(0.8)	(0.5)	(0.8)	(0.5)
Non-recurring income and expenses:					
System implementation costs	3a	2.1	1.5	2.4	1.6
Government compensation for compulsory acquisition of land	3b	(1.9)	(1.3)	–	–
Senior executive restructure	3c	0.7	0.5	2.1	1.5
Subtotal – non-recurring income and expenses		**0.9**	**0.6**	**4.5**	**3.1**
Executive remuneration and share-based remuneration	4	(0.5)	(0.3)	2.0	1.4
Capital structure	5	–	2.3	–	3.8
Pro Forma results		**1.6**	**0.9**	**8.8**	**3.8**

Notes: Refer to Figure 58 and associated notes.

4.4 SEGMENT INFORMATION

GYG intends to report two operating segments, namely Australia and US, in accordance with AASB 8 *Operating Segments*. The operating segments are below:

Australia includes the Australian corporate restaurants and the royalty and other revenue from all franchise restaurants, including those in Japan and Singapore. This is because GYG manages its franchise restaurants in these jurisdictions from Australia and incurs all costs to do so in Australia. It has no subsidiaries, infrastructure, assets, employees or other overhead in either Singapore or Japan.

US includes the US corporate restaurants and associated administrative costs incurred in the US, including that of non-restaurant personnel based in the US.

Management reports performance to the Board on a Segment Underlying EBITDA basis. This is the metric used by management to make business decisions as it represents a more useful reflection of GYG's underlying financial performance from its network of corporate and franchise restaurants. Segment Underlying EBITDA also allows investors to distinguish between the more developed Australia operations and the nascent US operations. Management believes that these measures provide useful information to investors to measure financial and operating performance.

4.4.1 SUMMARY SEGMENT FINANCIALS

Set out below in Figure 60 is a summary of GYG's Pro Forma Historical Financial Results by Segment for FY22 and FY23 and Forecast Financial Results by Segment for FY24F and FY25F. Set out below in Figure 61 is a summary of GYG's Pro Forma Historical Interim Financial Results by Segment for 1H23 and 1H24.

4. FINANCIAL INFORMATION CONTINUED

Figure 60: Pro Forma Historical and Forecast Results by Segment

		Australia				US				Group			
		Pro Forma Historical		Pro Forma Forecast		Pro Forma Historical		Pro Forma Forecast		Pro Forma Historical		Pro Forma Forecast	
$m	**Notes**	**FY22**	**FY23**	**FY24F**	**FY25F**	**FY22**	**FY23**	**FY24F**	**FY25F**	**FY22**	**FY23**	**FY24F**	**FY25F**
Corporate restaurant sales		139.2	212.0	276.4	349.5	2.5	6.0	10.9	14.7	141.7	217.9	287.4	364.3
Corporate Restaurant Margin		**19.6**	**30.4**	**47.3**	**62.2**	**(0.4)**	**(0.8)**	**(1.0)**	**(1.0)**	**19.2**	**29.7**	**46.3**	**61.2**
Franchise revenue	1	33.4	46.8	60.6	73.7	–	–	–	–	33.4	46.8	60.6	73.7
General and administrative expenses		(34.7)	(46.6)	(63.3)	(76.1)	(2.5)	(3.5)	(5.6)	(7.9)	(37.2)	(50.1)	(68.9)	(83.9)
Segment Underlying EBITDA		**18.3**	**30.7**	**44.6**	**59.8**	**(2.9)**	**(4.3)**	**(6.6)**	**(8.9)**	**15.4**	**26.4**	**38.0**	**51.0**
Excluded from Segment Underlying EBITDA:													
AASB 2 *Share Based Payments*										(1.4)	(6.6)	(11.9)	(10.1)
Other costs	2									(0.3)	(1.7)	(0.0)	1.1
Rent and outgoings										8.0	11.2	16.9	17.9
Pro Forma EBITDA										**21.7**	**29.3**	**43.0**	**59.9**
Depreciation and amortisation	3									(13.5)	(22.8)	(28.1)	(35.4)
Amortisation of reacquired rights										(0.9)	(2.7)	(2.9)	(4.8)
Pro Forma EBIT										**7.2**	**3.7**	**12.0**	**19.7**
Net interest (paid)/received										(1.6)	3.9	2.4	(0.2)
Pro Forma Profit before income tax										**5.6**	**7.6**	**14.5**	**19.5**

Notes:

1. Franchise revenue includes both royalties on sales and other franchise revenue and income less the direct costs incurred on behalf of the franchise network. Refer to Section 4.9 for more information on Franchise revenue.
2. Includes a profit on sale of business of $1.0 million in FY25F. See Section 4.9.2 for more information.
3. Depreciation and amortisation includes depreciation associated with AASB 16 *Leases*. Refer to Section 4.9.7 for a breakdown.

Figure 61: Pro Forma Historical Interim Results by Segment

		Australia		US		Group	
		Pro Forma Historical		Pro Forma Historical		Pro Forma Historical	
$m	**Notes**	**1H23**	**1H24**	**1H23**	**1H24**	**1H23**	**1H24**
Corporate restaurant sales		100.6	136.6	1.4	5.6	102.1	142.2
Corporate Restaurant Margin		**13.8**	**23.9**	**(0.2)**	**(0.5)**	**13.6**	**23.4**
Franchise revenue	1	21.0	29.5	–	–	21.0	29.5
General and administrative expenses		(21.4)	(30.3)	(1.5)	(2.6)	(22.9)	(32.9)
Segment Underlying EBITDA		**13.4**	**23.1**	**(1.7)**	**(3.1)**	**11.6**	**20.0**
Excluded from Segment Underlying EBITDA:							
AASB 2 *Share Based Payments*						(2.8)	(3.6)
Other costs						(0.4)	0.1
Rent and outgoings						5.7	8.2
Pro Forma EBITDA						**14.2**	**24.7**
Depreciation and amortisation	3					(11.2)	(14.5)
Amortisation of reacquired rights						(1.4)	(1.4)
Pro Forma EBIT						**1.6**	**8.8**
Net interest received						1.7	1.3
Pro Forma Profit before income tax						**3.3**	**10.1**

Notes: Refer to Figure 60 and associated notes.

4.5 KEY PRO FORMA OPERATING AND FINANCIAL METRICS

Set out below in Figure 62 is a summary of GYG's Key Pro Forma Historical Operating and Financial Metrics for FY22 and FY23 and the Key Pro Forma Forecast Operating and Financial Metrics for FY24F and FY25F. Set out below in Figure 63 is a summary of GYG's Key Pro Forma Historical Interim Operating and Financial Metrics for 1H23 and 1H24.

Figure 62: Key Pro Forma Operating and Financial Metrics

		Pro Forma Historical		Pro Forma Forecast	
$m	**Notes**	**FY22**	**FY23**	**FY24F**	**FY25F**
Key operating metrics – Group					
Network Sales					
Australia		535.4	702.9	889.2	1,054.7
Singapore		31.4	43.1	46.5	58.0
Japan		5.8	7.0	7.8	10.2
US		2.5	6.0	10.9	14.7
Global Network Sales		**575.0**	**759.0**	**954.4**	**1,137.6**
Network Sales growth (% increase)		*28.3%*	*32.0%*	*25.7%*	*19.2%*
Revenue growth (% increase)		*43.7%*	*50.8%*	*31.1%*	*26.1%*
Corporate Restaurant Margin (%)		*13.6%*	*13.6%*	*16.1%*	*16.8%*
EBITDA		21.7	29.3	43.0	59.9
EBITDA to Global Network Sales (%)	1	*3.8%*	*3.9%*	*4.5%*	*5.3%*
Group Segment Underlying EBITDA to Global Network Sales (%)	2	2.7%	3.5%	4.0%	4.5%
Key operating metrics – Australia					
Corporate restaurants at period end		46	55	64	81
Franchise restaurants at period end	3	104	116	131	144
Comp Sales Growth	4	*18.2%*	*15.0%*	*7.4%*	*4.8%*
Corporate Restaurant Margin (%)		*14.1%*	*14.4%*	*17.1%*	*17.8%*
Segment Underlying EBITDA		18.3	30.7	44.6	59.8
Restaurant Capital Expenditure (net of landlord contributions) – Australia	5	(13.5)	(25.4)	(28.6)	(35.2)
Key operating metrics – US	6				
Corporate restaurants at period end		1	3	4	7
Segment Underlying EBITDA		(2.9)	(4.3)	(6.6)	(8.9)
Corporate Restaurant Margin (%)		*(15.8%)*	*(12.8%)*	*(9.6%)*	*(6.8%)*
Restaurant Capital Expenditure (net of landlord contributions) – US	5,7	(2.4)	(13.4)	(0.4)	(13.9)

Notes:

1. The EBITDA to Global Network Sales margin provides an indicator of the company's ability to convert network sales into earnings.
2. The Group Segment Underlying EBITDA to Global Network Sales margin provides an indicator of the company's ability to convert network sales into underlying earnings and can be compared to peers' ability to do the same.
3. Includes franchise restaurants in Australia only and excludes franchise restaurants in Singapore and Japan. The number of restaurants at period end is presented net of any restaurant closures or ownership transfers (refer to Section 4.9.1 for further detail on restaurant closures or ownership transfers).
4. Comp Sales Growth (See Section 4.2.4 for full definition) for restaurants in Australia, Singapore and Japan.
5. Restaurant Capital Expenditure (net of landlord contributions) consists of new restaurant capital expenditure and restaurant refurbishment capital expenditure including any landlord contributions. Refer to Section 4.9.12 for further details on Restaurant Capital Expenditure.
6. Refer to Section 3.7.5 for further detail on GYG's growth strategy and key performance metrics for the US.
7. FY25F Restaurant Capital Expenditure – US includes the capital expenditure for a fourth new restaurant which is expected to open in FY26F.

Figure 63: Key Pro Forma Historical Interim Operating and Financial Metrics

		Pro Forma Historical	
$m	**Notes**	**1H23**	**1H24**
Key operating metrics – Group			
Network Sales			
Australia		334.9	438.6
Singapore		21.5	22.2
Japan		3.2	4.2
US		1.5	5.6
Global Network Sales		**361.0**	**470.8**
Network Sales growth (% increase)		n/a	*30.4%*
Revenue growth (% increase)		n/a	*38.2%*
Corporate Restaurant Margin (%)		*13.3%*	*16.4%*
EBITDA		14.2	24.7
EBITDA to Global Network Sales (%)	1	*3.9%*	*5.2%*
Group Segment Underlying EBITDA to Global Network Sales (%)	2	*3.2%*	*4.2%*
Key operating metrics – Australia			
Corporate restaurants at period end		51	62
Franchise restaurants at period end	3	106	121
Comp Sales Growth	4	*16.9%*	*10.1%*
Corporate Restaurant Margin (%)		*13.7%*	*17.5%*
Segment Underlying EBITDA		13.4	23.1
Restaurant Capital Expenditure (net of landlord contributions) – Australia	5	(8.9)	(10.8)
Key operating metrics – US	6		
Corporate restaurants at period end		2	4
Segment Underlying EBITDA		(1.7)	(3.1)
Corporate Restaurant Margin (%)		*(16.1%)*	*(9.0%)*
Restaurant Capital Expenditure (net of landlord contributions) – US	5,7	(5.6)	0.3

Notes: Refer to Figure 62 and accompanying notes.

4.6 HISTORICAL AND FORECAST CASH FLOW INFORMATION

Set out below in Figures 64 and 65 are the Pro Forma Historical and Forecast Consolidated Statement of Cash Flows and the Statutory Historical and Forecast Consolidated Statement of Cash Flows for FY22, FY23, FY24F and FY25F. Set out below in Figure 66 is the Pro Forma and Statutory Historical Interim Consolidated Statement of Cash Flows for 1H23 and 1H24.

Figure 64: Pro Forma Historical and Statutory Forecast Consolidated Cash Flow Information

		Pro Forma Historical		Pro Forma Forecast		Statutory Forecast	
$m	**Notes**	**FY22**	**FY23**	**FY24F**	**FY25F**	**FY24F**	**FY25F**
EBIT		**7.2**	**3.7**	**12.0**	**19.7**	**(5.6)**	**19.7**
Depreciation and amortisation		14.5	25.6	31.0	40.2	31.0	40.2
Equity settled share-based payments		1.4	3.7	11.9	10.0	11.9	10.0
Change in operating assets and liabilities	1	(1.1)	3.1	(2.3)	(3.8)	(2.3)	(3.8)
Other non-cash items	2	(0.1)	0.5	–	(1.0)	–	(1.0)
Change in franchisee receivables	3	(1.6)	(1.6)	(6.5)	–	(6.5)	–
Operating cash flow		**20.4**	**34.9**	**46.1**	**65.1**	**28.5**	**65.1**
Net payments for property, plant and equipment	4	(19.4)	(39.7)	(34.5)	(59.8)	(34.5)	(59.8)
Net payments for intangibles	5	(7.0)	(2.9)	(0.9)	–	(0.9)	–
Net payments for purchases of business	6	(5.3)	(5.7)	–	(4.6)	–	(4.6)
Net cash flow before financing activity		**(11.3)**	**(13.5)**	**10.8**	**0.6**	**(6.8)**	**0.6**
Net cashflow from issue of shares	7	8.9	4.9	67.1	–	67.1	–
Other financing activities		(0.4)	(0.1)	–	–	–	–
Lease payments (principal and interest)	8	(8.0)	(11.3)	(16.9)	(17.9)	(16.9)	(17.9)
Lease incentives received	9	1.3	1.4	4.6	8.4	4.6	8.4
Net cash flows after financing activity		**(9.5)**	**(18.6)**	**65.6**	**(8.9)**	**48.0**	**(8.9)**
Tax paid	10	(0.1)	(2.5)	(17.6)	(16.4)	(9.2)	(16.4)
Net interest received	11	1.2	8.5	10.4	8.6	0.6	8.6
Net cash flow before Offer impacts		**(8.4)**	**(12.7)**	**58.5**	**(16.7)**	**39.5**	**(16.7)**
Impacts of the Offer	12					194.0	
Net cash flow						**233.5**	

4. FINANCIAL INFORMATION CONTINUED

Notes:

1. **Change in operating assets and liabilities:** reflects the net cash impact of the change in trade and other receivables, inventory, trade and other payables and employee entitlements.
2. **Other non-cash items:** reflects the impact of non-cash items captured within EBIT.
3. **Change in franchisee receivables:** reflects the net cash impact of amounts receivable from franchisees for the fit-out of new restaurants under construction paid on their behalf.
4. **Net payments for property, plant and equipment:** reflects amounts paid for property, plant and equipment, net of any proceeds received for disposals.
5. **Net payments for intangibles:** reflects amounts paid for the development of intangible software assets across the historical period.
6. **Net payments for purchases of business:** reflects amounts paid for purchases of franchise businesses, net of any proceeds received from the disposal of corporate businesses.
7. **Net cash flow from issue of shares:** reflects cash received from the issue of equity in the historical period, including the Pre-IPO Capital Raise, net of any cash paid for Share buybacks. In FY24F, proceeds from the Pre-IPO Capital Raise were $84.3m adjusted for transaction costs capitalised, plus $4.1m from the exercise of Company Options, partially offset by $18.7m in payments for Share buy-backs.
8. **Lease payments (principal and interest):** In accordance with AASB 16 *Leases*, the principal and interest payments associated with corporate office and restaurant leases have been included as a financing activity.
9. **Lease incentives received:** relate to landlord contributions for restaurant fit-outs. Under the accounting standards these contributions are reflected as a reduction to the right-of-use asset and therefore, consistent with the treatment of lease payment, included as a financing activity.
10. **Tax paid:** reflects tax payments which have been made or are expected to be made to tax authorities in Australia.
11. **Net interest received:** reflects interest income from the majority of proceeds of the Pre-IPO Capital Raise and the Offer which are expected to be retained on term deposit following completion of the Offer. This excludes interest expense relating to assets accounted for under AASB 16 *Leases*, which is captured in Lease payments (principal and interest).
12. **Impacts of the Offer:** reflects cash received from the proceeds of the Primary Offer and exercise of Company Options, net of transaction costs payable.

Figure 65: Statutory Historical Consolidated Cash Flow Information

		Statutory Historical	
$m	**Notes**	**FY22**	**FY23**
EBIT		**9.4**	**4.1**
Depreciation and amortisation		14.5	25.6
Equity settled share-based payments		1.4	3.7
Change in operating assets and liabilities	1	(1.1)	3.1
Other non-cash items	2	(0.1)	0.5
Change in franchisee receivables	3	(1.6)	(1.6)
Operating cash flow		**22.6**	**35.2**
Net payments for property, plant and equipment	4	(19.4)	(39.7)
Net payments for intangibles	5	(7.0)	(2.9)
Net payments for purchases of business	6	(5.3)	(5.7)
Net cash flow before financing activity		**(9.1)**	**(13.2)**
Net cash flow from issue of shares	7	8.9	4.9
Other financing activities		(0.4)	(0.1)
Lease payments (principal and interest)	8	(8.0)	(11.3)
Leases incentives received	9	1.3	1.4
Net cash flow after financing activity		**(7.2)**	**(18.3)**
Tax paid	10	(0.4)	(0.3)
Net interest received	11	(0.0)	0.7
Net cash flow before Offer impacts		**(7.7)**	**(17.9)**

Notes: Refer to Figure 64 and associated notes.

Figure 66: Pro Forma and Statutory Historical Interim Cash Flow Information

		Pro Forma Historical		Statutory Historical	
$m	**Notes**	**1H23**	**1H24**	**1H23**	**1H24**
EBIT		1.6	8.8	2.0	3.0
Depreciation and amortisation		12.6	15.9	12.6	15.9
Equity settled share-based payments		2.7	5.7	2.7	5.7
Change in operating assets and liabilities	1	(2.7)	(9.4)	(2.7)	(9.4)
Other non-cash items	2	0.8	–	0.8	–
Change in franchisee receivables	3	(2.0)	(3.9)	(2.0)	(3.9)
Operating cash flow		**13.0**	**17.1**	**13.3**	**11.4**
Net payments for property, plant and equipment	4	(14.7)	(14.9)	(14.7)	(14.9)
Net payments for intangibles	5	(1.4)	(0.0)	(1.4)	(0.0)
Net payments for purchases of business	6	(5.4)	–	(5.4)	–
Net cash flow before financing activities		**(8.6)**	**2.3**	**(8.2)**	**(3.5)**
Net cash flow from issue of shares	7	4.5	(15.8)	4.5	(15.8)
Other financing activities		0.1	0.2	0.1	0.2
Lease payments (principal and interest)	8	(6.7)	(6.5)	(6.7)	(6.5)
Lease incentives received	9	0.3	1.9	0.3	1.9
Net cash flow after financing activity		**(10.4)**	**(18.0)**	**(10.0)**	**(23.8)**
Tax paid	10	(1.0)	(2.8)	(0.1)	0.5
Net interest paid	11	3.4	5.8	0.1	0.4
Net cash flow before Offer impacts		**(7.9)**	**(15.1)**	**(10.0)**	**(22.9)**

Notes: Refer to Figure 64 and associated notes.

4.6.1 PRO FORMA ADJUSTMENTS TO STATUTORY HISTORICAL AND FORECAST CASH FLOWS

Set out below are adjustments to the Statutory Historical Consolidated Statement of Cash Flows and Statutory Forecast Consolidated Statement of Cash Flows for select pro forma transactions. These adjustments are summarised in Figure 67 below.

Figure 67: Pro Forma Adjustments to the Statutory Historical and Statutory Forecast Net Cash Flows

		Pro Forma Historical		Pro Forma Forecast		Pro Forma Historical	
$m	**Notes**	**FY22**	**FY23**	**FY24F**	**FY25F**	**1H23**	**1H24**
Statutory net cash flows after financing activity		**(7.2)**	**(18.3)**	**48.0**	**(8.9)**	**(10.0)**	**(23.8)**
Offer costs (incl. Pre-IPO Capital Raise)	1	–	–	13.7	–	–	–
Incremental public company costs	2	(1.6)	(1.6)	(1.6)	–	(0.8)	(0.8)
Non-recurring income and expenses:							
System implementation costs	3a	–	3.8	5.1	–	2.1	2.4
Government compensation for compulsory acquisition of land	3b	(0.5)	(1.9)	–	–	(1.9)	–
Senior executive restructure	3c	1.0	2.8	0.6	–	0.7	2.1
Subtotal – Non-recurring income and expenses		**0.5**	**4.6**	**5.7**	**–**	**0.9**	**4.5**
Executive remuneration and share-based remuneration	4	(1.1)	(3.4)	(0.3)	–	(0.5)	2.0
Capital structure	5	–	–	–	–	–	–
Pro Forma net cash flow after financing activity		**(9.5)**	**(18.6)**	**65.6**	**(8.9)**	**(10.4)**	**(18.0)**

Notes: Refer to Figure 58 and associated notes.

4.7 CONSOLIDATED HISTORICAL STATEMENT OF FINANCIAL POSITION

4.7.1 STATUTORY AND PRO FORMA HISTORICAL STATEMENT OF FINANCIAL POSITION

Set out below in Figure 68 are the pro forma adjustments to the Statutory Consolidated Statement of Financial Position for GYG as at 31 December 2023. The Pro Forma Historical Statement of Financial Position is provided for illustrative purposes only and includes certain pro forma adjustments to reflect the impact of the Pre-IPO Capital Raise and the Offer and the change in capital structure that will take place as part of the Pre-IPO Capital Raise and the Offer, as if it was in place as at 31 December 2023. It is not intended to be representative of GYG's view on its future financial position. Further information on the sources and uses of funds of the Offer is contained in Section 7.

Figure 68: Statutory and Pro Forma Historical Statement of Financial Position as at 31 December 2023

	Statutory Historical	Pro Forma adjustments		Pro Forma Historical
$m	**31 Dec 23**	**Pre-IPO Capital Raise**	**Impact of the Offer**	**31 Dec 23**
Notes		**A**	**B**	
Cash and cash equivalents	13.6	84.2	181.9	279.7
Trade and other receivables	21.2	–	–	21.2
Inventories	3.2	–	–	3.2
Finance lease receivable	10.5	–	–	10.5
Other assets	4.4	–	–	4.4
Total current assets	**52.9**	**84.2**	**181.9**	**319.0**
Trade and other receivables	1.0	–	–	1.0
Property, plant and equipment	78.0	–	–	78.0
Right-of-use assets	122.3	–	–	122.3
Finance lease receivable	57.6	–	–	57.6
Intangibles	11.7	–	–	11.7
Deferred tax	7.0	1.3	6.0	14.3
Total non-current assets	**277.6**	**1.3**	**6.0**	**284.9**
Total assets	**330.5**	**85.5**	**187.9**	**603.9**
Trade and other payables	(22.0)	–	–	(22.0)
Contract liabilities	(2.4)	–	–	(2.4)
Lease liabilities	(20.0)	–	–	(20.0)
Income tax	(9.7)	–	–	(9.7)
Provisions	(5.4)	–	–	(5.4)
Total current liabilities	**(59.5)**	**–**	**–**	**(59.5)**
Contract liabilities	(2.2)	–	–	(2.2)
Borrowings	(3.0)	–	–	(3.0)
Lease liabilities	(188.1)	–	–	(188.1)
Provisions	(3.8)	–	–	(3.8)
Total non-current liabilities	**(197.0)**	**–**	**–**	**(197.0)**
Total liabilities	**(256.5)**	**–**	**–**	**(256.5)**
Net assets	**74.0**	**85.5**	**187.9**	**347.3**
Issued capital	88.3	86.6	196.4	371.2
Reserves	16.5	–	–	16.5
Accumulated losses	(30.8)	(1.1)	(8.5)	(40.4)
Equity	**74.0**	**85.5**	**187.9**	**347.3**

Notes:

A. **Pre-IPO Capital Raise:** $84.3m was raised through the issue of new Shares. An additional $4.1m was raised from the exercise of existing Company options at this time. $2.7m ($1.9m tax effected) of Pre-IPO Capital Raise costs have been determined to relate to the primary raise and will be offset against equity, while $1.6m ($1.1m tax effected) will be expensed to the Statement of Profit or Loss. A deferred tax asset of $1.3m is recognised based on the income tax benefit of the future deductibility of Pre-IPO Capital Raise costs. Pre-IPO Capital Raise costs are assumed to have been paid from cash.

B. **Impact of the Offer:** $200.0m will be raised through the issue of new Shares. An additional $1.9m will be raised from the exercise of existing Company options at this time. $7.9m ($5.5m tax effected) of Offer costs have been determined to relate to the primary raise and will be offset against equity, while $12.1m ($8.5m tax effected) will be expensed to the Statement of Profit or Loss in FY24F. A deferred tax asset of $6.0m is recognised based on the income tax benefit of the future deductibility of the Offer costs. The Offer costs are assumed to have been paid from cash. The majority of net proceeds from the Pre-IPO Capital Raise and the Offer are expected to be retained on term deposit until the funds are deployed to continue GYG's network expansion in future years (refer to Section 7).

4. FINANCIAL INFORMATION CONTINUED

4.7.2 NET CASH AND LEASE ASSETS AND LIABILITIES

Set out below in Figure 69 is the summary of net cash and lease assets and liabilities as at 31 December 2023, before and following Completion of the Offer. The pro forma net cash position (including net lease liabilities) of $136.8 million reflects pro forma net cash adjusted as if the Completion of the Offer had occurred as at 31 December 2023.

GYG intends to retain $50.0 million in cash on call for working capital and general corporate purposes. Additional cash from the Offer and the Pre-IPO Capital Raise of $229.7 million will be retained on term deposit until the funds are deployed to continue GYG's network expansion in future years. See Section 7.1.2 for further information regarding the use of proceeds of the Offer.

Figure 69: Net Cash and Lease Assets and Liabilities as at 31 December 2023

$m	Statutory Historical 31 Dec 23	Pro Forma adjustments	Pro Forma Historical 31 Dec 23
Cash and cash equivalents	13.6	266.1	279.7
Borrowings	(3.0)	–	(3.0)
Total net cash	**10.6**	**266.1**	**276.7**
Finance lease receivable	68.1	–	68.1
Lease liabilities	(208.1)	–	(208.1)
Total net cash/(debt) and net lease liabilities	**(129.3)**	**266.1**	**136.8**

4.7.3 LEASE COMMITMENTS

GYG has a number of lease commitments related to its restaurants and Hola Central, which are shown in Figure 70.

Figure 70 includes both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

GYG enters into lease contracts for offices and restaurants (principal leases). Where GYG does not operate a corporate restaurant from the premises, it licences the premises to franchisees by way of a property licence deed (franchisee leases) under which the franchisee assumes the leases liability for the term of the lease. In most cases GYG retains the ultimate liability for the lease obligations. Under AASB 16 *Leases*, GYG recognises the lease liability related to principal and franchisee leases, with right-of-use assets recognised for principal leases and finance lease receivables recognised for franchise leases.

The average lease term is approximately 11 years from inception.

Figure 70: Lease Commitments by Duration

$m	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Lease commitments	34.0	30.1	79.3	173.8	317.2
Split of lease commitments by restaurant type:					
Franchise restaurants	18.1	15.8	41.2	85.4	160.4
Corporate restaurants	15.9	14.3	38.2	88.4	156.8

4.8 ASSUMPTIONS UNDERLYING THE PRO FORMA FORECAST FINANCIAL INFORMATION

The Forecast Financial Information has been prepared by GYG through undertaking an analysis of historical performance and applied assumptions, where appropriate, across the Company. However, actual results are likely to vary from the forecast and any variation may be materially positive or negative. The assumptions upon which the Forecast Financial Information is based are by their nature subject to significant uncertainties and contingencies, many of which are outside the control of GYG and the Directors and are not reliably predictable.

This Section is intended to only provide a summary and does not detail all the factors which have affected the historical operating and financial performance of GYG. This information is intended to assist investors in assessing the reasonableness and likelihood of the assumptions occurring but is not intended to be a representation that the assumptions will occur.

The assumptions set out below should be read in conjunction with the sensitivity analysis in Section 4.10, the risk factors in Section 5 and the other information in this Prospectus.

4.8.1 GENERAL ASSUMPTIONS

Set out below is a discussion of the general factors which may affect the operating and financial performance of GYG over the forecast period and which the Directors expect may continue to affect the operating and financial performance of GYG in the future. In preparing the Forecast Financial Information, the following general assumptions have been adopted by the Directors:

- no material change in the competitive environment in which GYG operates;
- no material change to the QSR market that would have a material impact on demand for, or prices of, GYG's products;
- no significant change in the global or local Australian economic conditions relevant to GYG;
- no material business acquisitions outside the ordinary course of business;
- retention of key personnel;
- no significant change to interest rates in Australia;
- no material amendment to any material agreement or arrangement relating to GYG's businesses other than as set out in, or contemplated by, this Prospectus;
- no material cash flow or profit or loss or financial position impact in relation to litigation (existing or otherwise);
- no material industrial strikes, employee disputes or other disturbances, environmental costs, contingent liabilities or legal claims;
- no material change in Commonwealth, state or local government legislation, tax legislation, regulatory legislation, regulatory requirements or government policy that will have a material impact on the financial performance or cash flows, financial position or disclosure of GYG;
- no material change in applicable AAS or other mandatory professional reporting requirements of the Corporations Act, which have a material effect on GYG's financial performance, financial position, accounting policies, financial reporting or disclosure;
- no change in GYG's capital structure other than as set out in, or contemplated by, this Prospectus;
- none of the risks listed in Section 5 have a material adverse impact on the Company and operational performance of GYG; and
- the Offer proceeds to Completion in accordance with the timetable set out in Key Dates on page 6 of the Prospectus.

4. FINANCIAL INFORMATION CONTINUED

4.8.2 SPECIFIC ASSUMPTIONS

The key specific assumptions adopted in preparing the Forecast Financial Information are set out below.

4.8.2.1 Revenue assumptions

The Forecast Financial Information is based on the following key revenue assumptions for the Australia Segment:

- Comp Sales Growth of 7.4% in FY24F and 4.8% in FY25F;
- in Australia, GYG expects 26 new restaurant openings in FY24F (11 corporate and 15 franchise) and 30 in FY25F (16 corporate and 14 franchise), which over time are assumed to generate restaurant economics in line with the target new restaurant economics as set out in Section 3.7.1.5. New restaurant opening dates are based on their expected DA approval and construction timelines. New restaurants are forecast to open regularly throughout the year;
- in Australia, GYG expects to open 20 drive thru and 10 strip restaurants in FY25F; and
- sales from restaurants opened in the prior period are based on the annualised trading performance of those restaurants adjusted for seasonal patterns.

The Forecast Financial Information is based on the following key revenue assumptions for restaurants operating in the US:

- the opening of 3 new corporate restaurants in FY25F; and
- continued improvement in operational performance of existing restaurants.

4.8.2.2 Corporate Restaurant Margin assumptions

The forecast Financial Information is based on the following key Corporate Restaurant Margin assumptions:

- existing corporate restaurants in Australia largely consistent with current trading performance adjusted for known impacts including food cost changes, wage increases and other cost and menu pricing adjustments;
- new corporate restaurants in Australia generate restaurant economics in line with the target new restaurant economics (adjusted for a margin ramp-up period of 6 to 12 months) as set out in Section 3.7.1.5; and
- continued improvement in operational performance of existing restaurants in the US.

4.8.2.3 Franchise revenue assumptions

The Forecast Financial Information is based on the following key franchise revenue assumptions:

- no material change to the franchise royalty structure outside of eligible franchise restaurants transitioning to the revised tiered royalty structure as described in Section 3.3.11;
- new franchise restaurants in Australia generate restaurant economics in line with the target new restaurant economics as set out in Section 3.7.1.5; and
- no change to royalty rate on master franchise restaurants in South Australia, Singapore and Japan.

4.8.2.4 Cost of doing business assumptions

The Forecast Financial Information is based on the following key cost of doing business assumptions:

- Cost of food and packaging and restaurant level salaries and employee benefits expense are forecast as a percentage of monthly revenue on an individual restaurant basis which takes into consideration the current trading performance of existing restaurants, adjusted for any known future impacts such as food cost increases or wage increases (assumes a 4.0% impact from increases in the Fast Food Industry Award ("**FFIA**") wages). For new restaurants opening in FY24F and FY25F in Australia, the cost of doing business is assumed to be in line with the target new restaurant economics (after adjusting for a margin ramp-up period of 6 to 12 months) as set out in Section 3.7.1.5;
- salaries and employee benefits expense (Hola Central) are based on the current headcount and payroll costs of GYG, allowing for salary increases and an increase in headcount for new positions to support the expansion of the restaurant network. It is assumed that no incremental Options are issued to the executive leadership team in FY25F;
- property expenses are based on the current property leases in place and related costs. GYG has estimated rental costs for new restaurants forecast to open in FY24F and FY25F (sites need to be identified and either signed or currently be under negotiation); and
- Marketing costs in FY24F and FY25F continue to be partially funded by franchise restaurants (the income from which is included in "Other revenue and income"). Refer to Section 4.9.4 for further details of marketing costs.

4.8.2.5 Depreciation and amortisation

The Forecast Financial Information is based on the following key depreciation and amortisation assumptions:

- new corporate restaurants are depreciated over an average 6.5 year period; and
- reacquired rights are amortised over the remaining term of the lease.

4.8.2.6 Finance Income and Costs

- the Forecast Financial information assumes cash in excess of the monthly working capital requirements of the Company will be placed on term deposit and earn interest at the prevailing rate. The forecast assumes excess cash will earn interest at a rate of 3.5% per annum.

4.8.2.7 Income tax

The Forecast Financial Information is based on the following income tax assumptions:

- Australian corporate tax rate assumed to remain at 30%;
- trading loss in the US results in no tax expense being assumed in the Forecast Financial Results. No asset is expected to be recognised in relation to the US losses; and
- an effective tax rate of 69%, which reflects the non-deductibility of AASB 2 *Share Based Payments* expense and no tax benefits recognised on income tax losses in the US.

4.8.2.8 Change in working capital

The Forecast Financial Information is based on the following working capital assumptions:

- trading terms are in line with historical trading; and
- management's expectations on timing of orders and payments.

4. FINANCIAL INFORMATION CONTINUED

4.8.2.9 Capital expenditure

The Forecast Financial Information is based on the following capital expenditure assumptions:

- expenditure relating to the establishment of 16 new corporate restaurants in Australia in FY25F is consistent with the target new restaurant capital expenditure costs outlined in Section 3.7.1.5;
- expenditure relating to restaurant refurbishment is consistent with average historical refurbishment costs; and
- expenditure relating to maintenance associated with general purpose and replacement of operating items such as IT hardware and other items is consistent with historical expenditure levels.

4.8.2.10 Foreign exchange

The Forecast Financial Information is based on the following exchange rate assumptions:

- for the US, 1 AUD = 0.65 USD;
- for Singapore, 1 AUD = 0.90 SGD; and
- for Japan, 1 AUD = 90.90 JPY.

4.9 MANAGEMENT DISCUSSION AND ANALYSIS ON PRO FORMA FINANCIALS

Set out below is a discussion of the factors that have affected GYG's operating and financial performance in FY22 and FY23, and a discussion of the key factors and assumptions which GYG expects may affect performance during FY24F and FY25F. The discussion of these drivers is intended to provide a summary only and does not detail all factors that have affected GYG's historical operating and financial performance, nor everything that may affect the Company's operating and financial performance in the future. On this basis, this section will primarily discuss Financial Year performance, and comments in relation to Historical Interim Results will be made by exception to avoid repetition.

4.9.1 REVENUE

The total sales attributable to all GYG corporate and franchise restaurants, including restaurants operated by a master franchisee, is referred to as Global Network Sales. Revenue attributable to GYG includes corporate restaurant sales and franchise royalty revenue.

Figure 71: Global Network Sales by Region

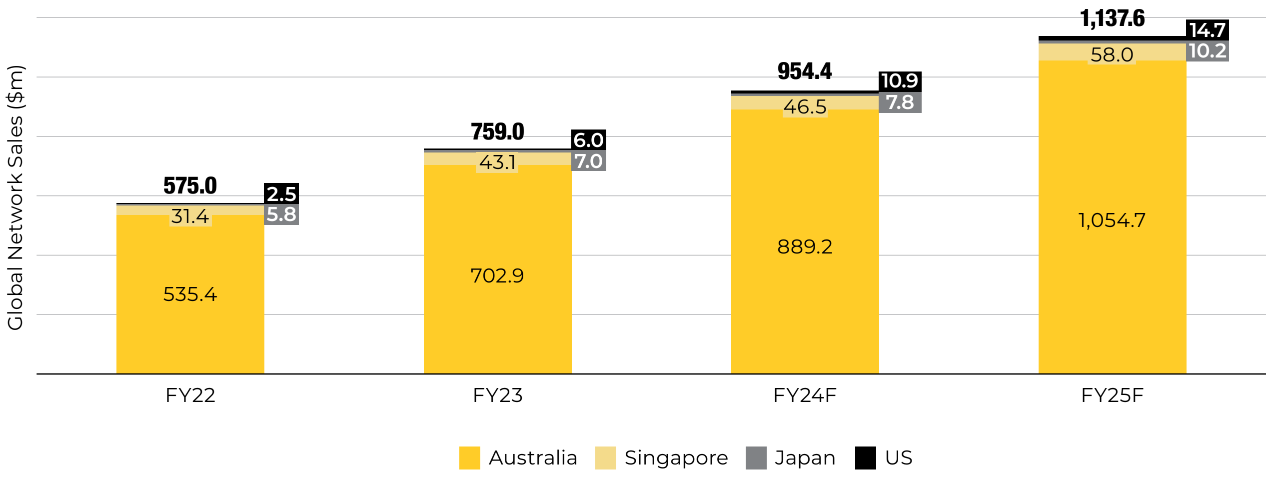
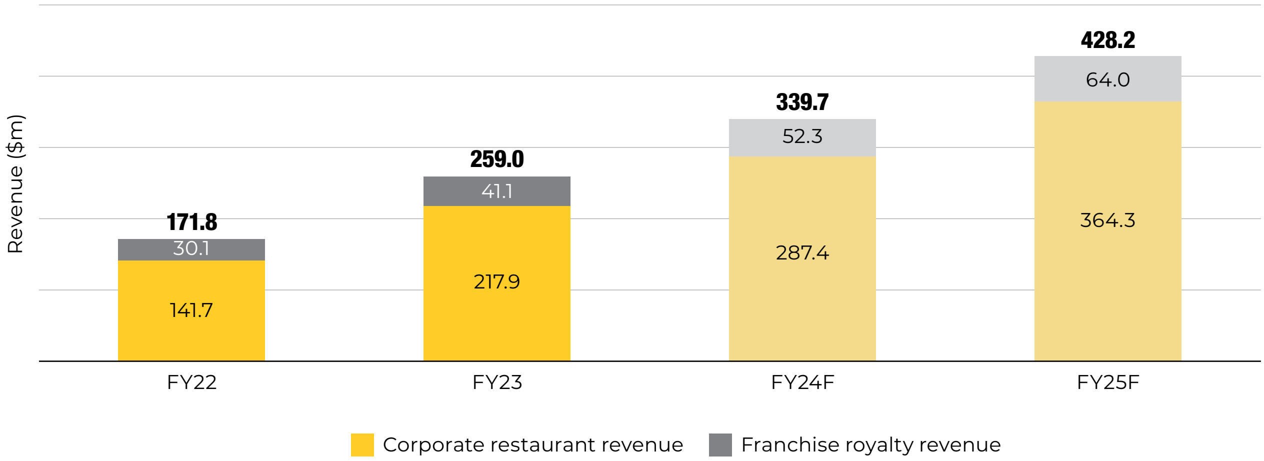


Figure 72: GYG Revenue Breakdown



GYG derives franchise royalty revenue from franchise restaurants at a rate governed by the individual franchise agreements. Franchise royalty revenue is based on a fixed or variable percentage of net sales.[94] Restaurants in South Australia, Singapore and Japan are operated under master franchise agreements.[95] Figure 73 below outlines the historical and forecast franchise royalty revenue and the Implied Franchise Royalty Rate for applicable operating locations.

Figure 73: Franchise Royalty Revenue and Implied Franchise Royalty Rate

$m	Notes	FY22	FY23	FY24F	FY25F
Franchise royalty revenue	1	30.1	41.1	52.3	64.0
Franchise Network Sales					
Australia		396.2	490.9	612.8	705.1
Singapore		31.4	43.1	46.5	58.0
Japan		5.8	7.0	7.8	10.2
Total Franchise Network Sales		**433.3**	**541.1**	**667.0**	**773.3**
Implied Franchise Royalty Rate (%)	2	**6.9%**	**7.6%**	**7.8%**	**8.3%**

Notes:

1. Refers to the Franchise Royalty levied on franchise network sales. Refer to Section 3.3.11.1 for further information on franchise charges.
2. Implied blended Franchise Royalty Rate calculated from full year royalty revenue as a percentage of global franchise Network Sales.

The Implied Franchise Royalty Rate is increasing in line with the gradual transition to the tiered royalty structure for franchise restaurants in Australia, as well as growing franchise AUVs (see Section 3.7.3.2).

94. Net sales is calculated as sales generated by a restaurant less commissions paid on delivery transactions, other than for franchise restaurants in Singapore and Japan where it is based on a fixed percentage of gross sales.
95. Includes one restaurant in Mildura, Victoria which is owned by the master franchisee in South Australia.

4. FINANCIAL INFORMATION CONTINUED

Historical (FY22, FY23, 1H23 and 1H24)	Forecast (FY24F and FY25F)
AUSTRALIA	
Network Sales	
Network Sales for the Australia segment increased by 29.4% in 1H24 and 31.5% in FY23 compared to the prior comparable periods. • Corporate restaurant sales increased by 35.7% in 1H24 and 52.2% in FY23 and franchise restaurant sales increased by 26.9% in 1H24 and 24.9% in FY23. • GYG opened 7 new corporate restaurants in 1H24 and 5 in FY23. • As outlined in Section 3.3.3.2, GYG acquired 6 restaurants from franchisees in FY23, contributing to the growth in corporate restaurant sales. • GYG opened 6 new franchise restaurants in 1H24 and 17 new franchise restaurants in FY23. • Comp Sales Growth of 10.1% in 1H24 and 15.0% in FY23 was achieved, reflecting strong guest demand for and growing awareness of GYG's offering. • Comp Sales Growth was supported by menu price increases of 5.0% in May 2023 and 3.0% in July 2023. • GYG introduced several new menu offerings, including the Big Brekkie Burrito in FY23 and Crispy Chicken Tenders in 1H24.	GYG forecasts an increase of 25.3% in FY24F and 19.0% in FY25F vs the respective prior comparative period. • Corporate restaurant sales are forecast to increase 30.4% in FY24F and 26.4% in FY25F and franchise restaurant sales are forecast to increase 23.3% in FY24F and 15.9% in FY25F. • GYG expects to open 11 new corporate restaurants and 15 new franchise restaurants in FY24F and 16 new corporate restaurants and 14 new franchise restaurants in FY25F.[96] • GYG expects to acquire 4 restaurants from franchisees and sell 3 corporate restaurants to franchisees in FY25F. • Comp Sales are expected to grow 7.4% and 4.8% in FY24F and FY25F respectively, underpinned by continued execution of initiatives to improve the guest experience, broader brand awareness, menu innovation and daypart growth, as well as prevailing economic conditions. • GYG expects Comp Sales Growth to be mostly driven by transaction volume growth, with minimal contribution from menu price growth through the forecast period, subject to there being no unexpected changes to input costs or prevailing economic conditions.
Revenue	
Corporate restaurant sales are as covered in the Network Sales section above. Franchise revenue was supported by expansion of the Implied Franchise Royalty Rate from 6.9% in FY22 to 7.6% in FY23 due to growth in franchise restaurant sales and the impact of the new tiered royalty structure in Australia, as set out in Section 3.3.11.2.	Corporate restaurant sales forecasts are as covered in the Network Sales section above. GYG expects the Implied Franchise Royalty Rate to increase from 7.8% in FY24F to 8.3% in FY25F. This is a result of the transition of franchise restaurants onto the tiered royalty structure (described in Section 3.3.11.2) and the forecast increase in AUVs of those already on the tiered structure.

96. Number of restaurants at period end in Section 4.5 reflects the new restaurants opened in the period net of any restaurant closures or conversions in the same period.

Historical (FY22, FY23, 1H23 and 1H24)	Forecast (FY24F and FY25F)
US	
Network Sales	
Reflecting the size and nascency of this market for GYG, corporate restaurant sales growth was more volatile, with corporate restaurant sales growing 295% in 1H24 and 141% in FY23. GYG opened 1 new restaurant in 1H24 and 2 new restaurants in FY23.	GYG expects corporate restaurant sales to grow 83.3% in FY24F and 34.8% in FY25F as a result of 1 new restaurant opening in FY24F and 3 new restaurants forecast to open in FY25F. GYG is expecting modest improvement in the sales performance of existing US restaurants in FY24F and FY25F as operational execution improves and brand awareness increases. Comp Sales Growth is not currently considered a key performance metric for the US given the nascency of this market for GYG. See Section 3.7.5 for more information on key performance metrics in the US.

4.9.2 OTHER REVENUE AND INCOME

Figure 74: Historical and Forecast Other Revenue and Income

$m	FY22	FY23	FY24F	FY25F
Franchise marketing fee revenue	10.3	13.3	16.4	18.8
Other franchise revenue and recovered costs	3.0	4.5	5.7	6.8
Profit on sale of business	–	–	–	1.0
Other revenue and income	**13.3**	**17.7**	**22.1**	**26.6**

Other revenue and income includes franchise marketing fee revenue and other franchise revenue and recovered costs.

Franchise marketing fee revenue is the biggest component of other revenue and income. As this is a fixed percentage levied on franchise restaurants, it continues to increase due to the opening of new franchise restaurants and Comp Sales Growth (see Section 3.3.10 for further detail on the marketing fund). Franchise marketing fee revenue is expected to grow from $13.3 million in FY23 to $18.8 million in FY25F.

Other franchise revenue and recovered costs includes the following (refer to Section 3.3.11.1 for more detail):

- distribution fee premium which is levied on all Australian restaurants to recover costs incurred by GYG;
- costs recovered from franchisees;
- franchise fees (upfront fees to cover various new franchise restaurant related costs); and
- online order charges.

Other franchise revenue and recovered costs is expected to grow from $4.5 million in FY23 to $5.7 million in FY24F and $6.8 million in FY25F, in line with the expansion of the franchise restaurant network.

GYG has forecast a profit of $1.0m in FY25F from the sale of a corporate restaurant to a franchisee.

4.9.3 COST OF FOOD AND PACKAGING

Figure 75: Historical and Forecast Cost of Food and Packaging

$m	FY22	FY23	FY24F	FY25F
Cost of food and packaging	(44.2)	(70.4)	(86.8)	(109.3)
Corporate restaurant sales	141.7	217.9	287.4	364.3
% of corporate restaurant sales	**(31.2%)**	**(32.3%)**	**(30.2%)**	**(30.0%)**

Cost of food and packaging is driven by the volume of corporate restaurant sales. It is expected to grow from $70.4 million in FY23 to $109.3 million in FY25F. As a percentage of restaurant sales, the cost of food and packaging in FY25F is expected to decline, with any inflation in the cost of food and packaging expected to be offset by modest menu price increases. In FY24F, menu price increases are expected to be 3.0%, reflecting price changes that have already occurred.

4.9.4 MARKETING COSTS

Figure 76: Historical and Forecast Marketing Spend

$m	FY22	FY23	FY24F	FY25F
Marketing expenses	(11.3)	(13.7)	(17.2)	(22.1)
Marketing employee costs	(2.7)	(3.9)	(4.7)	(5.0)
Total Marketing spend	**(14.0)**	**(17.6)**	**(21.9)**	**(27.1)**

Marketing costs are partially recovered from franchise restaurants (see Section 4.9.2). Over time, the net marketing cost to GYG reflects the marketing costs that relate to corporate restaurants.

4.9.5 ADMINISTRATIVE, EMPLOYEE AND OTHER EXPENSES

Figure 77: Historical and Forecast Administrative, Employee and Other Expenses

$m	FY22	FY23	FY24F	FY25F
Employee benefits	(73.2)	(110.5)	(146.1)	(180.1)
Administrative expenses	(24.8)	(38.9)	(50.9)	(57.1)
Other expenses	(10.0)	(14.0)	(17.7)	(26.3)
Administrative, Employee and Other expenses	**(108.0)**	**(163.4)**	**(214.7)**	**(263.5)**
% of Revenue	**(62.9%)**	**(63.1%)**	**(63.2%)**	**(61.5%)**

Administrative, employee and other expenses as a percentage of revenue is expected to grow to 63.2% in FY24F, reflecting investment in Hola Central infrastructure before reducing to 61.5% in FY25F as operating leverage benefits are realised.

Key drivers of administrative, employee and other expenses are as follows:

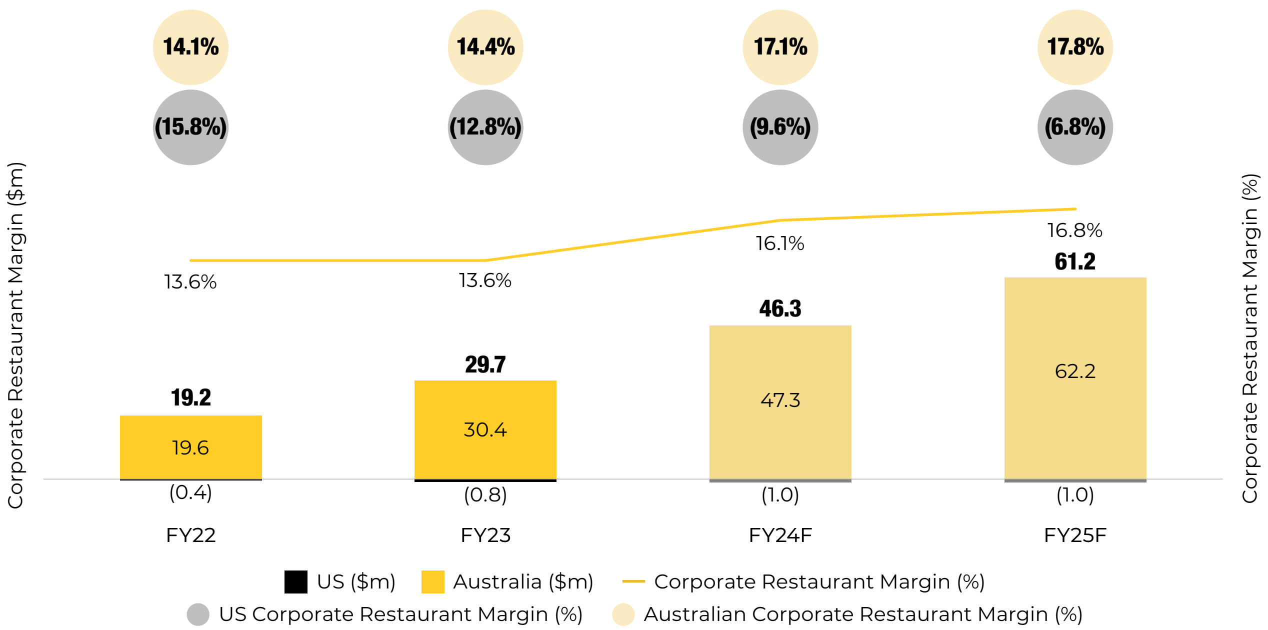
- employee benefits reflect both in-restaurant costs (included in Corporate Restaurant Margin) and Hola Central costs in Australia and the US (included within G&A). Restaurant-related employee benefits will grow as GYG's restaurant network expands and transaction volumes increase;
- a majority of the increase in employee benefits is driven by the growth in the sales of Australian corporate restaurants through network expansion and growth in existing restaurant transaction volume;

- in addition, a strategic decision to invest in significant infrastructure to support the anticipated growth of the Company has been taken and contributed to the growth in employee benefits expense over the period FY22 to FY25F;
- administrative expenses includes the cost of professional fees, software licences, commissions and fees and occupancy expenses associated with Hola Central; and
- other expenses primarily include delivery commissions and occupancy-related expenses.

4.9.6 KEY SEGMENT FINANCIAL METRICS

4.9.6.1 Corporate Restaurant Margin

Figure 78: Corporate Restaurant Margin



Corporate Restaurant Margin is the key indicator of the profitability of GYG's corporate restaurants. The Corporate Restaurant Margin as a percentage of corporate restaurant sales is expected to increase from 13.6% in FY23 to 16.1% in FY24F and 16.8% in FY25F. The increase can be attributed to:

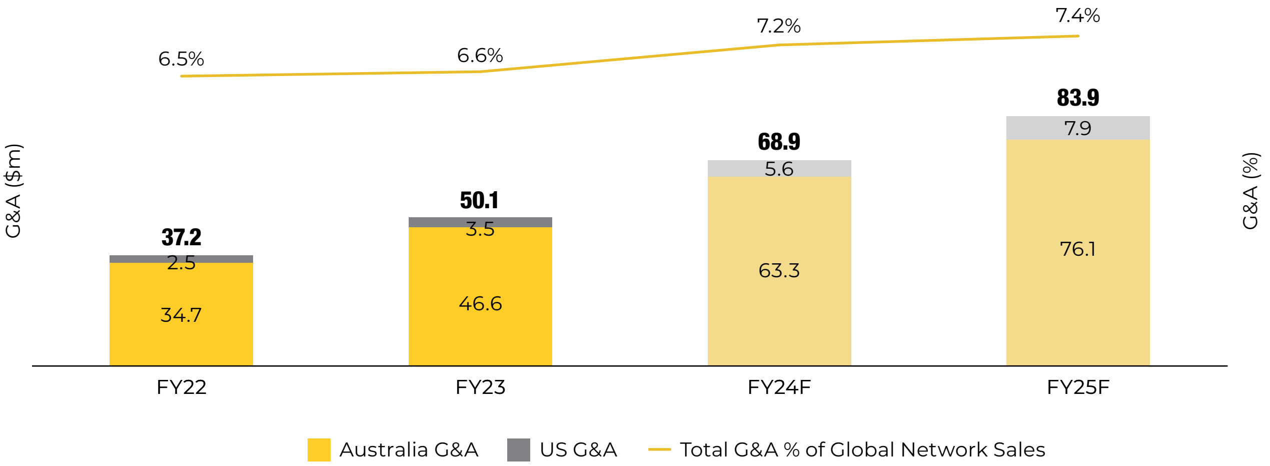
- Comp Sales Growth driving margin expansion through operating leverage of fixed costs and certain components of labour;
- steady improvement in the cost of food and packaging as a percentage of corporate restaurant sales (see Section 4.9.3); and
- change in format mix towards drive thru (refer to Section 3.7.1.3).

The Australian corporate restaurant network has generally experienced strong growth in AUVs and improved restaurant operations over time. These factors have contributed to an improvement in the Australia Corporate Restaurant Margin. The US Corporate Restaurant Margin reflects the nascency of the US restaurant network, although is expected to improve through the forecast period, from (12.8%) in FY23 to (9.6%) in FY24F and (6.8%) in FY25F, as the benefits of operating leverage are realised and restaurant operations continue to mature.

4. FINANCIAL INFORMATION CONTINUED

4.9.6.2 General & Administrative (G&A) expenses

Figure 79: Total G&A as a percentage of Global Network Sales



G&A expenses refer to operating expenses that are not directly attributable to restaurants and predominantly includes costs associated with Hola Central. G&A expenses as a percentage of Global Network Sales in FY23 were 6.6% and are expected to grow to 7.2% in FY24F and 7.4% in FY25F. Australian G&A as a percentage of Australia Network Sales is broadly in line with G&A as a percentage of Global Network Sales. The key driver of the increase in G&A expenses as a percentage of Network Sales can be attributed to the investment in supporting infrastructure to deliver GYG's new restaurant openings strategy over the medium-term (see Section 3.3.12). The majority of the increase in FY25F relates to the annualisation impact of costs incurred throughout FY24F. GYG believes that it will be able to leverage this investment in G&A expenses as the restaurant network continues to expand.

4.9.7 DEPRECIATION AND AMORTISATION

GYG's depreciation expense relates to the depreciation of fixed and right-of-use assets including building, property, plant and equipment.

GYG's amortisation expense relates to the amortisation of its software.

Figure 80: Historical and Forecast Depreciation and Amortisation

$m	FY22	FY23	FY24F	FY25F
Depreciation of property, plant and equipment	(5.3)	(8.4)	(13.3)	(19.0)
Depreciation of right-of-use assets under AASB 16 *Leases*	(6.7)	(10.3)	(10.7)	(13.4)
Amortisation of intangible assets (software)	(1.5)	(4.1)	(4.1)	(3.0)
Depreciation and amortisation	**(13.5)**	**(22.8)**	**(28.1)**	**(35.4)**

Depreciation of property, plant and equipment is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives and is generally recognised in profit or loss.

The estimated useful lives of property, plant and equipment and software for current and comparative periods is as follows:

- Leasehold improvements — Life of the lease (3-15 years)
- Plant and equipment — 1-20 years
- Make good assets — Life of the lease (3-15 years)
- Computer equipment — 1-8 years
- Office equipment — 1-20 years
- Software — 2-5 years

The residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate at each reporting date. Leasehold improvements and plant and equipment under leases are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

4.9.8 FINANCE INCOME AND COSTS

Figure 81: Historical and Forecast Finance Income and Costs

	Pro Forma Historical		Pro Forma Forecast	
$m	**FY22**	**FY23**	**FY24F**	**FY25F**
Finance income from cash and cash equivalents	1.4	8.8	11.0	8.6
Finance income from franchisee leases under AASB 16 *Leases*	3.0	3.6	4.7	8.6
Total finance income	**4.4**	**12.4**	**15.7**	**17.2**
Finance costs from interest-bearing liabilities	(0.2)	(0.3)	–	–
Finance costs from leases under AASB 16 *Leases*	(5.8)	(8.2)	(13.2)	(17.4)
Total finance costs	**(6.0)**	**(8.5)**	**(13.2)**	**(17.4)**
Net finance income/(expense)	**(1.6)**	**3.9**	**2.4**	**(0.2)**
Net interest impact of AASB 16 *Leases*	(2.8)	(4.6)	(8.5)	(8.8)

Finance income includes interest earned on deposits and the lease interest accounted for under AASB 16 *Leases*. Finance income is expected to increase in FY24F and FY25F due to an increase in cash on term deposit arising from the proceeds raised from the Offer (see Section 4.7.2).

Finance costs predominantly includes interest expense relating to the accounting for AASB 16 *Leases*. See Section 4.9.10.

4.9.9 INCOME TAX EXPENSE

The Australia segment is subject to tax at the Australian corporate tax rate. The US business has historically been loss-making and is expected to be loss-making throughout the forecast period. The forecast financial information has been prepared on the basis that the income tax expense reflects the non-deductibility of Options in Australia and no tax benefits being recognised on income tax losses in the US.

4.9.10 LEASES

The consolidated GYG statutory and pro forma statements of profit or loss included within this Prospectus include the impact of AASB 16 *Leases*, while the Segment Underlying EBITDA excludes the impact of AASB 16 *Leases* unless stated otherwise. AASB 16 *Leases* impacts the presentation of lease expenses within the statement of profit or loss, however, it does not impact the net cash flows of GYG.

Under AASB 16 *Leases*, the income statement presents the lease expense as a combination of depreciation in relation to the right-of-use assets, and interest cost relating to the finance cost embedded within the lease.

Figure 82: AASB 16 *Leases* Statement of Profit or Loss Impact

$m	FY22	FY23	FY24F	FY25F
Rent and outgoings payment	8.0	11.2	16.9	17.9
Depreciation of right-of-use assets under AASB 16 *Leases*	(6.7)	(10.3)	(10.7)	(13.4)
Net impact of lease interest under AASB 16 *Leases*	(2.8)	(4.6)	(8.5)	(8.8)
AASB 16 *Leases* Statement of Profit or Loss impact	**(1.5)**	**(3.7)**	**(2.3)**	**(4.3)**

4.9.11 CHANGE IN NET WORKING CAPITAL

Working capital comprises inventories, trade receivables, trade payables, accruals and, employee entitlement provisions.

GYG's working capital balance is generally low, with low inter-period volatility. Net working capital is generally negative as low inventory levels are offset by trade payables, as well as employee entitlement provisions. This working capital benefit is expected to grow over time as the network expands.

Figure 83: Change in Net Working Capital

$m	FY22	FY23	FY24F	FY25F
Change in Net Working Capital	(1.1)	3.1	(2.3)	(3.8)

4.9.12 CAPITAL EXPENDITURE

GYG's capital expenditure primarily relates to the development of corporate restaurants, which is included within property, plant and equipment.

GYG's corporate restaurant capital expenditure in Australia and the US primarily includes:

- expenditure relating to the establishment of new restaurants; and
- expenditure relating to maintenance, refurbishment and upgrades of existing restaurants.

FY24F restaurant capital expenditure in Australia includes a twelfth restaurant that is expected to be sold to a franchisee.

At this stage, due to the relative nascency of the US market and other factors, capital expenditure per new restaurant in the US is higher than in Australia. FY25F capital expenditure includes a fourth restaurant in the US that is expected to open in FY26F.

Figure 84: Historical and Forecast Capital Expenditure Breakdown

$m	Notes	FY22	FY23	FY24F	FY25F
Restaurant Capital Expenditure – Australia		(13.6)	(26.0)	(30.8)	(42.6)
Other Capital Expenditure	1	(3.4)	(0.3)	(0.8)	(2.3)
Gross capital expenditure – Australia		**(17.0)**	**(26.3)**	**(31.6)**	**(44.9)**
Restaurant Capital Expenditure – US		(2.4)	(13.4)	(2.9)	(14.9)
Gross capital expenditure		**(19.4)**	**(39.7)**	**(34.5)**	**(59.8)**
Landlord contributions – Australia		0.1	0.7	2.2	7.4
Landlord contributions – US		–	–	2.5	1.0
Net capital expenditure after landlord contributions		**(19.3)**	**(39.1)**	**(29.8)**	**(51.4)**
New corporate restaurant openings – Australia		3	5	12	16
New corporate restaurant openings – US		–	2	1	3

Note:

1. Comprises Hola Central capital expenditure which is attributable to the Australia Segment.

4.9.13 Share capital

GYG has several equity-based, long-term incentive ("**LTI**") plans under which eligible participants have been granted Options that are subject to time-based vesting and continued service conditions. Options expected to be exercised as part of the Offer have been included in the Pro Forma Financial Position. Details of the Options outstanding at completion are disclosed in Sections 6.3.3.1 and 7.1.3.

4.10 SENSITIVITY ANALYSIS OF FORECAST FINANCIAL INFORMATION

The Forecast Financial Information is based on a number of estimates and assumptions that are subject to business, economic and competitive uncertainties and contingencies, many of which are beyond the control of GYG, its Directors and management. These estimates and assumptions are also based on current expectations of future business developments which are subject to change.

Investors should be aware that future events cannot be predicted with certainty and as a result, deviations from the figures forecast in this Prospectus are to be expected. Set out below is a summary of the sensitivity impact on the Forecast Financial Information of changes to a number of key variables. The changes in the key variables as set out in the sensitivity analysis are intended to provide a guide only and are not intended to be indicative of the complete range of variations that may be experienced. Variations in actual performance could exceed the ranges shown.

Care should be taken in interpreting these sensitivities. In order to illustrate the likely impact on the Forecast Financial Information, the estimated impact of changes in each of the assumptions has been calculated in isolation from changes in the other assumptions. In practice, changes in assumptions may offset each other or be additive and it is likely that management would respond to any adverse changes in one item and seek to reduce the net effect on GYG's PBT and cash flow.

The effect of the changes in key assumptions on FY24F and FY25F Pro Forma PBT is set out in Figure 85 below.

Figure 85: Sensitivity Analysis on the Impact on FY24F and FY25F Pro Forma PBT

		FY24F			FY25F		
	Notes	FY24F Assumption	Sensitivity	FY24F PF PBT Impact ($m)	FY25F Assumption	Sensitivity	FY25F PF PBT Impact ($m)
Comp Sales Growth	1	7.4%	+/– 1.0%	1.2	4.8%	+/– 1.0%	3.1
New corporate restaurants	2,3	5	+/– 1 Restaurant	0.2	16	+/– 1 Restaurant	0.3
New franchise restaurants	4,5	9	+/– 1 Restaurant	0.2	14	+/– 1 Restaurant	0.4
Timing of new Australian restaurant openings	6	Various	+/– 30 days	1.2	Various	+/– 30 days	1.7
Corporate Restaurant Margin		17.1%	+/– 1.0%	1.5	17.8%	+/– 1.0%	3.6
Corporate restaurant labour costs		5.8%	+/– 1.0%	0.4	4.0%	+/– 1.0%	1.0
Food cost increase for corporate restaurants		1.0%	+/– 1.0%	0.4	1.0%	+/– 1.0%	1.0
Interest rate earned on cash and cash equivalents		4.3%	+/– 1.0%	1.2	3.5%	+/– 1.0%	2.5

Notes:

1. The FY24F PBT impact reflects a half-year change in the key assumptions.
2. Reflects new corporate restaurants expected to open in the second half of FY24F.
3. Assumes restaurant open for half of the year.
4. Reflects new franchise restaurants expected to open in the second half of FY24F.
5. Assumes restaurant open for half of the year.
6. New Australian restaurants are expected to open regularly through the year. 30 days is deemed to be an appropriate sensitivity as new restaurant opening timings have historically fluctuated up to 1 month before or after scheduled opening dates.

4.11 DIVIDEND POLICY

The payment of a dividend by GYG, if any, is at the discretion of the Directors and will be a function of several factors (some of which are outside the control of the Company and its Directors and management), which include the general business environment, operating results, cash flows and financial condition of GYG, future funding requirements, capital management initiatives, taxation considerations, the level of franking credits available, any contractual, legal or regulatory restrictions on the payment of dividends by GYG and any other factors the Directors deem relevant.

The consolidated negative retained earnings is not indicative of GYG's ability to pay future dividends. The Company's ability to pay future dividends is dependent on its standalone satisfaction of the solvency test of the Corporations Act and the sufficiency of profits and cash being available for distribution.

The Board does not currently intend to declare a dividend in FY24F nor does it currently intend to declare an interim dividend in FY25F. Following the completion of FY25F, the Board will consider the payment of a final dividend and associated franking credits with respect to FY25F. It is currently anticipated that from FY26F onwards, GYG will return a majority of its statutory NPAT to shareholders in the form of regular dividends, allowing the Company to return franking credits to shareholders in a timely manner.

No assurances can be given by any person, including the Directors about the payment of any dividend or the level of franking credits attaching to such dividend.

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SECTION 5:

KEY RISKS

5. KEY RISKS

5.1 INTRODUCTION

GYG is subject to a variety of risks, some of which are specific to its business activities and some of which are more general in nature. These risks may, either individually or in combination, adversely impact GYG's future operating and financial performance, and financial condition, as well as the price or value of the Shares. This Section 5 describes some of the potential risks associated with GYG's business and the industry in which GYG operates and risks associated with an investment in Shares. It does not purport to list every risk that may be associated with GYG's business or the industry in which it operates, or an investment in Shares now or in the future. The occurrence of, or consequences resulting from, many of the risks described in this Section are partially or completely outside the control of GYG, its Directors and management. The occurrence of any single risk, or a combination of these risks, may have a material adverse impact on the business, operations, financial position, performance and prospects of GYG and the price or value of the Shares.

The selection of risks included in this Section is based on an assessment of a combination of:

- the probability of the risk occurring;
- the ability to mitigate the risk; and
- the impact of the risk on GYG's business or an investment in Shares if it did occur.

The assessment is based on the knowledge of the Directors and management as at the Original Prospectus Date, but there is no guarantee or assurance that the importance of different risks will not change or that other risks will not emerge. Additional risks (including those that the Directors and management are currently unaware of) also have the potential to have a material adverse impact on the business, operations, financial position, performance and prospects of GYG, and the price or value of the Shares.

There can be no guarantee that GYG will achieve its stated objectives or successfully implement its business strategy, or that the forecast financial information or any forward-looking statement contained in this Prospectus will be achieved or eventuate. Potential investors should note that past performance may not be a reliable indicator of future performance.

An investment in GYG is not risk free. The Directors strongly recommend that potential investors read this Prospectus in its entirety and consider the risk factors described below, together with information contained elsewhere in this Prospectus, and seek professional guidance from their solicitor, stockbroker, accountant or other independent and qualified professional adviser, before deciding whether to apply for Shares pursuant to this Prospectus. Investors should consider whether the Shares are a suitable investment for them with regard to their own investment objectives, financial circumstances and taxation position.

5.2 RISKS SPECIFIC TO AN INVESTMENT IN GYG

5.2.1 FAILURE TO ACHIEVE GROWTH OBJECTIVES

GYG's growth strategy is primarily centred around new restaurant openings, existing restaurant sales growth, margin improvement, and to a lesser extent, digital initiatives and international expansion (as further described in Section 3.7). The future success of GYG is dependent on the effective implementation of its growth strategies. However, there is no guarantee that these will be successfully implemented, deliver the expected returns or ultimately result in an increase in the financial performance or improvement in the financial position of the Company. GYG's long-term growth strategy may be subjected to unexpected delays, interruptions and additional costs, and its success may be impacted by the actions of other participants or regulators in the QSR industry and general economic conditions. The success of certain growth initiatives is also contingent on factors outside of GYG's control.

If GYG's growth strategy is unsuccessful, its financial performance may not be as expected and the Forecast Financial Information or any other forward-looking statement contained in this Prospectus may not be achieved or eventuate and this would have an adverse impact on the price and value of Shares.

New restaurant openings

New restaurant openings in Australia are expected to be the biggest contributor to GYG's Network Sales growth over the long-term. GYG's growth strategy involves a material increase in the rate of openings of new restaurants from historical levels and there is no guarantee that this will be achieved. Whilst GYG has substantially built or put in place the people, systems and processes to monitor and drive the progress of its pipeline of new restaurants, it is possible that these are insufficient to support the anticipated increase in the rate of new restaurant openings. Additionally, there could be factors outside of GYG's control that adversely impact the pace of forecasted openings and there is no guarantee that the projected levels of new restaurant openings will be achieved. For example, there could be a lack of suitable sites or heightened competition for those sites, delays to receiving development approvals, delays to construction (including, for example, if a builder goes into insolvency and GYG needs to find an alternate builder) or an inability to find suitable franchisees to operate new restaurants (where GYG determines that a franchise is the appropriate ownership structure of a particular new restaurant). In addition, whilst GYG monitors the performance of its restaurants and offers support to its franchisees, there is no guarantee that new restaurants will achieve the target restaurant economics which may result in their underperformance or closure. Additionally, new restaurant capital expenditure could be higher than expected which could have a material adverse impact on the rate at which new restaurants are opened.

Existing restaurant sales growth

Several factors may undermine growth in sales at GYG's existing corporate and franchise restaurants. Macroeconomic pressures may reduce consumer spending at restaurants through fewer transactions or lower average transaction value, the opening of new GYG restaurants near existing GYG restaurants may draw customers away from the existing restaurant and result in cannibalisation of sales, the actions of competitors, and changes in consumer tastes and preferences may result in a reduction in GYG's appeal to consumers and a consequential failure to achieve the transaction volume needed to achieve its growth objectives. In addition, initiatives intended to drive the expansion of underpenetrated dayparts such as 'Breakfast' and 'After 9pm' or improvements to the guest experience such as the launch of new menu items may be unsuccessful. Further, marketing campaigns or promotions intended to drive restaurant transactions may not deliver expected outcomes.

Margin improvement

GYG may not be able to achieve the margin improvements discussed in Section 3.7.3. This could be due to a number of factors, some of which are beyond GYG's control. For example, rising input costs may lead to lower corporate restaurant profitability (see Section 5.2.10). Input costs may rise as a result of, among other factors, supply chain challenges impacting the availability of key ingredients such as avocados, chicken or beef, and pay rates under the FFIA increasing above expectations. GYG may be unable to pass these cost increases onto guests through menu price increases or, if it does increase menu prices, it may result in a reduction in transaction volumes.

Margin expansion may also be adversely impacted if comparable restaurant sales growth is lower than expected (which may happen as a result of the factors outlined above under 'Existing restaurant sales growth'), the level of royalties received is below expected levels as a consequence of lower sales growth, poor operating controls result in restaurant inefficiencies, new restaurants do not achieve target restaurant economics, franchisee profitability deteriorates leading to higher levels of royalty support, investment in Hola Central infrastructure is insufficient to support the growth plans, or GYG fails to adequately manage the investment in its Hola Central infrastructure.

Digital

The digital initiatives outlined in Section 3.7.4, which are intended to drive more restaurant transactions, may not be successful or deliver the expected results. If GYG relies on sales growth through third-party channels, such as delivery aggregators, this could lead to higher costs and less control over the guest experience. In addition, GYG is currently transitioning all franchisees onto a centralised payroll system environment using the systems that are in place for corporate restaurants. Whilst moving franchisees to a centralised people system may allow GYG to achieve greater control and oversight as all franchisees are using accurate and consistent pay rules and rates of pay, large systems implementations may take longer or be more costly to complete, which may adversely affect GYG's operations.

See also the risks discussed in Sections 5.2.17 (Privacy breaches), 5.2.16 (Information technology systems) and 5.2.18 (Cyber security).

International growth

GYG may fail to capitalise on the growth opportunity in Singapore, Japan or the US. International master franchisees may fail to take the necessary steps to maintain and grow their businesses (GYG has less control over master franchisees than it does over franchise or corporate restaurants as explained in Section 5.2.7 below), GYG's menu offering may not resonate with consumers in those markets, or those markets may reach saturation quicker than expected.

GYG's entry into the US market is in its early stages and remains small and there have been challenges in achieving sales growth in that market due to a number of internal and external factors. Internal factors primarily relate to challenges associated with attracting and retaining appropriately qualified key personnel to manage and oversee the US business on a day-to-day basis. For example, in 2022 GYG hired an experienced North American Leadership Team ("**NALT**") to oversee its operations in the US. This did not work out, and in 2023 the NALT team's employment ceased, either through resignation or termination. Subsequently, disputes with the NALT were litigated in the US and were settled in October 2023. The full and final settlement involved gross payments of US$1.0m by GYG to entities related to the NALT members (the net financial impact of which is disclosed in note 3(c) in Section 4.3.3) and the buy-back of Shares previously acquired by entities connected to the NALT members for an aggregate price of $15.9m (at a price of $18 per Share on a post Capital Subdivision basis). All amounts were paid in 1H24. Those payments did not have a material impact on the Company's financial position. External factors primarily relate to GYG's nascency in the US and the large number of well-established QSR competitors in that market. This dynamic makes it more challenging for GYG to secure premium sites in an economically viable way and to create brand recognition and guest loyalty.

In addition, GYG's brand has limited recognition in the US and there is a risk that its menu offering does not resonate with US consumers, the sites selected are poor or GYG fails to deliver a guest experience comparable to that in existing markets such as Australia, resulting in restaurants failing to achieve the economics required to sustain them. In addition, the cost of establishing new restaurants is higher in the US compared to Australia due to differences in the real estate market and GYG's bargaining power. As a result, the significant capital that GYG has invested in the US (and may continue to invest), may not deliver the expected returns.

Underperformance by management team

There is a risk that GYG's management team may fail to deliver on GYG's growth strategy due to factors such as lack of strategic alignment, insufficient resources, ineffective communication, poor decision making, or unforeseen external challenges. The successful execution of GYG's growth strategy also depends partly on GYG's ability to retain certain personnel that are key to the implementation of those initiatives. To the extent that GYG is unable to retain such personnel and attract suitable replacements, GYG may not be able to successfully implement its growth strategies, and its operational and financial performance may be adversely impacted as a result (see also Section 5.2.9).

5.2.2 FOOD SAFETY AND SANITATION

Much of GYG's food is prepared from fresh ingredients which are delivered to restaurants by GYG's suppliers and, as such, restaurant crew handle high-risk foods, such as uncooked meats and fresh vegetables, on a frequent basis. Whilst GYG has comprehensive food safety processes that are designed to comply with federal and state regulations regarding food safety (see Section 9.8.2 for further detail), which include, among other things, training for all crew and monitoring of restaurant practices, the GYG restaurant operating environment is inherently exposed to food safety risks.

As a result, guests may be exposed to one or more of the following:

- **Biological hazards:** such as pathogens present in undercooked chicken, vegetables that have not been properly washed or prepared food that has been held at incorrect temperatures for too long. Such pathogens can cause serious disease.
- **Physical hazards:** such as stones, glass, or organic material that may have inadvertently entered the supply chain prior to or during the food preparation process. These types of hazards may cause choking, dental damage or other physical damage to guests.
- **Chemical hazards:** such as cleaning or other chemicals that may have inadvertently entered the supply chain prior to or during the food preparation process. Chemical hazards can be poisonous to guests.
- **Undeclared allergens:** guests who are sensitive to certain allergens may consume GYG food that causes them to have an allergic or anaphylactic reaction.
- **Ingredients that they are unwilling or unable to consume:** some guests avoid certain foods for religious, ethical, or other reasons. It is possible that these guests could be inadvertently served, and might inadvertently consume, food items with ingredients that they do not eat.

The occurrence of a serious food safety incident within GYG's restaurant network may have significant consequences for all restaurants within GYG's network. These include:

- negative publicity, long-term reputational damage and a loss of consumer trust in GYG;
- some or all of GYG's restaurants being partially or wholly closed for a period of time while the relevant food safety authorities ascertain that the underlying issue has been resolved satisfactorily; and
- payments to affected consumers (or their dependants) of compensation or damages as well as potentially payment of a fine or penalty to the relevant food authorities (unless the incident results from malicious tampering).

As a result, the occurrence of a serious food safety incident may have a material adverse impact on the operating performance and financial position of a particular restaurant or group of restaurants and the financial and operating performance of GYG as a whole and could cause reputational harm.

5.2.3 EMPLOYMENT PRACTICES AND WORKPLACE HEALTH AND SAFETY

GYG is exposed to several risks relating to its workforce, employment practices and workplace health and safety, the occurrence of any of which may have a material adverse impact on the operating performance and financial position of a particular restaurant or group of restaurants or of GYG as a whole and could cause reputational harm:

- **Workplace hazards:** employees working in GYG's restaurants or at Hola Central are at risk of workplace accidents and incidents, which could result in serious injury or death. GYG's restaurants expose employees to hazards at work such as slips, trips and falls, exposure to chemicals in cleaning products, burns from cooking equipment and hot plates, cuts and abrasions from kitchen utensils, exposure to cold temperatures in fridges, electrical hazards, noise exposure and ergonomic issues. The occurrence of or failure to prevent or respond effectively to a major workplace accident or incident may result in liability for penalties imposed by regulatory authorities or damages arising from compensation claims that are not fully covered by insurance policies. Further, in such circumstances, GYG may be required to undertake remedial action in compliance with notices from the regulatory authorities if there have been any contraventions of workplace health and safety laws or workers' compensation legislation.

- **Workplace harassment:** GYG's employees are also at risk of workplace harassment, bullying and assault from other employees or guests. This can cause physical and psychological harm to GYG's employees, reduce productivity and morale, and increase employee turnover, all of which could result in increased costs should any claims, litigation or workers' compensation be pursued or should it become more difficult for GYG and its franchisees to attract and retain employees (as further outlined in Section 5.2.9). GYG and its franchisees also employ minors at many GYG restaurants which may increase the risk of workplace health and safety issues arising, given minors may be more vulnerable to physical and mental health risks and have limited professional experience in handling cooking equipment.
- **Failure to comply with employment laws:** if GYG fails to comply with a modern award, an enterprise agreement or any other workplace standard or law including the *Fair Work Act 2009* (Cth) ("**FW Act**"), GYG may be exposed to enforcement action by applicable regulators as well as adverse media exposure. For example, if a GYG crew member is required to undertake responsibilities which are typically paid at a higher award level because of another crew member falling ill, GYG may be exposed to non-compliance issues as payment must be manually adjusted to reflect the role the crew member worked that day. GYG is also exposed to the employment practices of franchise restaurants as discussed in Section 5.2.6. GYG is upgrading its systems and audit and other processes for improving compliance by itself and its franchisees with workplace laws, including the rollout of a digital time and attendance system to franchisees. This work also includes reviews of classification of employees under modern awards. From time-to-time issues of this nature are identified (and may in the future be identified) and require remediation through the payment of backpay by GYG or by its franchisees to affected employees and contractors. Failure to comply with workplace laws could also give rise to claims (such as class actions) against the Company by employees and contractors. Whilst there is a commitment to foster a culture of compliance, training and education in GYG's restaurants, and GYG has systems in place to monitor and audit compliance, there is a risk that non-compliance may arise and GYG may not be able to remedy the issue efficiently or there may be material costs associated with such remediation. Further, many GYG restaurants sell alcohol, which requires crew to have training in the responsible service of alcohol ("**RSA**"). Any failure to ensure its crew have completed all required RSA training and associated RSA competency requirements exposes GYG to liability for breach of RSA laws.
- **Fraud:** like other businesses, GYG also faces the risk of fraudulent activities or theft by its employees. Employees may misappropriate cash from the cash register, take food, beverages or supplies from the restaurant or exploit GYG's systems to access confidential data. These actions could result in financial losses, inventory shortages, legal liabilities, reputational damage, or loss of guest trust for GYG.

5.2.4 CONSUMER ENVIRONMENT AND GENERAL ECONOMIC CONDITIONS IN GYG'S KEY MARKETS MAY DECLINE

The operating and financial performance of GYG is influenced by a variety of general economic and business conditions, including consumer spending levels, consumer confidence, inflation, interest rates, unemployment rates, population movements and government fiscal, monetary and regulatory policies. Australia and other countries are currently experiencing increased inflation and inflationary pressures. There is no assurance that inflation will not continue to rise, and it may remain high for a sustained period. Higher inflation increases GYG's cost base. High and persistent inflation could also cause interest rates to continue to increase, which may have a dampening effect on consumer demand for food acquired away from home (such as from GYG's restaurants).

A deterioration in general economic or business conditions may adversely impact the disposable income of consumers and could lead to a reduction in discretionary spending and a shift in consumer preference to lower-cost alternatives. A subsequent reduction in consumer spending on food away from home or a shift to lower-cost alternatives could negatively affect GYG's sales and margins. Where GYG cannot offset cost increases through efficiency initiatives or where GYG cannot pass on cost increases to guests through menu price increases without reducing transaction volumes at GYG's restaurants, the sales and profitability of GYG's restaurants will be reduced. This could have a material adverse impact on the operating performance and financial position of a particular restaurant or group of restaurants, or GYG as a whole.

5.2.5 COMPETITION FOR GUESTS MAY INCREASE

GYG operates within the QSR markets in Australia, Singapore, Japan and the US and faces competition from other QSR networks and independent restaurant operators. Competition is based on a variety of factors including scale, brand recognition, formats, menu, value, convenience, guest experience, digital capabilities, accessibility, speed and location (refer to Section 2.5).

There is a risk that existing competitors (international, national and regional QSR brands and locally-owned QSR operators) or new entrants aggressively attempt to grow their market share through restaurant openings, increased marketing, significant operational improvements and/or discounting. Current or future competitors may also be able to mimic GYG's business model, menu, marketing strategies and overall brand concept, which would reduce its ability to differentiate its offering from competitors. Large, international competitors with an established presence may be better able to take advantage of economies of scale that allow them to operate more efficiently and cost effectively than GYG (for example, by being able to negotiate better terms with suppliers due to their greater bargaining power). Such activities may cause the competitive position of GYG to deteriorate and make it increasingly difficult for GYG to deliver on its growth strategy.

Any deterioration in the competitive position of GYG may result in a decline in sales or margins at individual restaurants or across the network as a whole, an increase in expenditure, or a loss of market share, any of which could have a material adverse impact on the operating performance and financial position of a particular restaurant or group of restaurants, or on GYG as a whole.

5.2.6 EXPOSURE TO CONDUCT OF FRANCHISEES

There are circumstances where GYG, as franchisor, may be liable for a franchisee's contraventions of the FW Act through the "responsible franchisor entity" provisions. This also applies to the conduct of GYG's master franchisee in South Australia. These provisions apply when a franchisee breaches certain employment obligations such as paying minimum wages, providing pay slips, or keeping records. If GYG, as franchisor, has a reasonable ability to influence or prevent the breach, and failed to take reasonable steps to do so, it can be found legally responsible for the franchisee's conduct and a court can make a range of orders, including that GYG pay compensation to the franchisee's crew and/or penalties under the FW Act. GYG, as franchisor, can also be liable if it knew or could reasonably be expected to have known that the breach would occur or, at the time the breach happened, knew, or could reasonably be expected to have known, that a breach of the same or similar kind was likely to happen.

Whilst GYG has contractual arrangements with its franchisees which requires these parties to comply with all applicable laws and promotes a culture of compliance including by providing learning and development programs to educate franchisees and periodic oversight of their operations, there is a risk that non-compliance by franchisees (whether in relation to, for example, standards and food contamination, underpayment of wages including superannuation and other workplace law obligations such as crew not taking rest break or meal break entitlements, visa holders working hours in excess of visa limitations or workplace misconduct) may also cause negative publicity and reputational damage, as well as direct legal liability. GYG may also be required, at its own cost, to take steps to remedy franchisees' non-compliance, which could impact the financial and operating performance of GYG because of unforeseen costs. There is also a risk that franchisees may disagree with GYG in relation to the requirements or application of workplace laws which would mean that GYG is required to enforce contractual rights against a franchisee to manage its risk of liability. There are limitations in the extent to which GYG might choose to rely on contractual protections from its franchisees and the master franchisee and there are also uncertainties about GYG's ability to successfully enforce those rights.

Where GYG holds the leases and sublicenses its occupancy rights to its franchisees, GYG remains the tenant and is legally liable under the head lease. This results in an inherent risk that the franchisee who is in occupation of the premises fails to comply with the requirements of the head lease. Whilst this is mitigated by the occupancy licences and franchise agreements that are signed by all franchisees, issues may arise where franchisees fail to comply with the obligations set out under the lease (as required in the occupancy licence and franchise agreement) with GYG ultimately responsible to the landlord for rectification. Where GYG becomes responsible for the rectification of a lease issue, this may impact the financial position of GYG where it is required to rectify the issue and absorb the costs of doing so. GYG may also incur additional costs pursuing franchisees (either through debt collection or otherwise) to compensate GYG for any costs incurred through GYG's rectification process. This behaviour can also cause reputational harm with major landlords, who may be unwilling to approve future GYG restaurants at their premises, based on prior conduct of franchisees.

Despite the contractual arrangements between GYG and its franchisees, there is a general risk that GYG's confidential information may be misused by franchisees or used in a competing business. In franchising relationships where GYG as franchisor is providing a large amount of its confidential information to franchisees (and often to the franchisees' personnel, guarantors, directors, shareholders, and other parties) there is risk that this information may be used by persons who exit the franchise or who attempt to operate a competitive business. Although the contractual documentation prevents franchisees from doing so through restraints of trade and confidentiality clauses, there is still some residual risk of this occurring and there are uncertainties associated with the enforcement of restraints in the context of franchising relationships. Even where a restraint is enforceable, there is uncertainty as to the extent that GYG will be successful in enforcing in full the restraint periods and restraint areas set out in their contracts against the relevant breaching party. Misuse of confidential information can expose GYG to greater competition in the market and incurred costs in the pursuit of any relevant breaches of restraints or confidentiality.

There is also an inherent risk that GYG is subject to its franchisees' capacity and capability to operate the restaurant(s) including, for example, when a franchisee dies or becomes incapacitated, or becomes otherwise suddenly less capable of running a business. Whilst GYG adopts strict criteria in selecting potential franchisees and has the operational infrastructure to support and monitor them, poor performance by, or incapacitation of, franchisees is an innate risk to GYG.

The consequences of exposure to the conduct of franchisees may therefore have a material adverse impact on the operating performance and financial position of a particular restaurant or group of restaurants and the financial and operating performance of GYG as a whole and could cause reputational harm.

5.2.7 FRANCHISEE PERFORMANCE MAY NOT MEET EXPECTATIONS

The success of GYG's franchise model also depends on franchisees operating their restaurant(s) in line with GYG's operating policies and procedures and there is a risk that, to the extent franchisees do not do so, the operational and financial performance of franchise restaurants may not meet their full potential. This is especially the case with restaurants that are owned by master franchisees (i.e. those in South Australia, Singapore and Japan) which are run with minimal support from GYG and GYG has little, if any, control over the operations of those restaurants. Additionally, there is variability in the quality and utility of financial and other information provided by master franchisees to GYG which impacts GYG's ability to monitor those restaurants. This also reduces GYG's ability to influence the development of the restaurant network in the geographies covered by master franchise agreements.

In relation to franchise restaurants outside of master franchise arrangements, although GYG has greater oversight over these restaurants, there is no guarantee that they will be able to meet GYG's standards for the quality, service, and appearance of their restaurants and food. GYG does not have direct control over the day-to-day operations of these franchise restaurants and, to the extent franchisees do not maintain GYG's standards, this could harm GYG's brand and affect the Company's operational performance.

5.2.8 BRAND AND REPUTATION DAMAGE

As a public-facing and growing brand, GYG is subject to high levels of public scrutiny by regulators, the media, guests and employees, and increased regulatory audits. GYG's success is contingent on its ability to maintain its reputation in the market. While GYG engages in a careful and curated communications approach, including proactive communication to stakeholders around operational incidents and issues, reputational damage could nonetheless arise due to poorly managed public relations, damaging or negative statements and/or false claims via social media (by, for example, disgruntled employees), poor customer service, a food safety incident (whether actual, alleged or unjustified), poor food quality or failure to comply with laws and regulations applicable to the business (as well as from the occurrence of the other risks outlined in this Section 5.2). GYG's reputation may also be adversely impacted by the actions of franchisees (for example, if a franchisee fails to comply with workplace laws). Reputational damage may have significant consequences for GYG and may have a material adverse impact on the operating performance and financial position of a particular restaurant or group of restaurants and the financial and operating performance of GYG as a whole.

5.2.9 ABILITY TO ATTRACT AND RETAIN KEY MEMBERS AND STAFF

GYG relies on the experience, expertise and knowledge of specific individuals. The unexpected departure of key team members, whether voluntary or involuntary, could significantly impact GYG's operations, strategic decision-making and overall performance.

Whilst GYG has succession planning measures in place, including talent development, there can be no assurance that appropriately skilled personnel would be identified and retained in a timely fashion (particularly as competition for personnel and key talent is high in the QSR industry), or that the transition to new personnel won't cause disruption to the business.

Similarly, GYG's in-restaurant business is labour intensive and requires a significant number of personnel to operate efficiently. Given the tight labour market conditions in Australia and the high level of demand for employees, there is a risk that GYG could be unable to secure the crew that it requires, which may have adverse impacts on operational stability and performance. If GYG is unable to attract and retain a sufficient number of qualified employees at reasonable costs, its business and operations could be negatively affected.

GYG's failure to attract and retain appropriately skilled staff in a timely manner could impact on the operating performance and financial position of a particular restaurant or group of restaurants and the financial and operating performance of GYG as a whole.

5.2.10 RISING INPUT COSTS MAY LEAD TO LOWER PROFITABILITY

The profitability of GYG's business can be impacted by rising costs across the business including the cost of food and packaging, labour and occupancy costs, G&A expenses and construction expenses.

If input costs rise in an unsustainable way and cannot be adequately defrayed by, for example, improving operational efficiency or passing on price increases to guests, this may impact the operating performance and financial position of a particular restaurant or group of restaurants and the financial and operating performance of GYG as a whole.

5.2.11 INABILITY TO MEET FORECASTS OR OTHER FORWARD-LOOKING STATEMENTS

Some statements in this Prospectus constitute forward-looking statements, opinions or estimates, including the Forecast Financial Information set out in Section 4 and the new restaurant openings strategy disclosed in Section 3.7.1. Such forward-looking statements are based on the assumptions set out in Section 4.8 (in the case of the Forecast Financial Information) and 3.7.1 (in the case of the new restaurant openings strategy), and involve various risks, uncertainties and factors, known and unknown, that may impact the actual results, performance and achievements of GYG, and cause them to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, opinions or estimates.

There is no guarantee or assurance that GYG will achieve its stated objectives or that a particular outcome, future event, forward-looking statement or forecast is guaranteed or will eventuate.

5.2.12 SECURITY OF SUPPLY CHAIN

GYG's network of corporate and franchise restaurants are reliant on designated suppliers and distributors for ingredients and other products utilised in its restaurants and there is a high concentration of suppliers for a substantial portion of GYG's inputs (see Section 3.3.12.5 for further details). Additionally, many of GYG's ingredients are manufactured specifically for GYG or are only available from a single supplier. In certain circumstances, the supply and distribution of supplies may be disrupted by contract cancellations or an inability to fulfil contract obligations, supplier system failures, product quality issues or shortages, or delays or interruptions. This may also be caused by severe weather events (such as droughts and torrential rain or storms), transportation issues, or widespread disease amongst a particular source ingredient.

GYG relies on international suppliers for certain products. Managing international suppliers presents some inherent challenges, particularly due to differences in governance and a heavy reliance on the international supplier's relationship with the distributor (as opposed to a direct supplier relationship). There may also be logistical delays relating to the import of overseas products which could disrupt the supply chain.

In the event of a supply chain disruption, GYG may not be able to deliver its product in a consistent and efficient manner. GYG may experience increased sourcing costs, a deterioration of the terms on which it is able to source its ingredients and/or products, or a reduction in available ingredient or product range. Supply chain disruptions may lead to a significant increase in the cost of food and packaging and/or a reduction in the availability of menu items which could result in a decline in restaurant sales and margins.

The consequences of a disruption to the supply chain may have a material adverse impact on the operating performance and financial position of a particular restaurant or group of restaurants and the financial and operating performance of GYG as a whole and could cause reputational harm.

5.2.13 DELIVERY DISRUPTIONS

The restaurants within GYG's network are reliant on key third-party delivery partners for the distribution of orders to customers. In certain cases, the delivery of orders may be disrupted due to an inability to fulfil contract obligations or failure of a delivery partner's system at the restaurant which prevents the fulfilment of orders. There is also an inherent risk that delivery partners experience their own operational challenges, including (among other things), driver shortages and technical outages, which could disrupt deliveries for GYG.

There is also a heightened food safety risk as a result of utilising third party delivery partners as food may be tampered with or not stored at appropriate conditions during travel, which may potentially result in a loss of consumer trust and reputational damage if customers associate any poor experience with GYG (even in circumstances where the issues are the fault of the delivery partner).

In the case of GYG's native delivery solution, which is currently being trialled, the risk of a loss of consumer trust and reputation damage is potentially higher as the ordering process takes place on GYG's digital platforms and is entirely GYG branded.

As a result, a disruption to a major delivery partner may have a material adverse impact on the operating performance and financial position of a particular restaurant or group of restaurants or GYG as a whole and could cause reputational harm.

5.2.14 COMPLIANCE WITH LAWS AND REGULATIONS

GYG is subject to laws and regulations concerning how its business is conducted including, but not limited to, food handling, franchising, competition, consumer protection, privacy and handling of personal information, data collection, environment and planning, industrial relations, workplace health and safety and in relation to treatment of suppliers. See Section 9.8 for further detail regarding the regulatory environment in which GYG operates.

The Australian Federal Government continues to review its legislation with regards to franchise networks and the QSR industry in Australia and has the capacity to change legislation in a manner that may adversely affect GYG. For example, the Government may amend the relevant legislation to increase the scope of liability for franchisors for contraventions of legislation by their franchisees, or regulations may be introduced that seek to reduce the advertising of foods sold by QSRs generally. While GYG has historically been, and will continue to be, proactive in complying with the law and legislative changes, there can be no assurance as to how any amendments will be interpreted or enforced. Further, the Australian Federal Government may impose new laws or regulations with the capacity to adversely affect GYG's operations or its ability to market its restaurants and product offering.

Environmental, Social and Governance ("**ESG**") matters are also increasingly impacting the regulatory landscape, with ESG reporting requirements and climate-related disclosure requirements rapidly developing. There is a risk that GYG may fail to keep up to date with any changes to, or the introduction of, ESG-related regulations, which may impact operations. In addition, changes to such regulations may significantly increase costs, such as those relating to ESG compliance and reporting obligations for GYG.

There is very significant complexity in the laws and regulations which apply to GYG and, notwithstanding the Company's processes and systems it may from time to time fail to meet all requirements. For example, recently GYG filed reports it was required to make under small business payment timing legislation later than required. Failure to comply with existing or new laws and regulations or difficulties associated with implementing new laws or regulations may have a material adverse impact on the operating performance and financial position of a particular restaurant or group of restaurants and the financial and operating performance of GYG as a whole such as, for example, resulting in incurrence of costs and damages associated with regulatory investigations and enforcement actions.

5.2.15 PROTECTION AND USE OF IP

GYG's IP has significant commercial value, and the successful operation of GYG's business depends partly on its ability to protect its IP such as its trademarks. In addition to technological measures, such as data encryption and access controls, GYG relies on laws and regulations to protect its IP from unauthorised use or copying, including registered trademarks and copyright. There is a risk that these legal and technological measures may be inadequate or ineffective in protecting GYG's IP.

A failure by GYG to protect its IP rights could have a material adverse impact on its competitive position, reputation, financial performance and growth prospects.

5.2.16 INFORMATION TECHNOLOGY SYSTEMS

GYG is reliant on the capability and reliability of its IT systems and those of its external service providers, such as communication carriers, electronic payments (EFTPOS) providers and data providers, to process transactions (including online transactions), manage inventory, report financial results and manage its business. If GYG's IT systems or networks are compromised or disrupted for any reason, this may have a material adverse impact on the ability of a particular restaurant or group of restaurants or of GYG as a whole to conduct its business and operations.

GYG consistently invests in its IT systems to enhance operations and to further automate and improve key processes. There is a risk that any proposed investments in IT are not implemented successfully (for example, as a result of increased costs or delays) or do not ultimately provide the intended benefits to the business. Any failure to adequately manage the implementation of these IT projects could adversely affect GYG's and its franchisees' ability to provide high quality food and a strong guest experience and could increase expected operating expenses and/or divert management's focus from other operational matters. Additionally, GYG continues to improve the documentation of its disaster recovery and service continuity technologies and processes and there is a risk that those processes and systems may not be fully implemented in the event of a system failure.

A failure by GYG to adequately update (including by appropriately documenting) its IT infrastructure, systems and software to accommodate an increased volume of transactions or otherwise to keep in line with technological changes in the market could result in system malfunctions or limitations or put GYG at a competitive disadvantage which could prevent GYG and its franchisees from properly servicing its guests or appropriately responding to system failures that might otherwise have had a reduced impact on the business.

In addition, the advent of new technologies could have a material unexpected impact on the way food is prepared, delivered, and consumed and GYG may not be able to adapt its business model quickly enough to accommodate these new technologies.

Any of these IT-related issues could have a material adverse impact on the operating performance and financial position of a particular restaurant or group of restaurants and the financial and operating performance of GYG as a whole and could cause reputational harm.

5.2.17 PRIVACY BREACHES

The protection of guest, employee and Company data is critical to GYG. GYG has access to guest information through its mobile app and website and stores guest data in connection with its loyalty program. The legal and regulatory environment surrounding information security and privacy is increasingly complex and demanding and anti-hacking measures undertaken by GYG and its third-party service providers may not be sophisticated enough to prevent unauthorised access to GYG's privately held data, including guest data. A significant breach of guest, employee or Company data could attract significant media attention, damage GYG's guest relationships and reputation and ultimately result in lost sales, fines or litigation. This may have a material adverse effect on the operating performance and financial position of a particular restaurant or group of restaurants and the financial and operating performance of GYG as a whole and could cause reputational harm.

5.2.18 CYBER SECURITY

Given GYG's dependence on IT systems and infrastructure, and specifically the increasing sophistication of GYG's mobile app and website to use guest data to provide tailored recommendations, promotions and rewards to guests, GYG is vulnerable to cyber attacks, ransomware attacks, computer viruses or data breaches. This is particularly the case given the increasing frequency and sophistication of attacks experienced by GYG (and by other businesses globally more generally). Such risks may also result directly or indirectly from a security breach of one of GYG's third-party service providers. GYG relies on its third-party service providers' cyber resilience capabilities. However, third-party service provider counter measures may not be sufficient to detect or prevent all unauthorised and/or malicious acts. Further, GYG's use of prominent third-party providers may increase GYG's exposure to potential cyber attacks (and hence service interruptions) due to such third-party service providers being targeted by cyber criminals because of their size of client base and brand prominence.

A security breach or cyber attack could result in significant business disruption and cost, misappropriation of funds, the unavailability of core business systems, disclosure of sensitive business information or personal data of guests or employees. Other consequences could include legal or regulatory liability (or increased regulatory scrutiny) and GYG may incur significant costs to investigate and rectify the incidents, including identifying system vulnerabilities or introducing additional safeguards to minimise the risk of future events.

Any of these cyber security issues could therefore have a material adverse impact on the operating performance and financial position of a particular restaurant or group of restaurants and the financial and operating performance of GYG as a whole and could cause reputational harm.

5.2.19 FOREIGN EXCHANGE RATES

The majority of GYG's business activities occur in Australia. GYG's consolidated financial results are reported in Australian dollars, and GYG generates most of its earnings and has costs, assets and liabilities, in Australian dollars. However, approximately 4% of GYG's revenue is derived from revenues received from master franchisees in Japan and Singapore and sales revenue from corporate restaurants in the US and is denominated in the currencies of those countries. As a result, GYG is exposed to foreign exchange risk. The translation of foreign currency amounts to Australian dollars for financial reporting purposes can and may result in an increase or decrease in the amount of those sales or earnings and GYG's net assets.

In addition, a global supply chain exposes GYG to fluctuations in foreign exchange rates that may affect the costs of its inputs and products. Depending on the currency in which GYG purchases its inputs and products, a depreciation of the Australian dollar against that currency may increase the cost of food and packaging for GYG and reduce its restaurant margin. Furthermore, GYG may face challenges in hedging its foreign currency exposure due to the volatility and unpredictability of exchange rates and the availability and cost of hedging instruments. A sustained adverse change in foreign exchange rates may have an adverse impact on the financial and operating performance of GYG.

GYG may also be impacted by the imposition of foreign exchange controls. Exchange controls may limit GYG's ability to convert foreign currencies into Australian dollars or to remit payments by its foreign subsidiaries or businesses located in or conducted within a country imposing such controls. Actions of this nature could have a material adverse effect on GYG's financial performance.

5.2.20 LITIGATION

GYG may, from time to time, be involved in legal proceedings with a variety of parties, including but not limited to employees, former employees, franchisees, guests and suppliers, in the ordinary course of business or otherwise. For example, GYG may receive claims from franchisees alleging misrepresentation or breach of franchise agreement or the Franchising Code of Conduct in connection with the operation of a franchise or entry into a franchise agreement. Claims may also be made to government agencies and regulators. The outcome of litigation cannot be predicted with certainty. Such litigation, claims and disputes, including the cost of settling claims, may have a material adverse impact on the operating performance and financial position of a particular restaurant or group of restaurants and the financial and operating performance of GYG as a whole and could cause reputational damage as well as management distraction.

GYG is not currently aware of any litigation that could have a material impact on its business (refer to Section 9.10).

5.2.21 LEASE RENEWALS

The majority of corporate and franchise restaurants are located on properties that are leased from landlords (GYG is not responsible for sourcing property for the restaurants operated by master franchisees in South Australia, Japan or Singapore). GYG may not be able to renew its site leases on satisfactory terms or at all, which could result in the closure of the restaurants operated at those sites, resulting in a loss of the sales and profits previously generated by those restaurants. As a result of the scarcity of appropriate sites in some areas, the inability to renew site leases could result in the inability to operate within those areas at all. Some of the leases on which restaurants are operated may have expired or be close to expiry and GYG and any franchisees are reliant on the consent of the landlord to hold over the lease until a new lease is negotiated. These arrangements may be terminated at short notice by a landlord.

GYG's failure to renew leases or relocate to alternative premises at the expiry of leases (including where the landlord does not permit the tenant to hold over) could impact on the operating performance and financial position of a particular restaurant or group of restaurants and the financial and operating performance of GYG as a whole.

5.2.22 CLIMATE CHANGE

Climate-related risks may affect GYG's operations and ability to deliver on its growth strategy. The climate-related risks to GYG include physical risks such as extreme weather events, global warming, rising sea levels, droughts, storms, bushfires and biodiversity loss. These risks are unpredictable and may cause disruptions in GYG's supply chain, affecting the availability and cost of ingredients. For example, scarcity of certain food items due to rising sea levels and/or droughts may pressure GYG to adopt menu changes, impacting GYG's operational costs. Extreme weather events, such as floods, may also cause operational disruptions or damage to restaurants as well as impact guest patronage. An adverse climate-related event may even cause a temporary or permanent closure of one or multiple of GYG's restaurants, resulting in the loss of sales. With respect to GYG's growth strategy to expand its restaurant network, extreme weather events may create unsafe working conditions, damage equipment and cause shortages or delays in receiving materials or being able to work on a site, which ultimately could increase construction costs and cause delays in construction of new restaurants (with the consequence that GYG may not be able to achieve the expected level of new restaurant openings in future periods).

The climate-related risks to GYG also include transition risks such as reputational and regulatory risks. Climate change may result in a shift in consumer preferences such as an increased demand for more sustainable offerings as consumers become more conscious of the environmental impact of their choices. If GYG is unable to keep up with these shifting consumer preferences, the reputation of GYG could be negatively impacted. Further, as mentioned in Section 5.2.14 changes to regulations may significantly increase compliance and reporting costs for GYG.

Any of these climate related events may impact the operating performance and financial position of a particular restaurant or group of restaurants and the financial and operating performance of GYG as a whole.

5.2.23 SOME CONTRACT COUNTERPARTIES MAY SEEK TO RENEGOTIATE CONTRACT TERMS AND OTHER CONTRACTING RISKS

GYG is a party to a number of contracts and agreements with a broad range of counterparties. These include supply, delivery partner, franchise, master franchise and lease contracts, which GYG is dependent on to operate its business. There is a risk such contracts may be terminated or renegotiated on less favourable terms.

GYG is party to a number of contracts that contain a right for the counterparty to terminate for convenience at any time during the contract term or in some cases are not documented at all. Termination of such contracts before the end of a contract's term (or a decision by a counterparty to cease acting in accordance with past practices in the case of undocumented agreements) may require GYG to seek alternative suppliers or delivery partners, which could adversely affect GYG's financial performance and financial position if it is unable to replace those on similar terms. In addition, certain material contracts such as supply contracts have expired (or have upcoming expiry dates), even though the parties may continue to operate on the terms of the expired contracts. There is a risk that the expired or expiring contracts will not be renewed or be renewed on less favourable terms.

Finally, GYG does not in all cases have copies of fully executed versions of contracts to which it or other Group members are party which may create evidentiary issues where enforcement of those contracts is required.

5.3 GENERAL RISKS OF AN INVESTMENT IN GYG

5.3.1 PRICE OF SHARES

Once GYG becomes a publicly listed company on ASX, it will become subject to general market risk that is inherent in all securities listed on a stock exchange. This may result in fluctuations in its Share price that are not explained by the fundamental operations and activities of GYG.

The price at which Shares are quoted on ASX may increase or decrease due to a number of factors. These factors may cause the Shares to trade at prices below the Offer Price. There is no assurance that the price of the Shares will increase following the quotation on ASX, even if GYG's earnings increase.

Some of the factors which may adversely impact the price of the Shares include fluctuations in the domestic and international market for listed securities, general economic conditions including interest rates, inflation rates, exchange rates, consumer sentiment, commodity and oil prices, changes to government fiscal, monetary or regulatory policies and settings, changes in legislation or regulation, inclusion in or removal from market indices, the nature of the markets in which GYG operates and general operational and business risks.

5.3.2 TRADING AND LIQUIDITY IN SHARES AND ESCROWED SHAREHOLDERS' INTERESTS

There can be no guarantee that an active market for the Shares will develop. There may be relatively few potential buyers or sellers of the Shares on ASX at any given time. This may increase the volatility of the market price of the Shares. It may also impact the prevailing market price at which Shareholders are able to sell their Shares.

Following Listing, it is expected that the Escrowed Shareholders will hold up to 54.3% of the Shares (assuming the maximum number of Shares issued under the Franchisee Offer), which may also impact liquidity. The Escrowed Shareholders will be subject to voluntary escrow arrangements in relation to all of their Shares as described in Section 9.7. The absence of any sale of Shares by the Escrowed Shareholders during the applicable periods may cause, or at least contribute to, limited liquidity in the market for the Shares. This could impact the prevailing market price at which Shareholders are able to sell their Shares. It is important to recognise that, on a disposal, Shareholders may receive a market price for their Shares that is less than the price that they paid under the Offer.

Following release from escrow, Shares held by the Escrowed Shareholders will be able to be freely traded on ASX. A significant sale of Shares by the Escrowed Shareholders, or the perception that such sales have occurred or might occur, could adversely impact the price of Shares. The Escrowed Shareholders' Shareholding may also allow them to, collectively, exert significant influence over the outcome of matters relating to GYG, including the election of Directors and the approval of transactions. The interests of the Escrowed Shareholders may be different form the interests of investors who acquire Shares in the Offer.

5.3.3 SHAREHOLDER DILUTION

In the future, GYG may elect to issue Shares or other securities. While GYG will be subject to the constraints of the Listing Rules regarding the issue of Shares or other securities, Shareholders may be diluted as a result of such issues of Shares or other securities.

GYG has in place several LTI Plans under which eligible participants have been granted Options that are subject to time-based vesting and continued service conditions (see Section 6.3.3). To the extent these Options vest and new Shares are issued on their exercise, Shareholders will be diluted. 798,000 Options are on issue which have vested and have an exercise price lower than the Offer Price (and so are likely to be exercised in exchange for newly issued Shares which will have a dilutive impact on Shareholders).

5.3.4 CHANGES IN TAX LAW

Changes in tax law (including the goods and service tax, rules relating to deductible liabilities and stamp duty), or changes in the way taxation laws are interpreted may impact the tax liabilities of GYG or the tax treatment of a Shareholder's investment. In particular, both the level and basis of taxation may change. Any changes to the current rate of company income tax may impact Shareholder returns, and any change in tax rules and tax arrangements could have an adverse impact on the level of dividend franking and Shareholder returns. In addition, an investment in the Shares involves tax considerations which may differ for each Shareholder. Each prospective Shareholder is encouraged to seek professional tax advice in connection with any investment in GYG.

5.3.5 DIVIDENDS MAY NOT BE FRANKED

To the extent that GYG pays any dividends, GYG may not have sufficient franking credits in the future to frank dividends (either partially or at all), or the franking system may be subject to review or reform. The value and availability of franking credits to a Shareholder will differ depending on the Shareholder's particular tax circumstances. Shareholders should also be aware that the ability to use franking credits, either as a tax offset or to claim a refund after the end of the income year, will depend on the individual tax position of each Shareholder.

5.3.6 ACCOUNTING STANDARDS

Australian Accounting Standards are issued by the AASB and are not within the control of GYG or the Directors. Any changes to the accounting standards or to the interpretation of those standards may have an adverse impact on the reported financial performance and position of GYG.

5.3.7 GENERAL ECONOMIC AND FINANCIAL MARKET CONDITIONS

General economic conditions (both domestically and internationally) may adversely impact the price of Shares as well as GYG's ability to pay dividends. This includes an increase in unemployment rates, negative consumer and business sentiment and an increase in interest rates, amongst other factors. As a result of the abovementioned factors, GYG is unable to forecast the market price for Shares, and they may trade on ASX at a price that is below their Offer Price.

5.3.8 ACCESS TO FUTURE CAPITAL

GYG may in the future require additional equity or debt capital to fund its operations or growth strategy. There is no certainty GYG's organic capital generation will meet the future requirements of GYG's business. GYG may not be able raise additional capital when required or at cost-effective rates or on competitive terms. An inability to raise debt or equity in the future (including to assist in meeting servicing requirements of debt or to refinance any additional debt that is borrowed) may impact GYG's ability to operate or grow its business. This may result in materially adverse effects on GYG's business, financial performance, financial condition or growth.

5.3.9 FORCE MAJEURE EVENTS

Events may occur within or outside the markets in which GYG operates that could impact upon the global or regional economies, the operations of GYG and/or the price of the Shares. The events include, but are not limited to, acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that can have an adverse impact on the demand for GYG's products and its ability to conduct its business. If GYG suffers from a major disruption and does not have adequate business continuity plans in place, this could have a material adverse effect on customer retention, reputational damage and operating and financial performance.

5.3.10 EPIDEMICS AND PANDEMICS

A recurrence in the severity of the COVID-19 pandemic, or a pandemic similar in nature to the COVID-19 pandemic or other rapid spread of infectious disease to a large number of people within a short period of time, may occur within or outside Australia. Any such pandemic or epidemic may adversely affect general economic sentiment, the global economy, stock markets and other financial markets. Any measures introduced to limit transmission in an epidemic or pandemic may have a negative impact on the global economy and economic growth.

The COVID-19 pandemic, and government responses to it, had a materially adverse impact on GYG's sales and resulting in the closure of a number of restaurants which became unprofitable to operate in light of reductions in consumer demand. It is difficult to predict the nature and extent of the risk and the impact of any future epidemic or pandemic on GYG. The potential negative impact of an epidemic or pandemic on consumer sentiment and confidence generally are factors, either alone or in combination, that could materially adversely affect GYG and its business, financial performance, financial condition and growth.

HILTON & STEVEN

GYG BARISTA-MADE COFFEE

SECTION 6:

KEY PEOPLE, INTERESTS AND BENEFITS

6. KEY PEOPLE, INTERESTS AND BENEFITS

6.1 BOARD OF DIRECTORS

The GYG Board of Directors is comprised of current and former senior executives from the QSR, retail, technology and investment industries. These Directors have relevant skills and experiences in franchising, real estate, drive thru operations and technology systems, alongside general business knowledge, financial management and corporate governance.

Figure 86: Board of Directors – Experience and Background

GAETANO (GUY) RUSSO

Non-Executive Chairman

Guy has been a Non-Executive Director of the Company since 2009 and was appointed as Chairman in December 2018.

Guy has 42 years of corporate experience, 34 of which were spent across the global operations of McDonald's Corporation, including CEO of McDonald's Australia and President of McDonald's Greater China. Guy also served as CEO of Wesfarmers' Department Store Division (Kmart & Target) and Managing Director of Kmart Australia & New Zealand.

Guy is currently a Non-Executive Director of ASX-listed Scentre Group and the Chairman of ASX-listed SomnoMed, as well as Chairman of global non-profit organisation OneSky. He was previously Chair of Ronald McDonald House Children's Charities.

Guy attended Macquarie University Graduate School of Management in Sydney.

STEVEN MARKS

Founder
Co-Chief Executive Officer and Executive Director

Steven co-founded GYG in 2005 and has led the Company since inception. Steven was also Honorary Consul of Mexico in NSW from 2019 to April 2024.

Prior to founding GYG, Steven launched and subsequently sold several companies, across industries including hospitality, fashion and music.

Prior to this, Steven spent 8 years working in finance roles at SAC Capital and Cheyne Capital across the US and UK.

Steven holds a Bachelor of Arts (International Relations and Economics) from the University of Pennsylvania.

HILTON BRETT

Co-Chief Executive Officer and Executive Director

Hilton was appointed as a Non-Executive Director of GYG in August 2018 and became Co-CEO in October 2023.

Prior to taking on the Co-CEO position, Hilton worked as an Operating Partner at TDM Growth Partners ("**TDM**") – GYG's largest shareholder – for just over five years. Prior to this, Hilton held positions including Executive Director, CEO and Co-CEO at ASX-listed Accent Group (formerly RCG Corporation), a regional leader in the retailing and distribution of performance and lifestyle footwear, for over 11 years.

Hilton has held Non-Executive Director positions at companies including ASX-listed Pacific Smiles Group.

Hilton holds a Bachelor of Commerce and Post Graduate Diploma in Accounting from the University of Cape Town, South Africa.

BRUCE BUCHANAN*

Independent, Non-Executive Director

Bruce was appointed as a Non-Executive Director of the Company in August 2016.

Bruce is the co-founder, CEO and Chairperson of Rokt, an ecommerce platform and network based in New York. Prior to Rokt, Bruce was Group CEO at Jetstar.

Bruce holds a Bachelor of Engineering (Civil Engineering) from the University of New South Wales and a Master of Business Administration from the Australian Graduate School of Management and the Anderson School at UCLA.

THOMAS (TOM) COWAN

Non-Executive Director

Tom was appointed as a Non-Executive Director of the Company in August 2018.

Tom is a Director of TDM Growth Partners, which he co-founded in 2005, and a member of the Investment Team. Prior to founding TDM, Tom worked in Mergers and Acquisitions at Investec and in Corporate Finance at KPMG.

Tom is a current Non-Executive Director of TDM portfolio companies Rokt and League. He was previously Non-Executive Director of ASX-listed Baby Bunting.

Tom holds a Bachelor of Commerce (Finance and Accounting) from the University of Sydney, where he graduated with First-Class Honours.

JACQUELINE (JACQUI) COOMBES

Independent, Non-Executive Director

Jacqui was appointed as a Non-Executive Director of the Company in June 2020.

Jacqui has over 25 years' experience in the retail industry, including at Bunnings Group, a subsidiary of ASX-listed Wesfarmers, in an Executive Director board position as well as a number of senior executive roles including General Manager of New Zealand. Jacqui also held the role of Director of Human Resources for the Bunnings Group, before transitioning to an Executive Coach role.

Prior to her career at Bunnings, Jacqui held various managerial positions at Spotlight Retail Group, including General Manager of Operations Australia and General Manager of New Zealand.

MARINA JOANOU

Independent, Non-Executive Director

Marina was appointed as a Non-Executive Director of the Company in February 2023.

Marina has over 20 years' experience in the retail industry with the majority of her corporate career at Wesfarmers, where she held positions including Managing Director of Target Australia, CFO of Wesfarmers Department Stores, CFO of Kmart and Chair of Kmart Tyre and Auto. Prior to joining Wesfarmers, Marina held a number of financial management and advisory roles at Coles Group, Mayne Group and KPMG.

Marina holds a Bachelor of Commerce (Accounting and Finance) from the University of New South Wales, is a member of Chartered Accountants ANZ and a Graduate of the Australian Institute of Company Directors.

IAN ROWDEN

Independent, Non-Executive Director

Ian was appointed as a Non-Executive Director of the Company in April 2024.

Ian is a current Partner & Investment Advisory Board Member at Innovate Partners in Newport Beach, California, and a Senior Advisor at Bowery Capital. Prior to this, he was a Partner at The Virgin Group, where he held board positions at Virgin Galactic and Virgin Produced.

Ian previously served as Chief Marketing Officer for The Callaway Golf Company and Wendy's International, as well as Chairman and CEO, Asia Pacific for advertising network Saatchi & Saatchi. Prior to this, Ian held various senior positions at The Coca-Cola Company.

Ian is currently a Non-Executive Director of ASX-listed companies Reliance Worldwide Corporation and Enero Group.

* Bruce Buchanan intends to step down from the Board at the Company's 2024 AGM to focus on Rokt, where he is Co-Founder, Chairman and CEO.

6.2 SENIOR MANAGEMENT

The executive leadership team has been assembled to incorporate a wide range of expertise and skills to foster GYG's development.

Figure 87: Senior Management – Experience and Background

STEVEN MARKS

Founder
Co-Chief Executive Officer and Executive Director

As per Figure 86.

HILTON BRETT

Co-Chief Executive Officer and Executive Director

As per Figure 86.

ERIK DU PLESSIS

Chief Financial Officer

Erik was appointed as GYG's Chief Financial Officer in April 2024.

Erik has extensive experience across financial and operational strategy within the retail sector, having spent 8 years at ASX-listed Wesfarmers in roles such as General Manager of Commercial & Strategy for Kmart and Target, General Manager of Finance for Target and Investor Relations Manager for Wesfarmers.

Prior to joining Wesfarmers, Erik held a number of corporate finance and advisory roles at Deutsche Bank and Deloitte.

Erik holds a Bachelor of Commerce (Accounting) and a Bachelor of Laws from the University of Melbourne.

JOHN MORRISON

Chief Operating Officer

John was appointed as GYG's Head of Supply Chain in September 2021 and was appointed as Chief Operating Officer of the Company in May 2023.

John has 30 years' experience in supply chain and manufacturing leadership, across multiple disciplines, countries and industries including food, homecare, pharmaceuticals, and supply chain solutions.

John has held global and regional senior leadership roles at SunRice and Brambles. John started his career in operational and supply chain management roles within Unilever, Rank Hovis McDougall, Arnott's and Dairy Farmers.

John holds a Bachelor of Chemical Engineering from RMIT University and an Executive Leadership Certification from CEDEP (INSEAD France).

LARA THOM

Global Chief Marketing Officer

Lara joined GYG in January 2017 as Chief Marketing Officer and was appointed as Global Chief Marketing Officer of the Company in June 2019.

Lara has over 20 years' experience in media, marketing, FMCG, digital and start-ups. Lara joined GYG from Vittoria Food and Beverage, where she was General Manager of Digital and Marketing. Prior to this, Lara was the Managing Director of digital agency Be.Interactive and Managing Director of retail creation hub Be.Retail.

Lara began her career as a journalist at News Corp and later worked on the launch of Foxtel start-up, Super League, as well as the launch of realestate.com.au.

CANDICE HEGGELUND

General Counsel

Candice was appointed as GYG's General Counsel in June 2023.

Candice was previously General Counsel at TDM Growth Partners before joining GYG. Prior to this, Candice spent 13 years working in private practice in the M&A, Private Equity and Venture Capital teams at law firms Baker & McKenzie, Freshfields Bruckhaus Deringer and Herbert Smith Freehills in Sydney, Hong Kong and London.

Candice holds a Bachelor of Laws (Honours) from the University of New South Wales, as well as a Bachelor of Economics and a Master of Laws from the University of Sydney.

JAY KATTEL

Chief People Officer

Jay was appointed as GYG's Chief People Officer in January 2024.

Jay has over 18 years' experience in human resources. Jay joined GYG from Coates, where he was a General Manager in the People and Safety team. Prior to this, Jay was a Director at Transport for NSW, Head of Organisational Development at Sydney Trains, in addition to other roles at Roads and Maritime Services and Businesslink.

Jay holds a Bachelor of Business (Management) from the University of Western Sydney and Diploma in Project Management.

6. KEY PEOPLE, INTERESTS AND BENEFITS CONTINUED

GEORGE MANDILIS

Chief Development Officer

George was appointed as GYG's Chief Development Officer in June 2020.

George was previously at ASX-listed Wesfarmers in the Wesfarmers' Department Store Division (Kmart, Target and Kmart Tyre & Auto) for 11 years, in roles such as General Manager of Property. Prior to this, George was a Leasing Executive at Woolworths and GPT Group.

George holds a Bachelor of Property Economics (Honours) from the University of Technology, Sydney.

BRYCE MAYBURY

Chief Technology Officer

Bryce was appointed as GYG's Chief Technology Officer in June 2023.

Bryce has over 20 years of experience in technology, holding various positions at Nine Entertainment Co. and the previously ASX-listed Salmat. Prior to joining GYG, Bryce held a senior leadership role at ASX-listed Southern Cross Austereo leading the Information Technology function.

Bryce holds an MBA from the University of Sydney.

Claudine Tarabay is the Company Secretary of the Company. The Company has also entered into an agreement with Automic whereby share registry and company secretarial services will be provided in return for fees. The Company has retained the services of Automic since the middle of the 2018 calendar year and has also appointed Belinda Cleminson of Automic as an additional Company Secretary.

6.3 INTERESTS AND BENEFITS

This Section 6.3 sets out the nature and extent of the interests and fees of certain persons involved in the Offer.

Other than as set out below or elsewhere in this Prospectus, no:

- Director or proposed Director of the Company or SaleCo;
- person named in this Prospectus and who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of the Company; or
- underwriter to the Offer or financial services licensee named in this Prospectus as a financial services licensee involved in the Offer,

holds as at the time of lodgement of this Prospectus with ASIC, or has held in the two years before lodgement of this Prospectus with ASIC, an interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the Offer; or
- the Offer,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to any such person for services in connection with the formation or promotion of the Company or the Offer or to any Director or proposed Director to induce them to become, or qualify as, a Director of the Company or SaleCo.

6.3.1 DIRECTORS' INTERESTS AND REMUNERATION

6.3.1.1 Deeds of access, indemnity and insurance for Directors

The Company has entered into a deed of access, indemnity and insurance with each Director. Each deed contains the Director's right of access to certain books and records of the Company or a Subsidiary for the period from the date the Director was first appointed as an officer of the Company until seven years after the Director ceases to hold office of the Company or Subsidiary. This seven-year period can be extended where certain proceedings or investigations commence before the seven-year period expires.

Pursuant to the Constitution, the Company may indemnify all Directors, executive officers and other officers, past and present, against all liabilities incurred as an officer of the Company or a Subsidiary to the extent permitted by law. Under the deed of access, insurance and indemnity, the Company indemnifies each Director against any liability that may arise from their position as an officer of the Company or a Subsidiary, to the extent permitted by law. The deed provides that the Company must meet the full amount of any such liabilities, including legal costs that are reasonably incurred, charges and expenses.

Pursuant to the Constitution, the Company may arrange and maintain Directors' and officers' insurance for its Directors to the extent permitted by law. Under the deed of access, insurance and indemnity, the Company must maintain such insurance for the period from the date of the deed until seven years after the Director ceases to hold office of the Company or Subsidiary.

6.3.1.2 Non-Executive Director appointment letters

Prior to the Original Prospectus Date, each of the Non-Executive Directors has entered into an appointment letter with the Company which confirm the terms of their appointment, their roles and responsibilities and the Company's expectations of them as Directors.

6.3.1.3 Non-Executive Directors' remuneration

Non-Executive Directors do not currently receive any cash remuneration for their services as Directors. Instead, they are compensated in the form of Options. Details of the Options held by the Non-Executive Directors are set out in Figure 88. The most recent grant, which have a strike price of $18.00 and an expiry date of 17 May 2031, was made on 17 May 2024. The Options held by the Non-Executive Directors as at the Original Prospectus Date are intended to remunerate them for their services as a Non-Executive Director until 30 June 2028 and no further grant of Options is intended to be made to the existing Non-Executive Directors prior to this date.

The decision to grant Options as remuneration has been made in order to align the interests of Non-Executive Directors with the interests of shareholders. The number of Options that have been granted to Non-Executive Directors has been determined by reference to share price assumptions such that at the time of grant, they were assumed to deliver economic returns to the directors that are on par with typical levels of cash fees that they would otherwise receive were they not being paid in Options.

Although the Company does not intend to pay any cash fees to Non-Executive Directors prior to 30 June 2028 (being the final vesting date of the Options), in order to preserve flexibility, the maximum aggregate Non-Executive Directors' remuneration for the purposes of the ASX Listing Rules and the Constitution is initially, and until a different amount is determined, $1,500,000 per annum ("**NED Fee Cap**"). Under the Constitution, the Company in general meeting may determine the maximum aggregate remuneration to be provided to or for the benefit of the Non-Executive Directors as remuneration for their services as Directors. Further, under the ASX Listing Rules, the total amount of Directors' fees paid to the Directors (subject to certain exceptions) must not exceed in aggregate in any financial year the amount fixed by the Company's members in general meeting.

6. KEY PEOPLE, INTERESTS AND BENEFITS CONTINUED

The Options are not counted towards the NED Fee Cap. In addition, the NED Fee Cap also excludes, among other things, amounts payable to any Executive Director under any executive services agreement with the Group or any special remuneration which the Board may grant to the Directors for special exertions or additional services performed by a Director for or at the request of the Company.

6.3.1.4 Directors' interests in Shares and other securities

The Directors are not required by the Constitution to hold any Shares.

The Directors' interests in Shares and other securities in the Company as at the Original Prospectus Date and as at Completion are set out in the table below.

Figure 88: Directors' interests

	Interests held at the Original Prospectus Date		Interests held at Completion	
Director	**Shares**	**Options[1]**	**Shares**	**Options[1]**
Guy Russo[2]	6,440,250	91,750	6,076,500	91,750
Steven Marks[3]	8,814,000	2,477,750	8,814,000	2,074,000
Hilton Brett[4]	367,000	1,500,000	319,999	1,500,000
Tom Cowan[5]	33,052,250	52,500	28,622,070	42,000
Ian Rowden[6]	13,000	42,000	13,000	42,000
Bruce Buchanan[7]	418,250	63,000	293,250	63,000
Jacqui Coombes	50,000	63,000	50,000	63,000
Marina Joanou	13,750	52,500	13,750	52,500
Total[8]	**48,801,500**	**4,342,500**	**43,882,570**	**3,928,250**

Notes:

1. For further detail regarding these Options, refer to Sections 6.3.3.3 and 6.3.3.4.
2. Guy has agreed to sell 13,000 of these Shares to Ian Rowden after the Completion Date. See below for further details. Guy is also selling 363,750 Shares in the Offer at the Offer Price.
3. Steven has agreed to sell 13,000 of these Options to Ian Rowden after the Completion Date. These Options will be exercised to Shares immediately upon being acquired by Ian. See below for further details. Steven is also selling 403,750 Options to SaleCo which upon exercise will result in the sale by SaleCo of the same number of Shares under the Offer at the Offer Price. Steven will receive net proceeds of $8.1m under the Offer (after taking into account payment of the applicable Option exercise price).
4. This includes all Shares in which Hilton has a 'relevant interest' for the purposes of the Corporations Act. However, in respect of the 214,163 Shares held by HBIH Investments Pty Limited as trustee for the HBIH Unit Trust, Hilton has a beneficial interest in 42% of those Shares (89,619 Shares in total). The remaining Shares are held by LITHTON Pty Ltd as trustee for the Hilton Brett Superannuation Fund (32,250 Shares) and RASTANA Pty Ltd as trustee for the Vivien's Share Trust (73,586 Shares), which are trusts in which Hilton is a beneficiary. All of these Shares are under the control of TDM (as TDM has the power to control the voting rights and disposal of those Shares as discretionary investment manager of the Shares). As a consequence of TDM's participation in the selldown by Existing Securityholders under the Offer, Hilton will indirectly receive the benefit of proceeds of sale of 19,795 Shares at the Offer Price.
5. This includes all Shares in which Tom has a 'relevant interest' for the purposes of the Corporations Act. As Tom owns 33% of TDM's voting shares, he is deemed to have a relevant interest in any Shares in which TDM holds a relevant interest. TDM acts as nominee for its clients in respect of the Shares that they hold. TDM has the power to control the voting rights and disposal of those Shares as discretionary investment manager. Tom has a beneficial interest in 200,280 Shares, comprising half of the 400,559 Shares held by B.T.E Investments Pty Ltd, 91,150 Shares, comprising all of the Shares held by TDMAM Pty Limited, 82,183 Shares, comprising all of the Shares held by TDMAM Superannuation Pty Ltd as trustee for the TDMAM Superannuation Fund and 9,771 Shares, comprising 29.22% of the Shares held by TDM Superannuation Pty Ltd as trustee for the TDM Superannuation Fund. All of these Shares are under the control of TDM (as TDM has the power to control the voting rights and disposal of those Shares as discretionary investment manager of the Shares). Tom holds the Options on trust for TDM, who is the beneficial owner of the Options. Tom's holdings at Completion factors in his intention to exercise 10,500 Options upon vesting on 30 June 2024. As a consequence of TDM's participation in the selldown by Existing Securityholders under the Offer, Tom will indirectly receive the benefit of proceeds of sale of 48,969 Shares at the Offer Price.
6. The Shares that Ian will acquire pursuant to the transactions mentioned in notes 2 and 3 above are not included in this row as the completion of those transactions will occur after Completion (see below for further details).
7. Bruce is selling 125,000 Shares in the Offer at the Offer Price.
8. As stated in note 4, all of Hilton Brett's Shares are under the control of TDM. Further, as stated in note 5, all of the Shares in which Tom Cowan has a relevant interest are under the control of TDM. This includes Hilton Brett's Shares. In order to avoid double counting Hilton Brett's Shares are only in the total once.

The Directors (and their associated entities) are entitled to apply for Shares under the Offer. The above table does not take into account any Shares the Directors (and their associated entities) may acquire under the Offer.

Final shareholdings held directly or indirectly by the Directors (and their associated entities) will be notified to the ASX following Listing. The Shares and Options (including Shares issued on the exercise of these Options) recorded in the above table under "Interests held at Completion" for all Directors (excluding Bruce Buchanan) will be subject to voluntary escrow arrangements as outlined in Section 9.7.

As noted above, Ian Rowden has agreed to acquire 13,000 Shares from Guy Russo and 13,000 Options from Steven Marks pursuant to agreements entered between these parties prior to the Original Prospectus Date. The Options acquired from Steven will be immediately exercised to Shares once Ian has acquired them. These transactions are expected to complete in September/October 2024. The relevant sellers' voluntary escrow restrictions permit these sales. The voluntary escrow arrangements outlined in Section 9.7 will also apply to the Shares acquired by Ian under these agreements (including the Shares issued on the exercise of the Options).

6.3.1.5 Other information about Directors' interests and benefits

Directors may also be reimbursed travel and other expenses incurred in attending to Company affairs, including attending and returning from general meetings or meetings of the Board or committees of the Board. A Director who performs additional or special duties for the Company at the request of the Board may be paid such additional or special remuneration (as determined by the Board).

There are no retirement benefit schemes for Directors.

6.3.2 EXECUTIVE REMUNERATION

The key management personnel of the Company are Steven Marks (Co-Chief Executive Officer and Director), Hilton Brett (Co-Chief Executive Officer and Director) and Erik du Plessis (Chief Financial Officer) ("**Key Management Personnel**" or "**KMP**"). Their employment arrangements are set out below.

6. KEY PEOPLE, INTERESTS AND BENEFITS CONTINUED

6.3.2.1 Co-Chief Executive Officer and Executive Director – Steven Marks

Details of the terms of employment of the Co-Chief Executive Officer and Executive Director, Steven Marks, are set out below:

Figure 89: Details of terms of employment of Steven Marks

Term	Description
Employer	Guzman y Gomez Franchising Pty Limited (a wholly owned subsidiary of the Company).
Fixed remuneration	Steven's fixed remuneration is currently $1,060,900 per annum (inclusive of superannuation). Steven is entitled to an annual increase of 3% in his fixed remuneration on and from 1 July 2025.
Short-term incentive (STI)	Steven is entitled to receive an annual cash bonus of up to 30% of his fixed remuneration subject to the achievement of targets against key performance indicators set by the Company each year. Steven will be entitled to receive a cash-bonus upon a successful IPO of $190,962.
Long-term incentive (LTI)	Steven is eligible to participate in the Company's long term incentive schemes. Details of Steve's current interests under in the LTI Plans are set out in Section 6.3.3.3 below.
Notice period, termination and termination payments	Steven's employment can be terminated by either him or by GYG giving the other party 6 months' notice (or GYG making payment in lieu of part or all of the notice period). In the event of serious misconduct or other circumstances warranting summary dismissal, the Company may terminate Steven's employment immediately without payment in lieu of notice.
Non-solicitation/ restrictions of future activities	Steven's employment contract contains post-employment restraints, including restraints on: • carrying on or being involved in any business that is the same or substantially similar to the business operated by the Group; • soliciting directors, officers, employees and contractors of the Group; and • soliciting customers, suppliers, distributors or licensees of the Group. These restrictions purport to operate for up to 6 months post-employment and purport to apply in the countries that the Group operates or operated in during the period commencing 12 months prior to Steven's cessation of employment. The enforceability of these restraints is subject to all usual legal requirements.

6.3.2.2 Co-Chief Executive Officer and Executive Director – Hilton Brett

Details of the terms of employment of the Co-Chief Executive Officer and Executive Director, Hilton Brett, are set out below:

Figure 90: Details of terms of employment of Hilton Brett

Term	Description
Employer	Guzman y Gomez Franchising Pty Limited (a wholly owned subsidiary of the Company).
Fixed remuneration	Hilton's fixed remuneration is currently $1,060,900 per annum (inclusive of superannuation). Hilton is entitled to an annual increase of 3% in his fixed remuneration on and from 1 July 2025.
Short-term incentive (STI)	Hilton is entitled to receive an annual cash bonus of up to 30% of his fixed remuneration subject to the achievement of targets against key performance indicators set by the Company each year. Hilton will be entitled to receive a cash-bonus upon a successful IPO of $190,962.
Long-term incentive (LTI)	Hilton is eligible to participate in the Company's long term incentive schemes. Details of Hilton's current interests under in the LTI Plans are set out in Section 6.3.3.3 below.
Notice period, termination and termination payments	Hilton's employment can be terminated by either him or by GYG giving the other party 6 months' written notice (or by GYG making payment in lieu of his notice period). In the event of serious misconduct or other circumstances warranting summary dismissal, the Company may terminate Hilton's employment immediately without payment in lieu of notice.
Non-solicitation/ restrictions of future activities	Hilton's employment contract contains post-employment restraints, including restraints on: • carrying on or being involved in any business that is the same or substantially similar to the business operated by the Group; • soliciting directors, officers, employees and contractors of the Group; and • soliciting customers, suppliers, distributors or licensees of the Group. These restrictions purport to operate for up to 6 months post-employment and purport to apply in the countries that the Group operates or operated in during the period commencing 12 months prior to Hilton's cessation of employment. The enforceability of these restraints is subject to all usual legal requirements.

6.3.2.3 Chief Financial Officer – Erik du Plessis

Details of the terms of employment of the Chief Financial Officer, Erik du Plessis, are set out below:

Figure 91: Details of terms of employment of Erik du Plessis

Term	Description
Employer	Guzman y Gomez Franchising Pty Limited (a wholly owned subsidiary of the Company).
Fixed remuneration	Erik's fixed remuneration is currently $600,000 per annum (inclusive of superannuation).
Short-term incentive (STI)	Erik is entitled to receive an annual cash bonus of up to 30% of his fixed remuneration subject to the achievement of targets against key performance indicators set by the Company each year. Erik will be entitled to receive a cash-bonus upon a successful IPO of $108,000.
Long-term incentive (LTI)	Erik is eligible to participate in the Company's long term incentive schemes. Details of Erik's current interests under in the LTI Plans are set out in Section 6.3.3.3 below.
Notice period, termination and termination payments	Erik's employment can be terminated by either him or by GYG giving the other party 6 months' written notice (or by GYG making payment in lieu of his notice period). In the event of serious misconduct or other circumstances warranting summary dismissal, the Company may terminate Erik's employment immediately without payment in lieu of notice.
Non-solicitation/ restrictions of future activities	Erik's employment contract contains post-employment restraints, including restraints on: • carrying on or being involved in any business that is the same or substantially similar to the business operated by the Group; • soliciting directors, officers, employees and contractors of the Group; and • soliciting customers, suppliers, distributors or licensees of the Group. These restrictions purport to operate for up to 6 months post-employment and purport to apply in the countries that the Group operates or operated in during the period commencing 12 months prior to Erik's cessation of employment. The enforceability of these restraints is subject to all usual legal requirements.

6.3.3 EQUITY-BASED INCENTIVE ARRANGEMENTS

6.3.3.1 Overview

The Company has in place several equity-based, long-term incentive plans ("**LTI Plans**") under which eligible participants have been granted Options that are subject to time-based vesting and continued service conditions. The LTI Plans were established by the Company with the purpose of aligning the interests of eligible participants more closely with the interests of shareholders by providing an opportunity for eligible participants to receive an equity interest in the Company.

The table below sets out the LTI Plans that will continue to have Options on issue under them immediately following Completion.

The Company does not intend to make any further grants under the 2019 LTI Plan and 2022 Key Executives LTI Plan after the Original Prospectus Date. Any future grants of Options by the Company are intended to be made under the 2023 Senior Leadership LTI Plan, 2023 Non-Executive Directors LTI Plan and 2023 Hola Central and Restaurant Managers LTI Plan.

The weighted average exercise price of all Options outstanding immediately following completion will be $14.53.

Figure 92: Overview of LTI Plans

LTI Plan	Participants[1]	Number of Options[2]	Exercise price[3]	Expiry date[4]
2019 LTI Plan	Employees and Non-Executive Directors	747,500 (vested) 579,750 (unvested)	$1.98 – $10	30 June 2026 – 30 June 2028
2022 Key Executives LTI Plan	Senior Leadership Team	2,061,000 (unvested)	$14.39 – $15.83	1 April 2025 – 1 April 2026
2023 Senior Leadership LTI Plan	Senior Leadership Team	25,000 (vested) 3,917,250 (unvested)	$16 – $18	7 years from the grant date (27 March 2030 – 28 February 2031)
2023 Non-Executive Directors LTI Plan	Non-Executive Directors	25,500 (vested) 380,500 (unvested)	$16 – $18	7 years from the grant date (5 June 2030 – 17 May 2031)
2023 Hola Central and Restaurant Managers LTI Plan	Hola Central employees and Restaurant Managers	493,250 (unvested)	$16 – $18	7 years from the grant date (12 June 2030 – 17 January 2031)

Notes:

1. Although eligibility under each LTI Plan is broad, grants of Options are typically restricted to these persons. Members of the Senior Leadership Team include senior executives who typically have a "Chief", "Director" or "Head of" descriptor in their title and have the responsibility typically associated with a senior manager or department head, including having a number of direct or indirect reports. Hola Central employees are head office employees who do not typically qualify as Senior Leadership Team members. Restaurant Managers (including Assistant Restaurant Managers) are persons who are typically responsible for the day-to-day operations of a single corporate restaurant.
2. Represents the number of Options that are expected to remain on issue immediately following Completion.
3. The exercise price of each Option that is expected to remain on issue immediately following Completion.
4. The expiry date of Options that are expected to remain on issue immediately following Completion (subject to earlier lapsing in accordance with the rules of the LTI Plan).

6. KEY PEOPLE, INTERESTS AND BENEFITS CONTINUED

6.3.3.2 Key terms of the LTI Plans

Each LTI Plan and their respective rules ("**Plan Rules**") are substantially alike and have the key features set out in the following table. This is subject to any variations included in a participant's grant letter, which override the Plan Rules to the extent of any inconsistency.

Figure 93: Summary of key terms of the LTI Plans

Term	Description
Eligibility	Eligibility under each LTI Plan is broad and is open to any director or employee of a Group Company and any other person who is declared by the Board in its discretion to be eligible to receive grants of Options under the LTI Plan. Grants under each LTI Plan have typically been restricted to the participants outlined in Figure 92 above.
Vesting	Options granted under the LTI Plans may be subject to performance hurdles and/or vesting conditions, which must be satisfied before an Option vests and is exercisable to Shares. All Options on issue at the Original Prospectus Date are subject to time-based vesting only (though as noted below, there are instances where vesting may be accelerated or Options might lapse upon a participant's cessation of employment or office with a Group Company).
Type of securities	Each LTI Plan permits eligible participants to be granted Options. Each Option represents a right to acquire a Share for an exercise price once that Option has vested.
Issue price and exercise price	Under the LTI Plans, the Board determines the issue price and exercise price for each grant of Options and may offer the participant a loan from the Company to fund the acquisition and/or exercise of Options (subject to compliance with applicable laws and the ASX Listing Rules). These loans are generally made on the following key terms: • interest is accrued on a daily basis at the 'benchmark interest rate';[1] • loan term of 7 years from the loan date; • for a 'Division 7A' loan, annual repayment by the borrower (principal and interest) in accordance with the formula set out in the loan agreement (subject to accelerated repayment on occurrence of certain events); • for a 'FBT' loan, repayment by the borrower at any time with final repayment at the end of the 7 year term of the loan (subject to accelerated repayment on occurrence of certain events). However, interest on the loan must be paid every 6 months in arrears; and • limited recourse to the Options to which the loan relates. To the extent permitted by law, the Board may determine to permit a participant to exercise their Options by way of a cashless exercise. As at the Original Prospectus Date, Options have been offered to participants under the LTI Plans for the issue prices set out in the following table. Figure 92 above sets out the exercise prices for the Options that will remain on issue immediately following Completion.

<table>
<thead>
<tr><th>Term</th><th>Description</th></tr>
</thead>
<tbody>
<tr><td>Issue price and exercise price
continued</td><td>
<table>
<thead>
<tr><th>LTI Plan</th><th>Issue price</th></tr>
</thead>
<tbody>
<tr><td>2019 LTI Plan</td><td>Options were offered to participants for, at a participant's election, either:
• no consideration payable upfront; or
• at a fee no less than the then income tax market value of the Options (at the time of the grant) based on the employee share scheme income tax provisions under Australian tax law.</td></tr>
<tr><td>2022 Key Executives LTI Plan</td><td>A fee no less than the then income tax market value of the Options (at the time of the grant) based on the employee share scheme income tax provisions under Australian tax law.</td></tr>
<tr><td>2023 Senior Leadership LTI Plan</td><td>Same as for the 2019 LTI Plan.</td></tr>
<tr><td>2023 Non-Executive Directors LTI Plan</td><td>Same as for the 2019 LTI Plan.</td></tr>
<tr><td>2023 Hola Central and Restaurant Managers LTI Plan</td><td>Nil (no consideration is payable upfront).</td></tr>
</tbody>
</table>
</td></tr>
<tr><td>Exercise period</td><td>Subject to the applicable Plan Rules, an Option that has vested may be exercised at any time until the expiry date of that Option.</td></tr>
<tr><td>Cessation of employment or office</td><td>If a participant ceases to be an employee of or hold office with a Group Company for any reason, then:
• all Options held by the participant which have vested but have not been exercised will remain exercisable for a period of 90 days from the date the participant ceases to be an employee or hold office (unless a longer period is agreed to by the Board in its discretion), following which they will automatically lapse and be cancelled by the Company; and
• all unvested Options held by the participant will automatically lapse and be cancelled by the Company,
in each case, subject to the Board's discretion to treat the Options in a different, including more favourable, manner to the participant.</td></tr>
<tr><td>Clawback and preventing inappropriate benefits</td><td>The Plan Rules for each LTI Plan provide the Board with broad clawback powers if, for example, the participant has acted fraudulently or dishonestly, or is in breach of his or her obligations to any company in the Group.</td></tr>
</tbody>
</table>

<table>
<tr><th>Term</th><th>Description</th></tr>
<tr><td>Change of control</td><td>
The Plan Rules for each LTI Plan set out how Options will be treated on a change of control event.
<table>
<tr><th>LTI Plan</th><th>Treatment of Options</th></tr>
<tr><td>2019 LTI Plan</td><td>
UNVESTED OPTIONS
The Board may determine in its discretion the manner in which unvested Options will be dealt with, including but not limited to:

allowing some or all of those Options to continue to be held by the Participant and be subject to the existing performance hurdles and/or vesting conditions; or
requiring that some or all of those Options automatically lapse and be cancelled.

VESTED OPTIONS
Participants must, within 7 days of being given notice by the Company of a change of control event, notify the Company of whether they elect to exercise their vested Options.
If a participant:

elects to exercise their vested Options, those Options will be exercised immediately prior to completion of the relevant transaction;
does not elect to exercise their vested Options, those Options will automatically lapse and be cancelled immediately prior to completion of the relevant transaction,

in each case, subject to such other time as determined by the Board in its discretion.
An initial public offering is a change of control event under the 2019 LTI Plan. However, pursuant to its discretionary powers under the Plan Rules, the Board has resolved that the Options granted under the 2019 LTIP will not be subject to the rules above in the context of the Offer or the Company's admission to the official list of ASX (that is, the Options will continue to be on issue and be subject to the existing vesting conditions).
</td></tr>
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</td></tr>
</table>

<table>
<tr><th>Term</th><th colspan="2">Description</th></tr>
<tr><td rowspan="5">Change of control
continued</td><td>LTI Plan</td><td>Treatment of Options</td></tr>
<tr><td>2022 Key Executives LTI Plan</td><td>All unvested Options are deemed to have vested.

Upon being given notice by the Company of a change of control event, participants must within 14 days notify the Company of whether they elect to exercise their Options.

If a participant:
• elects to exercise their Options, those Options will be exercised immediately prior to completion of the relevant transaction;
• does not elect to exercise their Options, those Options will automatically lapse and be cancelled immediately prior to completion of the relevant transaction,

in each case, subject to such other time as determined by the Board in its discretion.

An initial public offering is not a change of control event.</td></tr>
<tr><td>2023 Senior Leadership LTI Plan</td><td>Same as for the 2022 Key Executives LTI Plan.</td></tr>
<tr><td>2023 Non-Executive Directors LTI Plan</td><td>Same as for the 2019 LTI Plan except that an initial public offering is not a change of control event.</td></tr>
<tr><td>2023 Hola Central and Restaurant Managers LTI Plan</td><td>Same as for the 2019 LTI Plan except that an initial public offering is not a change of control event.</td></tr>
<tr><td>Reorganisations, corporate actions, bonus issues, etc.</td><td colspan="2">The Plan Rules for each LTI Plan include specific provisions dealing with capital reconstructions and other corporate actions. These provisions are intended to ensure that there is no material advantage or disadvantage to the participant in respect of their Options because of those events.

These are subject to the application of the ASX Listing Rules.</td></tr>
</table>

6. KEY PEOPLE, INTERESTS AND BENEFITS CONTINUED

Term	Description
Restrictions on dealings	Under the Plan Rules for each LTI Plan, unless the Board otherwise consents, Options may not be assigned, transferred, encumbered or otherwise disposed of by a participant (other than, if applicable, in accordance with a security mortgage in respect of a loan from the Company in connection with the options). In respect of Shares issued on the exercise of Options, Participants are free to deal with their Shares, subject to the Company's Securities Trading Policy and any restrictions imposed by the Board in a participant's grant letter.
Expiry date	Options granted under the LTI Plans will lapse, if not exercised or lapsed before then, at the end of the period specified in a participant's grant letter. Figure 92 above sets out the expiry dates for the Options that will remain on issue immediately following Completion.

Note:

1. The 'benchmark interest rate' for each income year is: (a) for a 'Division 7A' loan, the benchmark interest rate for each income year pursuant to section 109N(2) of the *Income Tax Assessment Act 1936* (Cth) subject to the *Income Tax Assessment (1936 Act) Regulation 2015*; or (b) for a 'FBT' loan, the benchmark interest rate as defined in section 136(1) of the *Fringe Benefits Tax Assessment Act 1986* (Cth).

6.3.3.3 Interests of Key Management Personnel under the LTI Plans

The table below sets out the Options issued under the LTI Plans that will be held by the Key Management Personnel immediately after Completion.

Figure 94: LTI Plans – Interests of Key Management Personnel

LTI Plan	Number of Options[1]	Vesting date[2]	Exercise price	Expiry date
Steven Marks				
2019 LTI Plan	13,000 Options[3]	All Options have vested	$1.98	30 June 2026
2022 Key Executives LTI Plan	1,030,250 Options	1 January 2025	$14.39	1 April 2025
	1,030,750 Options	1 January 2026	$15.83	1 April 2026
Hilton Brett				
2023 Senior Leadership LTI Plan	1,500,000 Options	20% vest on 30 June of each of 2024, 2025, 2026, 2027 and on 1 March 2028	$16	1 August 2028
Erik du Plessis				
2023 Senior Leadership LTI Plan	323,750 Options	25% vest on 30 June of each of 2026, 2027, 2028 and 2029	$18	19 May 2031

Notes:

1. Excludes any Options that are no longer on issue because they have been exercised to Shares or have otherwise lapsed and been cancelled.
2. Subject to the rules of the relevant LTI Plan.
3. Steven has agreed to sell these Options to Ian Rowden and the Options will be exercised to Shares immediately upon acquisition by Ian. Completion of this sale is expected to occur in September/October 2024. See Section 6.3.1.4 for further information.

Key Management Personnel have been provided with the following limited recourse loans by the Company in connection with the grant of their Options under the LTI Plans:

Figure 95: LTI Plans – Loans to Key Management Personnel

KMP	Loan amount[1]	Interest rate	Loan term	Repayment
Steven Marks[2]	Option Fee Loan: $664,548 Exercise Price Loan Facility: *Tranche 1:* $13,478,940 (as Tranche 1 has vested and the Options exercised using cashless exercise, this tranche of the loan has now lapsed without being drawn down) *Tranche 2:* $14,826,834 *Tranche 3:* $16,306,797	Interest is accrued on a daily basis at the 'benchmark interest rate'[3]	7 years from the loan date of May 2022	Annual repayment in accordance with formula set out in loan agreement (subject to accelerated repayment on occurrence of certain events)
Hilton Brett	Option Fee Loan: $1,680,000	Interest is accrued on a daily basis at the 'benchmark interest rate'[3]	7 years from the loan date of 1 July 2023	Annual repayment in accordance with formula set out in loan agreement (subject to accelerated repayment on occurrence of certain events)
Erik du Plessis	Option Fee Loan: $477,855	Interest is accrued on a daily basis at the 'benchmark interest rate'[3]	7 years from the loan date of 17 May 2024	Annual repayment in accordance with formula set out in loan agreement (subject to accelerated repayment on occurrence of certain events)

Notes:

1. This is the principal amount of the initial loan.
2. The sole purpose of these loan facilities is to enable Steven Marks fund the exercise price for the Options granted to him under the 2022 Key Executives LTI Plan. To the extent he draws down on those loans to fund the exercise price (as distinct from, for example, utilising cashless exercise), Steven currently intends to repay those loans expeditiously, including by selling Shares.
3. The 'benchmark interest rate' for each income year is the benchmark interest rate for each income year pursuant to section 109N(2) of the *Income Tax Assessment Act* 1936 (Cth) subject to the *Income Tax Assessment (1936 Act) Regulation 2015*. For example, as at 30 June 2024 the rate is 8.27%.

6.3.3.4 Interests of Non-Executive Directors under the LTI Plans

The table below sets out the Options issued under the LTI Plans that will be held by the Non-Executive Directors immediately after Completion.

Figure 96: LTI Plans – Interests of Non-Executive Directors

Participant	Number of Options[1]	Vesting date[2]	Exercise price	Expiry date
2023 Non-Executive Directors LTI Plan				
Guy Russo	63,000 Options	33.3% vest on 30 June of each of 2024, 2025 and 2026	$16	5 June 2030
	28,750 Options	14,250 Options vest on 30 June 2027 and the remaining 14,250 Options vest on 30 June 2028	$18	17 May 2031
Tom Cowan	21,000 Options[3]	50% vest on 30 June of each of 2025 and 2026	$16	5 June 2030
	21,000 Options[4]	50% vest on 30 June of each of 2027 and 2028	$18	17 May 2031
Ian Rowden	42,000 Options	25% vest on 30 June of each of 2025, 2026, 2027 and 2028	$18	17 May 2031
Bruce Buchanan	42,000 Options	25% have already vested. The remaining 75% vest in equal tranches on 30 June of each of 2024, 2025 and 2026	$16	22 November 2030
	21,000 Options	50% vest on 30 June of each of 2027 and 2028	$18	17 May 2031
Jacqui Coombes	42,000 Options	25% have already vested. The remaining 75% vest in equal tranches on 30 June of each of 2024, 2025 and 2026	$16	5 June 2030
	21,000 Options	50% vest on 30 June of each of 2027 and 2028	$18	17 May 2031
Marina Joanou	42,000 Options	33.3% vests on 30 June of each of 2024, 2025 and 2026	$16	5 June 2030
	21,000 Options	50% vest on 30 June of each of 2027 and 2028	$18	17 May 2031

Notes:

1. Excludes include any Options that are no longer on issue because they have been exercised to Shares or have otherwise lapsed and been cancelled.
2. Subject to the rules of the 2023 Non-Executive Directors LTI Plan.
3. This excludes an additional 10,500 Options held as at the Original Prospectus Date but are intended to be exercised prior to Completion. Tom holds these Options on trust for TDM Growth Partners Pty Ltd, who is the beneficial owner of the Options.
4. Tom holds these Options on trust for TDM Growth Partners Pty Ltd, who is the beneficial owner of the Options.

6.3.4 RELATED PARTY ARRANGEMENTS AND PROMOTER INTERESTS

6.3.4.1 Steven Marks

Shareholder approval was obtained by the Company under Chapter 2E of the Corporations Act for the grant of 3,091,250 Options (and for the granting of loan facilities to the aggregate value of the Option Fee and Exercise Price of each tranche of the Options, being $45,277,119 in total) in May 2022. See Section 6.3.3.4 for details of the extent to which those Options and loan facilities remain on foot as at the Original Prospectus Date.

6.3.4.2 Franchise arrangements

Gaetano Russo Jr is the son of a director of the Company (Guy Russo) and franchisee of three GYG restaurants (Box Hill, Eastland and Croydon). The franchise agreements for each of these restaurants align with the standard terms offered to other franchisees, with minor exceptions. The Eastland franchise agreement contains a special condition which gave the franchisee a royalty free period of 12 weeks as the restaurant was underperforming when Mr Russo Jr took over, so an agreement was reached to give relief from royalties for a period while the restaurant improved its performance (consistent with the manner in which GYG provides royalty relief at times to other franchisees). These franchise arrangements are on arm's length commercial terms and conditions.

Dylan Brett is the son of a director and co-CEO of the Company (Hilton Brett) and has entered into a letter of intent ("**LOI**") to franchise a GYG restaurant in Mona Vale, which has a tentative opening date in December 2024. As at the Original Prospectus Date, no franchise or other agreement in respect of the Mona Vale restaurant is yet on foot. The LOI is on arm's length commercial terms and conditions.

6.3.4.3 TDM

TDM agreed to secondments of two of its senior personnel to GYG in FY24 to support GYG whilst it was recruiting for those positions to be filled. For the period up to and including 31 March 2024, GYG reimbursed TDM a total of $527,125 for the direct employment costs of those individuals during their secondment. One of these secondments remains ongoing as at the Original Prospectus Date and reimbursement is being provided based on daily employment costs. The remaining secondment is expected to cease on 30 June 2024.

As at the Original Prospectus Date, TDM will beneficially own 109,500 Shares and 52,500 Options. This includes 52,500 Options that were previously or still are held on trust for TDM by nominees that it appointed to the Board (i.e. TDM's board nominees, Tom Cowan and previously Hilton Brett do not retain the benefit of any Options or other remuneration they receive in their capacities as directors and hold them instead on trust for TDM).

As at the Original Prospectus Date, TDM will have a relevant interest in 33,052,250 Shares. All of these Shares are under the control of TDM (as TDM has the power to control the voting rights and disposal of those Shares as discretionary investment manager of the Shares).

6.3.5 INTERESTS OF ADVISERS

6.3.5.1 Adviser and other fees

The Company and, in some cases, SaleCo, have engaged:

- Barrenjoey Markets Pty Limited and Morgan Stanley Australia Securities Limited to act as Joint Lead Managers to the Offer. The fees payable to the Joint Lead Managers pursuant to the Underwriting Agreement are described in Section 9.6, for these services;
- Gilbert + Tobin to act as Australian legal adviser to the Company and SaleCo in relation to the Offer. Gilbert + Tobin has conducted Australian legal due diligence (other than certain enquiries that were the responsibility of LegalVision). The Company has paid, or agreed to pay, approximately $1,135,000 (excluding disbursements and GST) for these services in connection with the Offer up until the Original Prospectus Date. Further amounts may be paid to Gilbert + Tobin in accordance with its normal time-based charges;
- Deloitte Corporate Finance Pty Limited to act as the Investigating Accountant in connection with the Offer. Deloitte Corporate Finance Pty Limited has performed work in relation to the Independent Limited Assurance Report. The Company has paid, or agreed to pay, approximately $962,000 (excluding disbursements and GST) for these services in connection with the Offer up until the Original Prospectus Date. Further amounts may be paid to Deloitte Corporate Finance Pty Limited in accordance with its normal time-based charges;
- Ernst & Young to act as tax adviser to the Company in relation to the Offer (including conducting taxation due diligence). The Company has paid, or agreed to pay, approximately $510,000 (excluding disbursements and GST) for these services in connection with the Offer up until the Original Prospectus Date. Further amounts may be paid to Ernst & Young in accordance with its normal time-based charges;
- Think Economics Pty Ltd to prepare the Market Report that is referenced in this Prospectus. The Company has paid, or agreed to pay, approximately $28,500 (excluding disbursements and GST) for these services in connection with the Offer up until the Original Prospectus Date;
- LegalVision to conduct Australian legal due diligence on certain matters (to the extent not covered by Gilbert + Tobin). The Company has paid, or agreed to pay, approximately $175,000 (excluding disbursements and GST) for these services in connection with the Offer up until the Original Prospectus Date. Further amounts may be paid to LegalVision in accordance with its normal time-based charges; and
- Baker & McKenzie to conduct legal due diligence on GYG's international business operations in the United States of America, Singapore and Japan only. The Company has paid, or agreed to pay, approximately $395,000 (excluding disbursements and GST) for these services in connection with the Offer up until the Original Prospectus Date. Further amounts may be paid to Baker & McKenzie in accordance with its normal time-based charges.

These amounts, and other expenses of the Offer, will be paid by the Company out of funds raised under the Offer or available cash. Further information on the use of proceeds and payment of expenses of the Offer is set out in Section 7.1.2.

6.3.5.2 Other interests

An associate of Barrenjoey Markets Pty Limited, Barrenjoey Private Capital holds 10.5% of Shares as at the Prospectus Date (on a fully diluted basis). Another associate of Barrenjoey, Barrenjoey Private Capital Management Pty Limited, acts as the manager in respect of that holding and may receive fees for that service. Employees of the Barrenjoey group, certain of which are or will be involved in the provision of lead manager and underwriting services for the Offer, are among the beneficial owners of that holding and/or other holdings in the Shares and so have an interest in the success of the Offer as it will provide future liquidity. A reference to employees in this Section 6.3.5.2 includes employees, officers and directors of the Barrenjoey group.

6.4 CORPORATE GOVERNANCE

This Section 6.4 explains how the Board oversees the management of the Company's business. The Board is responsible for the overall corporate governance of the Company, including establishing and monitoring key performance goals. The Board monitors the operational and financial position and performance of the Company and oversees its business strategy, including approving the strategic goals of the Company and considering and approving an annual business plan (including a budget).

The Board is committed to maximising performance, generating appropriate levels of shareholder value and financial return, and sustaining the growth and success of the Company. In conducting the Company's business with these objectives, the Board seeks to ensure that the Company is properly managed to protect and enhance shareholder interests, and that the Company and its Directors, officers and personnel operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing the Company, including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for the Company's business and which are designed to promote the responsible management and conduct of the Company.

The Company is seeking a listing on the ASX. The ASX Corporate Governance Council has developed and released its fourth edition of the Corporate Governance Principles and Recommendations for Australian listed entities in order to promote investor confidence and to assist companies in meeting stakeholder expectations ("**ASX Recommendations**").[97] The ASX Recommendations are not prescriptions, but guidelines. However, under the ASX Listing Rules, the Company will be required to provide a statement in its annual report disclosing the extent to which it has followed the ASX Recommendations in the reporting period. Where the Company does not follow a recommendation, it must identify the recommendation that has not been followed and give reasons for not following it and must also disclose what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Prior to Completion, copies of the Company's key policies and practices and the charters for the Board and each of its committees will be available at www.gyg.automicgroup.com.au.

6.4.1 THE BOARD OF DIRECTORS

The names and biographies of the current members of the Board of Directors are set out in Section 6.1.

Each Director has confirmed to the Company that they anticipate being available to perform their duties as a Non-Executive Director or Executive Director without constraint having regard to other commitments.

The Board considers an independent Director to be a Non-Executive Director who is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect, his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company. The Board will consider the materiality of any given relationship on a case-by-case basis and has adopted guidelines to assist in this regard. The Board reviews the independence of each Director in light of interests disclosed to the Board from time to time. In assessing independence, the Board will have regard to the ASX Recommendations.

The Board Charter sets out guidelines of materiality for the purpose of determining independence of Directors in accordance with the ASX Recommendations and has adopted a definition of independence that is based on that set out in the ASX Recommendations.

The Board considers that each of Bruce Buchanan, Jacqueline Coombes, Marina Joanou and Ian Rowden is free from any interest, position, association or relationship that might influence, or reasonably be perceived to influence, the independent exercise of the Director's judgement and that each of them is able to fulfil the role of independent Director for the purpose of the ASX Recommendations.

Guy Russo has been a director of GYG for approximately 15 years and as at the Original Prospectus Date is a substantial Shareholder of the Company. Given the length of time that Mr Russo has been a director of the Company and having regard to him having been a substantial shareholder, the Board considers it appropriate not to treat Guy as independent.

97. Consultation has been undertaken on a 5th edition of the ASX Recommendations which are proposed to take effect for financial years commencing 1 July 2025. This Prospectus does not disclose against the draft recommendations in the 5th edition.

Accordingly, contrary to recommendation 2.5 of the ASX Recommendations, the chair of the Company will not be an independent director. The Board considers that this is appropriate in the circumstances having regard to the very considerable and sector-relevant experience that Mr Russo brings to the Board and the Board considers that Mr Russo thinks and acts independently in performing his role as chair and acts independently of management. On that basis, the Board considers that notwithstanding the recommendation, having regard to the above and the reasons why it has chosen not to designate Mr Russo as independent, it is in the best interests of GYG for Mr Russo to act as the Company's chair.

Additionally, Steven Marks and Hilton Brett are each an Executive Director and are therefore not considered to be independent. Tom Cowan is also considered by the Board not to be independent because he is a Board representative of TDM, which is a substantial Shareholder.

Accordingly, as at Listing, the Board will consist of an equal number of independent Directors and non-independent Directors and so will not have a majority of independent Directors as recommended in recommendation 2.4 of the ASX Recommendations. The Board considers that the composition of the Board at the time of Listing is appropriate in light of the following factors: (a) the adoption of a co-CEO model for GYG (which means that having each Co-CEO on the Board is appropriate; (b) the considerable experience and contribution to GYG and its strategic goals of Mr Cowan (who the Board considers thinks and acts independently in performing his role as a non-executive Director and acts independently of management); and (c) the significant shareholding the TDM will still have in the Company at Listing (which makes it appropriate for it to have a nominee on the Board). All the Directors believe that they will be able to, individually and collectively, analyse the issues before them objectively and in the best interests of shareholders and in accordance with their duties as Directors. In addition, the Board's intention is to appoint an additional independent non-executive Director to replace Bruce Buchanan with a view to ensuring that the number of independent non-executive Directors does not decline overall.

6.4.2 BOARD CHARTER

The Board Charter adopted by the Board sets out the responsibilities of the Board in greater detail. It provides that the Board should comprise Directors with the appropriate mix of skills, experience, expertise and diversity which are relevant to the Company's businesses and the Board's responsibilities. The Board Charter allows the Board to delegate powers and responsibilities to committees established by the Board. The Board retains ultimate accountability to Shareholders in discharging its duties.

6.4.3 BOARD COMMITTEES

The Board may from time to time establish appropriate committees to assist in the discharge of its responsibilities. The Board has established a Nomination and Remuneration Committee and an Audit and Risk Committee.

Other committees may be established by the Board as and when required. Membership of Board committees will be based on the needs of the Company, relevant legislative and other requirements, and the skills and experience of individual Directors.

6.4.3.1 Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee is to assist the Board in fulfilling its responsibilities for corporate governance and overseeing the Company's nomination and remuneration policies and practices.

This includes reviewing and making recommendations to the Board on remuneration packages and policies related to the Directors and senior executives. The Nomination and Remuneration Committee is also responsible for administering short-term and long-term incentive plans (including any equity plans). In addition, the committee is responsible for reviewing and making recommendations in relation to the composition and performance of the Board and its committees and ensuring that adequate succession plans are in place (including for the recruitment and appointment of Directors and senior management). Independent advice will be sought where appropriate.

As at Listing, the committee will comprise Jacqui Coombes (Chair), Guy Russo and Tom Cowan. As the committee will not consist of a majority of independent directors, the Company will not be fully compliant with the recommendations set by the Listing Rules and ASX Corporate Governance Council in relation to the composition and operation of the committee. Nonetheless, the Board considers that the composition of the committee at the time of Listing is appropriate and that the Board considers that Mr Russo and Mr Cowan each thinks and acts independently in performing their role as a committee member and acts independently of management.

6.4.3.2 Audit and Risk Committee

The role of the Audit and Risk Committee is to assist the Board in fulfilling its responsibilities for corporate governance and overseeing the Company's financial reporting, internal control structure, risk management systems and internal and external audit functions. This includes confirming the quality and reliability of the financial information prepared by the Company, working with the external auditor on behalf of the Board and reviewing non-audit services provided by the external auditor to confirm they are consistent with maintaining external audit independence.

The Audit and Risk Committee provides advice to the Board and reports on the status and management of the risks to the Company. The purpose of the committee's risk management process is to assist the Board in relation to risk management policies, procedures and systems and ensure that risks are identified, assessed and appropriately managed.

As at Listing, the committee will comprise Marina Joanou (Chair), Tom Cowan and Ian Rowden.

6.5 CORPORATE GOVERNANCE POLICIES

The Board has adopted the following corporate governance policies, each of which has been prepared having regard to the ASX Recommendations.

6.5.1 CONTINUOUS DISCLOSURE POLICY

Once listed, the Company will be required to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act. Subject to the exceptions contained in the ASX Listing Rules, the Company will be required to immediately advise the ASX of any information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Shares. The Company has adopted a Continuous Disclosure Policy to take effect from Listing, which reinforces the Company's commitment to its continuous disclosure obligations, and describes the processes in place that enable the Company to provide Shareholders with timely disclosure in accordance with those obligations. Information will be communicated to Shareholders through the lodgement of all relevant financial and other information with the ASX, and copies of the Company's announcements to the ASX will be available on the Company's website.

6.5.2 SHAREHOLDER COMMUNICATION POLICY

The Company aims to keep Shareholders informed of major developments affecting the Company. The Company recognises that potential investors and other interested stakeholders may wish to obtain information about the Company from time to time. To achieve this, the Company will communicate information regularly to Shareholders and other stakeholders through a range of forums and publications, including the Company's website, at the Company's Annual General Meeting and through the Company's Annual Report and ASX announcements.

6. KEY PEOPLE, INTERESTS AND BENEFITS CONTINUED

6.5.3 SECURITIES TRADING POLICY

The Company has adopted a Securities Trading Policy that is intended to explain the types of conduct in relation to dealing in securities that are prohibited by law and establish procedures for the buying and selling of securities to ensure that public confidence is maintained in the reputation of the Company and the Company's Directors, employees and franchisees, and in the trading of the Company's securities.

The Securities Trading Policy provides that Directors, senior management and other employees, franchisees and restaurant managers must not deal in the Company's securities when they are aware of 'inside' information. Directors, certain restricted employees, franchisees and restaurant managers must not deal in the Company's securities during any of the following blackout periods:

- from the close of the ASX trading day on 30 November each year, until 10:00am AEDT on the ASX trading day following the day on which the Company's half yearly results are released to the ASX;
- from the close of the ASX trading day on 31 May each year, until 10:00am AEST on the ASX trading day following the day on which the Company's full year results are released to the ASX;
- from the close of the ASX trading day two weeks prior to the date of the Company's AGM until 10:00am AEST on the ASX trading day following the date of the Company's AGM; and
- any other period that the Board specifies from time to time.

Directors, certain restricted employees, franchisees and restaurant managers must receive prior approval for any proposed dealing in the Company's securities outside of the above blackout periods (including any proposed dealing by one of their connected persons).

6.5.4 CODE OF CONDUCT

GYG is committed to a high level of integrity and ethical standards in all business practices. Accordingly, the Board has adopted a formal Code of Conduct that outlines how it expects its representatives to behave and conduct business in the workplace and this includes legal compliance and guidelines on appropriate ethical standards. The Code of Conduct is designed to provide a benchmark for professional behaviour throughout the Company's business, support its business reputation and corporate image within the community and make the Company's Directors and employees aware of the consequences if they breach this policy.

6.5.5 DIVERSITY POLICY

The Board has approved a Diversity Policy, which sets out the GYG's commitment to an inclusive and diverse workforce. The Company will include in its corporate governance statement each year details of the measurable objectives set under the Diversity Policy of the year to which the corporate governance statement relates, and a summary of the Company's progress towards achieving those measurable objectives.

6.5.6 WHISTLEBLOWER POLICY

GYG is committed to the highest standards of conduct and ethical behaviour in all of its business activities and to promoting and supporting a culture of honest and ethical behaviour, corporate compliance and good corporate governance. The whistleblower policy has been adopted to provide a safe and confidential environment where concerns can be raised by whistleblowers without fear of reprisal or detrimental treatment.

6.5.7 ANTI-BRIBERY AND CORRUPTION POLICY

GYG is committed to complying with all laws of the jurisdictions in which it operates, including those relating to bribery and corruption. The anti-bribery and corruption policy sets out the responsibilities of the Company's personnel, including in their dealings with, and through, third parties. It addresses protection of the Company's personnel in seeking to comply with this policy, dealing with false reports, investigations, consequences for breach, examples of improper conduct, contact with government officials, donations, in-kind gifts and corporate hospitality, political and charitable contributions and sponsorships, facilitation payments and secret commissions.

6.5.8 MODERN SLAVERY POLICY

GYG is committed to implementing and enforcing effective systems and controls to reduce the risk of Modern Slavery taking place in its own business and supply chains. Team members are encouraged to report any concerns or suspicions about Modern Slavery to their manager or HR department.

FLAME GRILLED 100% FREE RANGE CHICKEN

SECTION 7:

DETAILS OF THE OFFER

7. DETAILS OF THE OFFER

7.1 THE OFFER

This Prospectus relates to an initial public offering of new Shares by GYG and the sale of existing Shares by SaleCo. Based on the Offer Price of $22.00, the Company will issue 9.1 million new Shares[98], raising proceeds for the Company of $200.0 million, and SaleCo will sell 6.1 million existing Shares, raising proceeds for the Selling Securityholders of $135.1 million (a portion of which will be paid to GYG in payment of the exercise price of the Sale Options).[99]

These Shares will be available for investors under the Institutional Offer, Broker Firm Offer, Priority Offer, Employee Offer and Franchisee Offer.

Successful Applicants for Shares under the Institutional Offer, Broker Firm Offer, Priority Offer and Employee Offer will pay the Offer Price.

Franchisees participating under the Franchisee Offer will pay a discounted price of 81.8% of the Offer Price, being $18.00 per Share. As consideration for paying a discounted price, Participating Franchisees agree to voluntarily escrow the Shares they acquire under the Franchisee Offer until the end of the Escrow Period. See Section 7.11 and Section 9.7 for more information.

The total number of Shares on issue at Completion will be 101.4 million[99] and all Shares on issue will rank equally with each other. The Shares offered under this Prospectus will represent approximately 15.1% of Shares on issue at Completion.

The Offer is made on the terms, and is subject to the conditions, set out in this Prospectus.

7.1.1 STRUCTURE OF THE OFFER

The Offer comprises:

- the **Institutional Offer**, which consists of an offer to Institutional Investors in Australia and certain other jurisdictions around the world (see Section 7.8); and
- the **Retail Offer**, which consists of the:
  - Broker Firm Offer, which is open to Australian and eligible New Zealand resident retail clients of Brokers who have received a firm allocation of Shares from their Broker (see Section 7.4);
  - Priority Offer, which is open to Eligible GYG Shareholders and select investors in Australia and New Zealand who have received a Priority Offer Invitation (see Section 7.5);
  - Employee Offer, which is open to Eligible Employees of the Company, who are residents in Australia (see Section 7.6); and
  - Franchisee Offer, which is open to Eligible Franchisees, who are residents in Australia and other jurisdictions determined by the Company in its discretion (see Section 7.7).

The allocation of Shares between the Institutional Offer and the Retail Offer, and to participants within the Institutional Offer and Brokers within the Broker Firm Offer, will be determined by the Company in agreement with the Joint Lead Managers, having regard to the allocation policies outlined in Section 7.4.4, 7.5.4, 7.6.4, 7.7.4 and 7.8.2.

The Offer is underwritten by the Joint Lead Managers. A summary of the Underwriting Agreement, including the events which would entitle the Joint Lead Managers to terminate the Underwriting Agreement, is set out in Section 9.6.

There is no general public offer. Members of the public wishing to apply for Shares under the Offer must do so through a Broker with a firm allocation of Shares under the Broker Firm Offer.

98. Assumes the maximum of 277,778 Shares are issued under the Franchisee Offer. The Franchisee Offer has a discounted Offer Price of $18.00 per Share.
99. See Section 9.4.

7. DETAILS OF THE OFFER CONTINUED

7.1.2 PURPOSE OF THE OFFER AND USE OF PROCEEDS

GYG intends to utilise the proceeds of the Offer (after payment of transaction costs) to fund new restaurant openings over the coming years, with proceeds to be applied primarily to the significant expansion of the Australian corporate restaurant network, together with further disciplined investment in the US. In FY25F, the company expects to invest approximately $35.2 million in the Australian corporate restaurant network and approximately $13.9 million in the US network. The Company's other growth strategies outlined in Section 3.7 will be predominantly funded from operating cash flows.

The proceeds of the offer will also provide GYG with significant flexibility to take advantage of opportunities to accelerate its network expansion strategy over the coming years, for example a further expansion of the US restaurant network if restaurant economics meet return objectives.

As outlined in Section 4.11, it is currently anticipated that from FY26 onwards GYG will return a majority of its statutory NPAT to shareholders in the form of regular dividends, allowing the company to return franking credits to shareholders in a timely manner. The Board does not currently intend to declare a dividend in FY24F, nor does it currently intend to declare an interim dividend in FY25F. Following the completion of FY25F, the Board will consider the payment of a final dividend and associated franking credits with respect to FY25F.

In determining the primary raise offer size, the Board and Management of GYG have considered:

- the desirability of raising a level of capital that would assist in future investment in the Company's growth strategy in an efficient manner (including by allowing the Company in future years to release franking credits through dividends where financial performance allows); and
- that this raising size would help facilitate an orderly and liquid market in GYG shares by creating a large enough Offer size that would assist in generating significant free float as well as giving the Company the ability to attract global and domestic institutional investors.

The proceeds of the Offer received by the Company will be applied as described in Figure 97. The proceeds of the Offer received by SaleCo in respect of the sale of Shares by it will be paid to SaleCo and paid by SaleCo to the Selling Securityholders and, where applicable, to GYG to fund the exercise price for the Sale Options on behalf of the relevant Selling Securityholders.

Figure 97: Sources and uses of funds from the Offer

Sources of funds	$m	Uses of funds	$m
The Company			
Cash proceeds received from the issue of new Shares by the Company	$200.0	FY25F restaurant network expansion	$49.1
		Post-FY25F restaurant network expansion and general corporate purposes	$130.9
		Payment of costs of the Offer	$20.0
SaleCo			
Cash proceeds received from the sale of Shares by SaleCo	$135.1	Payment to Selling Securityholders	$133.2
		Payment to GYG to fund the exercise price of the Sale Options	$1.9
Total sources	**$335.1**	**Total uses**	**$335.1**

The above tables and descriptions are a statement of current intentions as at the date of this Prospectus. Investors should note that, as with any budget, the allocation of funds set out in the above tables may change depending on a number of factors, including the outcome of operational activities, regulatory developments, the market, and general and specific economic conditions. In light of this, the Board reserves its right to alter the way the funds are applied.

7.1.3 Securityholding structure

The Company's ownership structure on the Original Prospectus Date and, as expected, immediately following Completion is set out below:

Figure 98: Securityholding structure

Securityholder	As at Original Prospectus Date			On Completion		
	Shares	Options	%[1]	Shares	Options	%[1]
TDM	33,052,250	52,500[2]	33.0%	28,622,070[2]	42,000[2]	26.2%
Steven Marks	8,814,000	2,477,750	11.2%	8,814,000	2,074,000	9.9%
Barrenjoey Private Capital[3]	10,499,750	–	10.5%	10,499,750	–	9.6%
Guy Russo	6,440,250	91,750	6.5%	6,076,500	91,750	5.6%
Aware Super[4]	6,152,250	–	6.1%	7,061,341 to 7,970,432	–	6.4% to 7.3%
Other existing Shareholders and Optionholders[4]	26,600,500	6,270,750	32.7%	31,734,453 to 34,599,453	6,022,000	34.5% to 37.1%
New investors[4]	–	–	–	4,781,209 to 8,555,300	–	4.4% to 7.8%
Total	**91,559,000**	**8,892,750**	**100%**	**101,363,414**	**8,229,750**	**100%**

Notes:

1. Shareholding as a % of issued capital on a fully diluted basis. Assumes the maximum of 277,778 Shares are issued under the Franchisee Offer.
2. Tom Cowan holds 52,500 Options on trust for TDM, who is the beneficial owner of the Options. TDM's holding on Completion factors in Tom's intention to exercise 10,500 Options upon vesting on 30 June 2024.
3. See Section 6.3.5.2 for more information regarding Barrenjoey Private Capital's shareholding in the Company.
4. Shareholding on Completion is expressed as a range because the number of Shares to be acquired by Cornerstone Investors may be subject to the scale back process described in Section 7.8.

At Completion of the Offer, approximately 54.0% of the Shares will be subject to voluntary escrow arrangements (excluding any Shares issued under the Franchisee Offer). Assuming the Franchisee Offer is fully subscribed, approximately 54.3% of the Shares on Completion will be subject to voluntary escrow arrangements. See Section 9.7 for further information.

7.1.4 CONTROL IMPLICATIONS OF THE OFFER

The Directors do not expect any Shareholder will control (as defined by section 50AA of the Corporations Act) the Company after Completion.

7.1.5 POTENTIAL EFFECT OF THE FUNDRAISING ON THE FUTURE OF THE COMPANY

The Directors believe that on Completion, the Company will have sufficient working capital available from the proceeds of the Offer and the Pre-IPO Capital Raise and its operations to fulfil the purposes of the Offer during the forecast periods and to meet the Company's stated business objectives.

7. DETAILS OF THE OFFER CONTINUED

7.2 DESCRIPTION OF THE SYNDICATE

Barrenjoey Markets Pty Limited and Morgan Stanley Australia Securities Limited are the Joint Lead Managers to the Offer.

One or more co-managers to the Offer may be appointed.

In connection with the Offer, one or more investors may elect to acquire an economic interest in the Shares, instead of subscribing for or acquiring the legal or beneficial interest in those shares. Any Joint Lead Manager (or its affiliates) may, for its own account, write derivative transactions with those investors relating to the Shares to provide the economic interest, or otherwise acquire shares in GYG in connection with the writing of such derivative transactions in the Offer and/or the secondary market. As a result of such transactions, any Joint Lead Manager (or its affiliates) may be allocated, subscribe for or acquire Shares (or other shares of GYG) in the Offer and/or the secondary market, including to hedge those derivative transactions, as well as hold long or short positions in such shares. These transactions may, together with other shares in GYG acquired by a Joint Lead Manager or its affiliates in connection with its ordinary course sales and trading, principal investing and other activities, result in the Joint Lead Manager or its affiliates disclosing a substantial holding (or a change to a substantial holding) and earning fees.

The Joint Lead Managers and their respective affiliates are full service financial institutions engaged in various activities, which may include trading, financial advisory, investment management, investment research, principal investment, hedging, market making, margin financing, brokerage and other financial and non-financial activities and services including for which they have received or may receive customary fees and expenses or other transaction consideration. The Joint Lead Managers or their affiliates may, from time to time in the future, perform other corporate advisory and financial advisory services for GYG, its shareholders or their respective affiliates. Further, in the ordinary course of their trading, brokerage and financing activities, the Joint Lead Managers and their affiliates may act as a market maker or buy or sell securities issued by GYG or associated derivatives as principal or agent. Customary fees and commissions are expected to be paid for any such services in the future.

7.3 TERMS AND CONDITIONS OF THE OFFER

Figure 99: Terms and conditions of the Offer

What is the type of security being offered?	Shares (being fully paid ordinary shares in the Company).
What are the rights and liabilities attached to the securities?	A description of the Shares, including the rights and liabilities attaching to them, is set out in Section 7.15.
What is the consideration payable for the Shares?	The Offer Price is $22.00 per Share. Successful Applicants under the Institutional Offer, Broker Firm Offer, Priority Offer and Employee Offer will pay the Offer Price. Franchisees participating in the Franchisee Offer will pay a discounted price of 81.8% of the Offer Price, being $18.00 per Share.

What is the Offer period?	The key dates, including details of the Offer period relating to each component of the Offer (except for the Institutional Offer), are set in the "Important Dates" section of the Prospectus. The Joint Lead Managers will separately advise participants in the Institutional Offer of the key dates of that component of the Offer. No securities will be issued on the basis of this Prospectus later than the expiry date of 13 months after the Original Prospectus Date. The timetable is indicative only and may change. Unless otherwise indicated, all times are stated in Sydney, Australia time. The Company and SaleCo, in consultation with the Joint Lead Managers, reserve the right to amend any and all of these dates without notice (including, subject to the ASX Listing Rules and the Corporations Act, to close the Offer early, to extend the Closing Date, to accept late Applications (either generally or in particular cases) or to cancel the Offer before Shares are issued by the Company or transferred by SaleCo). If the Offer is cancelled before the issue and transfer of Shares, then all Application Monies will be refunded in full (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.
What are the cash proceeds to be raised?	The Offer is expected to raise $335.1 million in cash. Refer to Figure 97 for detail.
Is the Offer underwritten?	Yes, the Joint Lead Managers have fully underwritten the Offer pursuant to the Underwriting Agreement. Details are provided in Section 9.6.
Who are the Joint Lead Managers for the Offer?	Barrenjoey Markets Pty Limited and Morgan Stanley Australia Securities Limited.
What is the minimum and maximum application size under the Offer?	**INSTITUTIONAL OFFER** There is no minimum or maximum application size under the Institutional Offer. **BROKER FIRM OFFER** The minimum application under the Broker Firm Offer is as directed by the Applicant's Broker and there is no maximum value of Shares that may be applied for under the Broker Firm Offer. The Joint Lead Managers, the Company and SaleCo reserve the right to treat any applications in the Broker Firm Offer that are from persons who they believe may be Institutional Investors as bids in the Institutional Offer or to reject the application(s). The Joint Lead Managers, the Company and SaleCo also reserve the right to aggregate any applications that they believe may be multiple applications from the same person. **PRIORITY OFFER** Applications under the Priority Offer must be for a minimum of $2,200 worth of Shares. There is no maximum application size under the Priority Offer. **EMPLOYEE OFFER** Applications under the Employee Offer must be for a minimum of $2,200 worth of Shares and a maximum of $22,000 worth of Shares. **FRANCHISEE OFFER** Applications under the Franchisee Offer must be for a minimum of $2,070 worth of Shares and a maximum of $252,000 worth of Shares.

7. DETAILS OF THE OFFER CONTINUED

What is the allocation policy?	The allocation of Shares between the Institutional Offer and the Retail Offer will be determined by the Company in agreement with the Joint Lead Managers, having regard to the allocation policies outlined in Sections 7.4.4, 7.5.4, 7.6.4, 7.7.4 and 7.8.2. For Broker Firm Offer participants, it will be a matter for Brokers to determine how they allocate Shares among their eligible retail clients, and it (and not the Company, SaleCo or the Joint Lead Managers) will be responsible for ensuring that retail clients who have received an allocation from it receive the relevant Shares. The allocation of Shares under the Priority Offer will be determined by the Company and made with regard to the shareholdings of Eligible GYG Shareholders as at the date of determining eligibility. Each eligible Applicant under the Priority Offer will be guaranteed a minimum allocation of $2,200 (subject to rounding) and in the case of Eligible GYG Shareholders, such numbers of Shares as will allow them to retain their level of Shareholding as at the determination date of their eligibility ("**Pro Rata Amount**"). The allocation of Shares under the Employee Offer will be determined by the Company. Each eligible Applicant under the Employee Offer will be guaranteed a minimum allocation of $2,200 (subject to rounding). The allocation of Shares under the Franchisee Offer will be determined by the Company, provided that the allocations pursuant to the Franchisee Offer (in aggregate) do not exceed $5.0 million. Each eligible Applicant under the Franchisee Offer will be guaranteed a minimum allocation of $2,070 (subject to rounding). The Company, in agreement with the Joint Lead Managers, has absolute discretion regarding the allocation of Shares to Applicants under the Offer, and may reject an application or bid, or allocate fewer Shares than the number or the equivalent dollar amount than applied or bid for. The Company and the Joint Lead Managers have absolute discretion regarding the level of scale-back and the allocation of Shares under the Offer (if any).
When will I receive confirmation that my application has been successful?	It is expected that initial holding statements will be dispatched by standard post, or made electronically available via email, on or about Tuesday, 25 June 2024. Refunds to Applicants who make an application and are scaled back will be made as soon as possible after Settlement of the Offer, which is expected to occur on or about Friday, 21 June 2024. No refunds will be made where the overpayments relate solely to rounding.
Will the Shares be quoted on the ASX?	The Company will apply for admission to the Official List of the ASX and quotation of Shares on the ASX under the code "GYG". If approval for quotation is not given within three months after such Application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable, in accordance with the requirements of the Corporations Act. The Company will be required to comply with the ASX Listing Rules, subject to any waivers obtained by the Company from time to time. The ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that the ASX may admit the Company to the Official List is not to be taken as an indication of the merits of GYG or the Shares offered for subscription.

When are the Shares expected to commence trading?	It is expected that trading of the Shares on the ASX will commence on Thursday, 20 June 2024, initially on a conditional and deferred settlement basis. Trades occurring on the ASX before Settlement will be conditional on the issue and transfer of Shares, and on Settlement occurring. Conditional trading will continue until the Company has advised the ASX that: • Settlement has occurred; and • the Company has issued Shares, and SaleCo has transferred Shares, to successful Applicants under the Offer, which is expected to be on or about Monday, 24 June 2024. Normal settlement trading is expected to commence on or about Tuesday, 25 June 2024. Dispatch of holding statements is expected on or about Tuesday, 25 June 2024. If the above conditions have not been satisfied within 14 days (or such longer period as ASX allows) after the day Shares are first quoted on the ASX, the Offer and all contracts arising on acceptance of the Offer and confirmations of allocations will be cancelled and of no further effect and all Application Monies will be refunded (without interest). In these circumstances, all purchases and sales made through ASX participating organisations during the conditional trading period will be cancelled and of no effect. **It is the responsibility of each Applicant to confirm their holding before trading in Shares. Applicants who sell Shares before they receive an initial statement of holding do so at their own risk.** The Company, SaleCo, the Share Registry and the Joint Lead Managers disclaim all liability, whether in negligence or otherwise, to persons who sell Shares before receiving their initial statement of holding, even if such person received confirmation of allocation from the GYG IPO Information Line, a Broker or otherwise.
Are there any escrow arrangements?	Yes. Details of the voluntary escrow arrangements are provided in Section 9.7.
Has any ASIC relief or have any ASX waivers been sought, obtained or relied on?	Yes. Details are provided in Section 9.9.
Are there any tax or stamp duty considerations?	Refer to Section 9.12 and note that it is recommended that all Shareholders consult their own independent tax advisers regarding the income tax (including capital gains tax), stamp duty and GST consequences of acquiring, owning and disposing of Shares, having regard to their specific circumstances.

7. DETAILS OF THE OFFER CONTINUED

Are there any brokerage or commission or stamp duty considerations?	No brokerage or commission is payable by Applicants on acquisition of Shares under the Offer. See Section 9.6.1 for details of various fees payable by the Company to the Joint Lead Managers, and by the Joint Lead Managers to certain Brokers.
What should I do with any enquiries?	Enquiries in relation to this Prospectus may be directed to the GYG IPO Information Line on 1300 441 602 (within Australia) or +61 2 9934 0529 (outside Australia) from 8.30am until 7:00pm (Sydney time) Monday to Friday, excluding national public holidays. Enquiries in relation to the Broker Firm Offer should be directed to your Broker. If you are unclear in relation to any matter or are uncertain as to whether the Company is a suitable investment for you, you should seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest.

7.4 BROKER FIRM OFFER

7.4.1 WHO MAY APPLY

The Broker Firm Offer is open to Australian and New Zealand resident retail clients of Brokers who received a firm allocation of Shares from their Broker and who have a registered address in Australia or New Zealand and are not located in the United States. The Broker Firm Offer is only extended in New Zealand to people who meet the criteria set out in Section 9.13.

If you have received an invitation to participate from your Broker, you will be treated as eligible to become a Broker Firm Offer Applicant under the Broker Firm Offer. You should contact your Broker to determine whether you can receive an allocation of Shares under the Broker Firm Offer.

7.4.2 HOW TO APPLY

If you have received an invitation to participate or allocation of Shares from your Broker and wish to apply for those Shares under the Broker Firm Offer, you should contact your Broker for information about how to submit your Broker Firm Offer Application Form and for payment instructions. Applicants under the Broker Firm Offer must not send their Application Forms or payment to the Share Registry.

Applicants under the Broker Firm Offer should contact their Broker to request a copy of the Prospectus and Application Form, or download a copy at www.gyg.automicgroup.com.au. Your Broker will act as your agent and it is your Broker's responsibility to ensure that your Application Form and Application Monies are received before 5.00pm on the Closing Date or any earlier closing date as determined by your Broker.

Broker clients should complete and lodge their Application Form with the Broker from whom they received their invitation to acquire Shares under this Prospectus. Application Forms must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the reverse of the Application Form.

By making an Application, you declare that you were given access to the Prospectus, together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

Applicants under the Broker Firm Offer should contact their Broker about the minimum Application size. The Company, SaleCo and the Joint Lead Managers reserve the right to aggregate any Applications that they believe may be multiple Applications from the same person. The Company and SaleCo may determine a person to be eligible to participate in the Broker Firm Offer and may amend or waive the Broker Firm Offer Application procedures or requirements, in their discretion in compliance with applicable laws.

The Company, SaleCo, the Joint Lead Managers and the Share Registry take no responsibility for any acts or omissions committed by your Broker in connection with your Application.

The Broker Firm Offer opens at 9:00am on the Opening Date and is expected to close at 5:00pm on the Closing Date.

The Company, SaleCo and the Joint Lead Managers may elect to close the Offer or any part of it early, extend the Offer or any part of it, or accept late Applications either generally or in particular cases. The Offer or any part of it may be closed at any earlier time and date, without further notice. Your Broker may also impose an earlier closing date. Applicants are therefore encouraged to submit their Applications as early as possible. Please contact your Broker for instructions.

7.4.3 HOW TO PAY

Applicants under the Broker Firm Offer must pay their Application Monies to their Broker in accordance with instructions provided by that Broker.

7.4.4 ALLOCATION POLICY UNDER THE BROKER FIRM OFFER

The allocation of Shares to Brokers will be determined by the Company in agreement with the Joint Lead Managers. Shares that are allocated to Brokers for allocation to their clients will be issued or transferred to the Applicants nominated by those Brokers (subject to the right of the Company and the Joint Lead Managers to reject, aggregate or scale back Applications). It will be a matter for each Broker as to how they allocate Shares among their retail clients, and they (and not the Company or the Joint Lead Managers) will be responsible for ensuring that retail clients who have received an allocation from them receive the relevant Shares.

The Company expects to announce the final allocation policy under the Broker Firm Offer on or about Completion. Applicants in the Broker Firm Offer will be able to call the GYG IPO Information Line on 1300 441 602 (within Australia) or +61 2 9934 0529 (outside Australia) from 8:30am to 7:00pm to confirm their allocation after the Settlement Date. Prior to that date, participants under the Broker Firm Offer must consult with their Broker.

Applicants under the Broker Firm Offer, including those outside Australia, will be able to confirm their allocation through the Broker from whom they received their allocation.

However, if you sell Shares before receiving a holding statement, you do so at your own risk, even if you obtained details of your holding from the GYG IPO Information Line or confirmed your allocation through a Broker.

7.5 PRIORITY OFFER

7.5.1 WHO MAY APPLY

The Priority Offer is open to Eligible GYG Shareholders and select investors in Australia and New Zealand who have received an invitation from the Company to participate in the Offer. If you are a Priority Offer Applicant, you should have received a personalised Priority Offer Invitation to apply for Shares under the Priority Offer.

Where the Priority Offer is extended to New Zealand, it is only to people who meet the criteria set out in Section 9.13.

7.5.2 HOW TO APPLY

If you have received a personalised Priority Offer Invitation and wish to apply for Shares, you should follow the instructions on your personalised Priority Offer Invitation.

Priority Offer Applicants may apply for Shares online and must comply with the instructions provided in their personalised Priority Offer invitation and on the Offer Website.

By making an Application, you declare that you were given access to this Prospectus (or any supplementary or replacement prospectus), together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is included in, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

7. DETAILS OF THE OFFER CONTINUED

Applications under the Priority Offer must be for a minimum of $2,200 worth of Shares. There is no maximum application size under the Priority Offer.

The Company and the Joint Lead Managers reserve the right to reject or scale back any Applications under the Priority Offer in their absolute discretion. Allocations to Eligible GYG Shareholders applying under the Priority Offer will be made with regard to individual shareholdings as at the date of determining eligibility to participate in the Priority Offer. Any amount applied for in excess of the amount allocated to you, will be refunded in full (without interest).

The Company, SaleCo and the Joint Lead Managers may determine a person to be eligible to participate in the Priority Offer and may amend or waive the Priority Offer application procedures or requirements, in their discretion in compliance with applicable laws.

The Priority Offer opens at 9:00am on the Opening Date and is expected to close at 5:00pm on the Closing Date.

The Company, SaleCo and the Joint Lead Managers may elect to close the Offer or any part of it early, extend the Offer or any part of it, or accept late Applications. The Offer may be closed at any earlier date and time, without further notice. Applicants are therefore encouraged to submit their Applications as early as possible.

If the amount of your payment for Application Monies (or the amount for which those payments clear in time for allocation) is insufficient to pay for the amount you have applied for in your Application Form, you may be taken to have applied for such lower amount as your cleared Application Monies will pay for (and to have specified that amount in your Application Form) or your Application may be rejected.

If you are a Priority Offer Applicant, go to www.gyg.automicgroup.com.au and complete an online Application Form.

7.5.3 HOW TO PAY

Payment may be made via BPAY® or by electronic funds transfer (**EFT**) by following the instructions on the online Application Form. It is the responsibility of the Applicant to ensure payments are received by the Share Registry by 5:00pm on the Closing Date. You should be aware that your financial institution may impose a daily limit on the amount that you can transact and policies with respect to timing for processing BPAY® or EFT transactions may vary between financial institutions. You should therefore take this into consideration when making payment.

7.5.4 ALLOCATION POLICY UNDER THE PRIORITY OFFER

The allocation of Shares under the Priority Offer will be determined by the Company. Allocations to Eligible GYG Shareholders will be made with regard to individual shareholdings as at the date of determining eligibility to participate in the Priority Offer. Each eligible Applicant under the Priority Offer will be guaranteed a minimum allocation of $2,200 (subject to rounding) or, in the case of Eligible GYG Shares, their Pro Rata Amount.

7.6 EMPLOYEE OFFER

7.6.1 WHO MAY APPLY

The Employee Offer is open to Eligible Employees of the Company, resident in Australia. If you are an Employee Offer Applicant, you should have received a personalised invitation to apply for Shares under the Employee Offer.

7.6.2 HOW TO APPLY

If you have received a personalised Employee Offer Invitation and wish to apply for Shares, you should follow the instructions on your personalised Employee Offer Invitation.

Eligible Employees may apply for Shares online and must comply with the instructions provided in their personalised Employee Offer invitation and on the Offer Website.

By making an Application, you declare that you were given access to this Prospectus (or any supplementary or replacement prospectus), together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is included in, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

Applications under the Employee Offer must be for a minimum of $2,200 worth of Shares and a maximum of $22,000 worth of Shares.

The Company and the Joint Lead Managers reserve the right to reject or scale back any Applications under the Employee Offer in their absolute discretion. Any amount applied for in excess of the amount allocated to you, will be refunded in full (without interest).

The Employee Offer opens at 9:00am on the Opening Date and is expected to close at 5:00pm on the Closing Date.

The Company, SaleCo and the Joint Lead Managers may elect to close the Offer or any part of it early, extend the Offer or any part of it, or accept late Applications. The Offer may be closed at any earlier date and time, without further notice. Applicants are therefore encouraged to submit their Applications as early as possible.

If the amount of your payment for Application Monies (or the amount for which those payments clear in time for allocation) is insufficient to pay for the amount you have applied for in your Application Form, you may be taken to have applied for such lower amount as your cleared Application Monies will pay for (and to have specified that amount in your Application Form) or your Application may be rejected.

If you are an Employee Offer Applicant, go to www.gyg.automicgroup.com.au and complete an online Application Form.

7.6.3 HOW TO PAY

Payment may be made via BPAY® or EFT only by following the instructions on the online Application Form. It is the responsibility of the Applicant to ensure payments are received by the Share Registry by 5:00pm on the Closing Date. You should be aware that your financial institution may impose a daily limit on the amount that you can transact and policies with respect to timing for processing BPAY® or EFT transactions may vary between financial institutions. You should therefore take this into consideration when making payment.

7.6.4 ALLOCATION POLICY UNDER THE EMPLOYEE OFFER

The allocation of Shares under the Employee Offer will be determined by the Company. Each eligible Applicant under the Employee Offer will be guaranteed a minimum allocation of $2,200 (subject to rounding).

7.7 FRANCHISEE OFFER

7.7.1 WHO MAY APPLY

The Franchisee Offer is open to Eligible Franchisees in Australia and other jurisdictions determined by the Company in its discretion who have received a Franchisee Offer invitation to participate. If you are a Franchisee Offer Applicant, you should have received a personalised invitation to apply for Shares under the Franchisee Offer.

You will be able to participate in the Franchisee Offer at a price per Share of $18.00, which is a discount of approximately 18.2% to the Offer Price payable by all other Applicants.

As consideration for subscribing for Shares at the discounted price, if you choose to participate in the Franchisee Offer, you must agree to voluntarily escrow your Shares until the end of the Escrow Period. A copy of the Escrow Deed will be made available to when you access your personalized Franchisee Offer invitation on www.gyg.automicgroup.com.au and you will not be able to subscribe for Shares without signing an Escrow Deed. See Section 9.7 for more information. It is a condition of participating in the Franchisee Offer that you sign an Escrow Deed.

7.7.2 HOW TO APPLY

Eligible Franchisees may apply for Shares online and must comply with the instructions provided in their personalised Franchisee Offer invitation and on the Offer Website. This will include agreeing to the Escrow Deed with respect to any Shares you subscribe for as part of the Franchisee Offer.

Applications must be received on or before the Closing Date.

Applications under the Franchisee Offer must be for a minimum of $2,070 worth of Shares and a maximum of $252,000 worth of Shares under the Franchisee Offer.

7.7.3 HOW TO PAY

Payment may be made via BPAY® or EFT for Franchisee Offer Applicants. Application Monies must be received by the Share Registry by 5.00pm on the Closing Date. To make a payment, Franchisee Offer Applicants must apply online at www.gyg.automicgroup.com.au and must comply with the instructions provided in their personalised Franchisee Offer invitation and on the website. It is your responsibility to ensure that your BPAY® payment or EFT payment is received by the Share Registry by no later than 5.00pm on the Closing Date. You should be aware that your financial institution may impose a limit on the amount that you can transact via BPAY® or EFT, and policies with respect to timing for processing BPAY® or EFT transactions may vary between financial institutions. You should therefore take this into consideration when making payment.

7.7.4 ALLOCATION POLICY UNDER THE FRANCHISEE OFFER

Each eligible Applicant under the Franchisee Offer will be guaranteed a minimum allocation of $2,070 (subject to rounding). Each Eligible Franchisee may receive their full application, provided that the allocations pursuant to the Franchisee Offer (in aggregate) do not exceed $5.0 million. In the event that total Applications are in excess of the aggregated $5.0 million, Applications under the Franchisee Offer will be subject to a scaled back number of Shares at the absolute discretion of the Company. The Company has absolute discretion regarding the allocation of Shares to Applicants in the Franchisee Offer and may reject an Application, or allocate fewer Shares than the number or the equivalent dollar amount applied for.

Invitations to apply under the Franchisee Offer will be made at the absolute discretion of the Company.

7.8 INSTITUTIONAL OFFER

7.8.1 INVITATIONS TO BID

Under the Institutional Offer, Institutional Investors in Australia, New Zealand and certain other eligible jurisdictions outside the United States were invited to bid for an allocation of Shares under this Prospectus.

Prior to the date of this Prospectus, a cornerstone process was undertaken under which the Cornerstone Investors have committed to the Joint Lead Managers to acquire Shares at the Offer Price under this Prospectus through the Institutional Offer. The final allocations to the Cornerstone Investors may be subject to scale back based on demand received from other Institutional Investors in the scale back bookbuild to be held prior to the commencement of trading on the ASX as well as the level of demand received under the Broker Firm Offer, Priority Offer, Employee Offer and Franchisee Offer (subject to minimum allocations for the Cornerstone Investors).

7.8.2 ALLOCATION POLICY UNDER THE INSTITUTIONAL OFFER

The allocation of Shares among Applications in the Institutional Offer will be determined by the Company in agreement with the Joint Lead Managers. The Company, in agreement with the Joint Lead Managers, will have absolute discretion regarding the basis of allocation of Shares among the Cornerstone Investors and Institutional Investors.

Participants in the Institutional Offer will be advised of their allocation of Shares, if any, by the Joint Lead Managers. The allocation policy will be influenced by the following factors:

- number of Shares bid for by particular Applicants;
- the timeliness of the bid by particular Applicants;
- the Company's desire for an informed and active trading market following Completion;
- the Company's desire to establish a wide spread of institutional Shareholders;
- overall level of demand under the Retail Offer and the Institutional Offer;
- the size and type of funds under management of particular Applicants;
- the likelihood that particular Applicants will be long-term Shareholders; and
- any other factors that the Company, SaleCo and the Joint Lead Managers considered appropriate.

The Joint Lead Managers and the Company have reserved the right to reallocate a portion of Shares allocated to the Cornerstone Investors for allocation to other Institutional Investors and under the Broker Firm Offer, and to applications made under the Priority Offer, Employee Offer and Franchisee Offer. Reallocations may be made in the Joint Lead Managers and the Company's complete discretion, including having regard to one or more of the factors described above. The Cornerstone Investors will be advised of any reallocations made by the Joint Lead Managers, the Company and SaleCo prior to Settlement.

7.9 ACKNOWLEDGEMENTS

Each Applicant under the Offer will be deemed to have:

- agreed to become a member of the Company and to be bound by the terms of the Constitution and the terms and conditions of the Offer;
- acknowledged having personally received a complete and unaltered printed or electronic copy of this Prospectus (and any supplementary or replacement prospectus) including or accompanied by the Application Form and having read them all in full;
- declared that all details and statements in their Application Form are complete and accurate;
- declared that the Applicant(s), if a natural person, is/are over 18 years of age;
- acknowledged that, once the Company, the Share Registry or a Broker receives an Application Form, it may not be withdrawn;
- applied for the number of Shares at the Australian dollar amount shown on the front of the Application Form;
- agreed to being allocated and issued or transferred the number of Shares applied for (or a lower number allocated in a way described in this Prospectus), or no Shares at all;
- authorised the Company, SaleCo, the Joint Lead Managers and their respective officers or agents, to do anything on behalf of the Applicant(s) necessary for Shares to be allocated to the Applicant(s), including to act on instructions received by the Share Registry upon using the contact details in the Application Form;
- acknowledged that, in some circumstances, the Company may not pay dividends, or that any dividends paid may not be franked;

- acknowledged that the information contained in this Prospectus (or any supplementary or replacement prospectus) is not financial product advice or a recommendation that Shares are suitable for the Applicant(s), and does not take into account the personal circumstances, investment objectives, financial situation and particular needs (including financial and taxation issues) of the Applicant(s);
- declared that the Applicant(s) is/are a resident of Australia (except as applicable to the Institutional Offer or to a component of the Offer where New Zealand residents are eligible to apply) and is/are not in the United States;
- acknowledged and agreed that the Offer may be withdrawn by the Company or may otherwise not proceed in the circumstances described in this Prospectus; and
- acknowledged and agreed that if listing does not occur for any reason, the Offer will not proceed.

Each Applicant in the Retail Offer, and each person to whom the Institutional Offer has been made under this Prospectus, will be taken to have represented, warranted and agreed as follows:

- it understands that the Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold or resold in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States;
- it is not in the United States, and it is purchasing the Shares in an "offshore transaction" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act;
- it has not sent and will not send this Prospectus or any other material relating to the Offer to any person in the United States; and
- it will not offer or sell the Shares in the United States or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, registration requirements of the U.S. Securities Act and in compliance with all applicable laws in the jurisdiction in which Shares are offered and sold.

7.10 UNDERWRITING AGREEMENT

The Offer is underwritten pursuant to an Underwriting Agreement under which the Joint Lead Managers have been appointed to arrange and manage and act as joint lead managers, joint bookrunners and joint underwriters of the Offer. The Joint Lead Managers agree, subject to certain conditions and termination events, to underwrite severally Applications for all Shares under the Offer in their respective proportions.

The Underwriting Agreement is subject to a number of conditions precedent and sets out a number of circumstances under which the Joint Lead Managers may terminate the Underwriting Agreement and their underwriting obligations. A summary of certain terms of the agreement and underwriting arrangements, including the conditions precedent and termination provisions, is provided in Section 9.6.

7.11 VOLUNTARY ESCROW ARRANGEMENTS

Upon Completion of the Offer, certain Existing Shareholders and Optionholders will be subject to voluntary escrow arrangements.

In addition, participants in the Franchisee Offer agree to voluntarily escrow any Shares they acquire under the Franchisee Offer.

The Escrowed Shareholders and Optionholders have entered into or, in the case of Participating Franchisees, will enter into, voluntary escrow arrangements which prevent them from disposing of their Escrowed Shares during the Escrow Period (subject to relevant exceptions).

See Section 9.7 for a summary of the terms of the escrow arrangements and the limited exceptions that permit dealing in the Escrowed Shares during the Escrow Period.

7.12 RESTRICTIONS ON DISTRIBUTION

No action has been taken to register or qualify this Prospectus, the Shares or the Offer or otherwise to permit a public offering of the Shares in any jurisdiction outside Australia.

This Prospectus does not constitute an offer or invitation to apply for Shares in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation or issue under this Prospectus. This Prospectus may not be released or distributed in the United States, and may only be distributed to persons to whom the Offer may lawfully be made in accordance with the laws of any applicable jurisdiction.

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act laws and any other applicable securities laws.

For more information on the other selling restrictions which apply to the Offer, refer to Section 9.13.

7.13 DISCRETION REGARDING THE OFFER

The Company and SaleCo may withdraw the Offer at any time before the issue or transfer of Shares to successful Applicants. If the Offer, or any part of it, does not proceed, all relevant Application Monies will be refunded (without interest).

The Company, SaleCo and the Joint Lead Managers also reserve the right to, subject to the Corporations Act, close the Offer or any part of it early, extend the Offer or any part of it, accept late Applications or bids either generally or in particular cases, reject any Application, or allocate to any Applicant fewer Shares than the number, or equivalent dollar amount, applied for.

7.14 ASX LISTING, REGISTERS AND HOLDINGS STATEMENTS, AND CONDITIONAL AND DEFERRED SETTLEMENT TRADING

7.14.1 APPLICATION TO ASX FOR LISTING OF THE COMPANY AND QUOTATION OF SHARES

The Company has applied to the ASX for admission to the Official List and quotation of Shares on ASX (which is expected to be under the code “GYG”).

ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that ASX may admit the Company to the Official List is not to be taken as an indication of the merits of the Company or the Shares offered under this Prospectus.

If permission is not granted for the official quotation of the Shares on ASX within three months after such application is made (or any later date permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.

Subject to certain conditions (including any waivers obtained by the Company from time to time), the Company will be required to comply with the ASX Listing Rules.

7.14.2 CHESS AND ISSUER SPONSORED HOLDINGS

The Company will apply to participate in ASX’s Clearing House Electronic Subregister System (CHESS) and will comply with the ASX Listing Rules and the ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on ASX under which transfers are effected in an electronic form.

When the Shares become approved financial products (as defined in the ASX Settlement Operating Rules), holdings will be registered in one of two subregisters, being an electronic CHESS subregister or an issuer sponsored subregister. For all successful Applicants, the Shares of a Shareholder who is a participant in CHESS or a Shareholder sponsored by a participant in CHESS will be registered on the CHESS subregister. All other Shares will be registered on the issuer sponsored subregister.

Following Completion, Shareholders will be sent a holding statement that sets out the number of Shares that have been allocated to them. This statement will also provide details of a Shareholder's Holder Identification Number (**HIN**) for CHESS holders or, where applicable, the Securityholder Reference Number (**SRN**) of issuer sponsored holders. Shareholders will subsequently receive statements showing any changes to their holding. Share certificates will not be issued.

Shareholders will receive subsequent statements during the first week of the following month if there has been a change to their holding on the register and as otherwise required under the ASX Listing Rules and the Corporations Act. Additional statements may be requested at any other time either directly through the Shareholder's sponsoring broker in the case of a holding on the CHESS subregister or through the Share Registry in the case of a holding on the issuer sponsored subregister. The Company and the Share Registry may charge a fee for these additional issuer sponsored statements.

7.14.3 CONDITIONAL AND DEFERRED SETTLEMENT TRADING AND SELLING SHARES ON-MARKET

It is expected that trading of the Shares will commence on ASX on or about Thursday, 20 June 2024, initially on a conditional and deferred settlement basis.

The contracts formed on acceptance of Applications will be conditional on Settlement occurring and the Company issuing Shares and SaleCo transferring Shares to successful applicants under the Offer. Trades occurring on the ASX before Settlement will be conditional on Settlement occurring.

If the Offer is withdrawn after Shares have commenced trading on a conditional and deferred settlement basis, all contracts for the sale of the Shares on ASX would be cancelled and any Application Monies received would be refunded as soon as possible (without interest).

Conditional and deferred settlement trading will continue until the Company has advised ASX that the relevant conditions have been met, which is expected to be on or about Monday, 24 June 2024.

Normal settlement trading is expected to commence on or about Tuesday, 25 June 2024. Dispatch of holding statements is expected on or about Tuesday, 25 June 2024.

If the above conditions have not been satisfied within 14 days (or such longer period as ASX allows) after the day Shares are first quoted on ASX, the Offer and all contracts arising on acceptance of the Offer and confirmations of allocations will be cancelled and of no further effect and all Application Monies will be refunded (without interest). In these circumstances, all purchases and sales made through ASX participating organisations during the conditional trading period will be cancelled and of no effect.

After the basis for allocations has been determined, Applicants will also be able to call the GYG IPO Information Line on 1300 441 602 (toll free within Australia) or +61 2 9934 0529 (outside Australia) in each case, open from 8.30am to 7.00pm (Sydney time) Monday to Friday, excluding national public holidays, until Completion, or their Broker to confirm their allocations. Note that participants in the Broker Firm Offer will only be able to obtain details about their allocations from the GYG IPO Information Line after the Settlement Date (and so should speak to their Broker if they require that information before the Settlement Date).

It is the responsibility of each person who trades in Shares to confirm their holding before trading in Shares. If you sell Shares before receiving a holding statement, you do so at your own risk. The Joint Lead Managers, the Company, SaleCo and the Share Registry disclaim all liability, whether in negligence or otherwise, if you sell Shares before receiving your holding statement, even if you obtained details of your holding from the GYG IPO Information Line or confirmed your firm allocation of Shares through a Broker.

7.15 SUMMARY OF THE RIGHTS AND LIABILITIES ATTACHING TO SHARES AND OTHER MATERIAL PROVISIONS OF THE CONSTITUTION

7.15.1 SUMMARY OF RIGHTS AND LIABILITIES ATTACHING TO SHARES

The rights and liabilities attaching to the ownership of the Shares arise from a combination of the Constitution, statute, the ASX Listing Rules, the ASX Settlement Operating Rules and general law.

A summary of the significant rights, liabilities and obligations attaching to the Shares and a description of other material provisions of the Constitution are set out below. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of Shareholders. The summary assumes that the Company is admitted to the Official List.

7.15.2 MEETINGS OF SHAREHOLDERS

Every Shareholder is entitled to receive notice of, attend, and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act and the ASX Listing Rules. At least 28 days' notice of a meeting must be given to shareholders.

7.15.3 VOTING AT A GENERAL MEETING

At a general meeting of the Company, every Shareholder present in person or by proxy, attorney or representative has (a) on a show of hands, one vote and (b) on a poll, one vote for each Share held.

On a poll, every member (or his or her proxy, attorney or representative) is entitled to vote for each fully paid share held (with adjusted voting rights for partially paid shares). The Chair does not have a casting vote.

7.15.4 DIVIDENDS

Subject to the Corporations Act, the Constitution and any special terms and conditions of issue, the Directors may, from time to time, pay, resolve to pay, or declare any interim, special or final dividend as, in their judgement, the financial position of the Company justifies.

The Directors may fix the amount, time and method of payment of the dividends. The payment, resolution to pay, or declaration of a dividend does not require any confirmation by a general meeting.

For further information in respect of the Company's proposed dividend policy, see Section 4.11.

7.15.5 TRANSFER OF SHARES

Subject to the Constitution and to the rights or restrictions attached to any shares or class of shares, a member may transfer all or any of the member's shares by:

- a Proper ASTC transfer (as that term is defined in the Corporations Regulations); or
- an instrument in writing in any usual form or in any other form that the Directors approve, as permitted by the Corporations Act and ASX Listing Rules.

The Board may refuse to register a transfer of Shares where permitted to do so under the Corporations Act, ASX Listing Rules, ASX Settlement Rules or the terms of issue of the Shares. The Board must refuse to register a transfer of Shares when required by the Corporations Act, ASX Listing Rules or ASX Settlement Operating Rules.

If the Directors decline to register a transfer or apply a holding lock, the Company must give the party lodging the transfer written notice of the refusal or holding lock and the reason for refusal or holding lock.

7.15.6 ISSUE OF FURTHER SHARES

Subject to the Corporations Act, ASX Listing Rules, the ASX Settlement Operating Rules, any law or any provision of the Constitution and any rights and restrictions attached to a class of Shares, the Company may issue, or grant options in respect of, further Shares on such terms and conditions as the Directors resolve.

The shares may be issued with preferred, deferred or special rights, or special restrictions about dividends, voting, return of capital, participation in the property of the Company on a winding up or otherwise as the Directors see fit.

7.15.7 PREFERENCE SHARES

The Company may issue preference shares, including preference shares which are liable to be redeemed or convertible into ordinary shares. The rights attaching to preference shares are those set out in the Constitution unless other rights have been approved by special resolution.

7.15.8 WINDING UP

If the Company is wound up, then subject to the Constitution and to the rights or restrictions attached to a class of shares, any surplus assets must be divided among the Company's members in proportion to the shares held by them (irrespective of the amounts paid or credited as paid on the shares), less any amounts which remain unpaid on these shares at the time of distribution.

7.15.9 UNMARKETABLE PARCELS

Subject to the Corporations Act, ASX Listing Rules and ASX Settlement Operating Rules, the Company may sell the Shares of a Shareholder who holds less than a marketable parcel of Shares. A marketable parcel of shares is defined in the ASX Listing Rules and is, generally, a holding of shares with a market value of less than $500.

7.15.10 SHARE BUY BACKS

Subject to the Corporations Act, ASX Listing Rules and ASX Settlement Operating Rules, the Company may buy back Shares in itself on terms and at times determined by the Board.

7.15.11 VARIATION OF CLASS RIGHTS

Subject to the Corporations Act and the terms of issue of a class of Shares, the rights attaching to any class of Shares may be varied:

- with the consent in writing of the holders of three quarters of the issued Shares included in that class; **or**
- by sanction of a special resolution passed at a separate meeting of the holders of Shares in that class.

7.15.12 REDUCTION OF SHARE CAPITAL

Subject to the Constitution, and any rights attaching any class of Shares, the Company may reduce its share capital in any way permissible by the Corporations Act and the ASX Listing Rules.

7.15.13 PROPORTIONAL TAKEOVER PROVISIONS

The Constitution contains provisions for Shareholder approval to be required in relation to any proportional takeover bid.

These provisions will cease to apply unless renewed by special resolution of the Shareholders in general meeting by the third anniversary of the date of the Constitution's adoption.

7.15.14 DIVIDEND REINVESTMENT PLANS

The Constitution authorises the Directors, on any terms and at their discretion (subject to the ASX Listing Rules), to establish a dividend reinvestment plan (under which any Shareholder may elect that the dividends payable by the Company be reinvested by a subscription for Shares in the Company).

7.15.15 DIRECTORS – APPOINTMENT AND ROTATION

Under the Constitution, the minimum number of Directors that may comprise the Board is three and the maximum number of Directors is 12 unless determined otherwise by ordinary resolution of the Company in general meeting. The maximum number of Directors must not be determined by the Company to be less than the number of Directors in office at the time of any such ordinary resolution.

Directors are elected or re-elected at general meetings of the Company. Retirement will occur on a rotational basis so that no Director (other than any managing director) holds office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected or three years, whichever is longer.

The Board may also appoint a Director to fill a casual vacancy on the Board or in addition to the existing Directors, who (other than any managing director) will then hold office until the next annual general meeting of the Company and is then eligible for election at that meeting.

7.15.16 DIRECTORS – VOTING

Questions arising at any meeting of Directors shall be decided by a majority of votes of the Directors present at the meeting and entitled to vote on the matter.

Subject to the ASX Listing Rules, in the case of an equality of votes on a resolution, the chairperson of the meeting will have a casting vote, unless there are only two Directors present or qualified to vote, in which case the proposed resolution is taken as having been lost.

7.15.17 DIRECTORS' AND OFFICERS' INDEMNITY

The Company, to the extent permitted by law, may indemnify each person who is a current or former Director, executive officer, officer or auditor of the Company, and such other officers or former officers of the Company or its Related Bodies Corporate as the Directors in each case determine, against any losses or liability incurred by that person as an officer or auditor of the Company or of a related body corporate of the Company including, but not limited to, a liability for negligence or for reasonable legal costs on a full indemnity basis.

The Company, to the extent permitted by law, may enter into and pay premiums on a contract insuring any person who is a current or former Director, executive officer, officer or auditor of the Company, and such other officers or former officers of the Company or its Related Bodies Corporate as the Directors in each case determine, against any liability incurred by the person as an officer or auditor of the Company or of a related body corporate of the Company including, but not limited to, a liability for negligence or for legal costs.

GYG has entered into deeds of access, indemnity and insurance with each Director and each Director of SaleCo. These are summarised in Section 6.3.1.1.

7.15.18 AMENDMENT

The Constitution can only be amended by special resolution passed by at least three quarters of the votes cast by Shareholders present (in person or by proxy) and entitled to vote on the resolution at a general meeting of GYG. The Company must give at least 28 days' written notice of a general meeting of GYG.

GYG $5 OPENING DAY

SECTION 8:

INDEPENDENT LIMITED ASSURANCE REPORT AND FINANCIAL SERVICES GUIDE

8. INDEPENDENT LIMITED ASSURANCE REPORT AND FINANCIAL SERVICES GUIDE

Deloitte.

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Australia

The Directors
GYG SaleCo Limited
Level 2, 64 Kippax Street
Surry Hills NSW 2010
Australia

14 June 2024

Dear Directors,

INDEPENDENT LIMITED ASSURANCE REPORT AND FINANCIAL SERVICES GUIDE

Introduction

This report has been prepared at the request of the Directors of Guzman y Gomez Limited (the **Company** or **GYG***)* and GYG SaleCo Limited (**SaleCo**) for inclusion in a Prospectus to be issued by the Company and SaleCo in respect of the initial public offering of shares in the Company by way of issue by the Company and sale by SaleCo (the **Offer**) and the Company's subsequent listing on the Australian Securities Exchange (**ASX**).

Deloitte Corporate Finance Pty Limited is wholly owned by Deloitte Touche Tohmatsu and holds the appropriate Australian Financial Services licence (AFSL) under the *Corporations Act 2001 (Cth)* for the issue of this report.

References to the Company, SaleCo and other terminology used in this report have the same meaning as defined in the Glossary of the Prospectus.

Scope

Statutory Historical Financial Information

Deloitte Corporate Finance Pty Limited has been engaged by the Directors of the Company and SaleCo to perform a limited assurance engagement on the following historical financial information of the Company:

- Consolidated Statements of Profit or Loss for the years ended 30 June 2022 (**FY22**) and 30 June 2023 (**FY23**) and the half-years ended 31 December 2022 (**1H23**) and 31 December 2023 (**1H24**);
- Consolidated Cash Flow information for FY22, FY23, 1H23 and 1H24; and
- Consolidated Statement of Financial Position as at 31 December 2023

(together the **Statutory Historical Financial Information**) as set out in Sections 4.3.1, 4.3.2, 4.6 and 4.7 of the Prospectus.

The Statutory Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies.

The Statutory Historical Financial Information for FY22 and FY23 has been extracted from the consolidated financial reports of the Company for the years ended 30 June 2022 and 30 June 2023, which were audited by Deloitte Touche Tohmatsu in accordance with Australian Auditing Standards. Deloitte Touche Tohmatsu issued an unmodified audit opinion on the financial reports.

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The Statutory Historical Financial Information for 1H23 and 1H24 has been extracted from the consolidated financial reports of the Company for the half-years ended 31 December 2022 and 31 December 2023, which were reviewed by Deloitte Touche Tohmatsu in accordance with the Australian Auditing Standards applicable to review engagements. Deloitte Touche Tohmatsu issued an unmodified review conclusion on the interim financial statements.

The Statutory Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001 (Cth)*.

Pro Forma Historical Financial Information

Deloitte Corporate Finance Pty Limited has been engaged by the Directors of the Company and SaleCo to perform a limited assurance engagement on the following pro forma historical financial information of the Company:

- Pro Forma Historical Consolidated Statements of Profit or Loss for FY22, FY23, 1H23 and 1H24;
- Pro Forma Historical Consolidated Cash Flow information for FY22, FY23, 1H23 and 1H24; and
- Pro Forma Historical Consolidated Statement of Financial Position as at 31 December 2023

(together the **Pro Forma Historical Financial Information**) as set out in Sections 4.3.1, 4.3.2, 4.6 and 4.7 of the Prospectus.

The Pro Forma Historical Financial Information has been derived from the Statutory Historical Financial Information, after adjusting for the effects of pro forma adjustments described in Sections 4.3.3, 4.6.1 and 4.7.1 of the Prospectus (**Pro Forma Adjustments**).

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the Statutory Historical Financial Information and the events or transactions to which the Pro Forma Adjustments relate, as if those events or transactions had occurred as at the date of the Statutory Historical Financial Information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position, financial performance, and/or cash flows.

Forecast Financial Information

Deloitte Corporate Finance Pty Limited has been engaged by the Directors of the Company and SaleCo to review:

- The Statutory Forecast Statement of Profit or Loss and the Statutory Forecast Cash Flow information of the Company for the years ending 30 June 2024 (**FY24F**) and 30 June 2025 (**FY25F**) as set out in Sections 4.3 and 4.6 of the Prospectus (the **Statutory Forecast Financial Information**). The director's best-estimate assumptions underlying the Statutory Forecast Financial Information are described in Section 4.8 of the Prospectus. The stated basis of preparation used in the preparation of the Statutory Forecast Financial Information is the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies; and
- The Pro Forma Forecast Statement of Profit or Loss and the Pro Forma Forecast Cash Flow information of the Company for FY24F and FY25F as set out in Sections 4.3 and 4.6 of the Prospectus (the **Pro Forma Forecast Financial Information**). The Pro Forma Forecasts have been derived from the Statutory Forecast Financial Information, after adjusting for the effects of the pro forma adjustments described in Sections 4.3.3 and 4.6.1 of the Prospectus (the **Pro Forma Adjustments**). The stated basis of preparation used in the preparation of the Pro Forma Forecasts is the recognition and measurement principles contained in Australian Accounting Standards applied to the Statutory Forecasts and the events or transactions to which the Pro Forma Adjustments relate, as if those events or transactions had occurred on or before 1 July 2021.

(together the **Forecast Financial Information**).

Due to its nature, the Pro Forma Forecast does not represent the Company's or SaleCo's actual prospective financial performance and/or cash flows for the financial years ending 30 June 2024 and 30 June 2025.

The Forecast Financial Information has been prepared by management of the Company and adopted by the Directors of the Company in order to provide prospective investors with a guide to the potential financial performance and cash flows of the Company for the years ending 30 June 2024 and 30 June 2025. There is a considerable degree of subjective judgement involved in preparing forecasts since they relate to events and transactions that have not yet occurred and may not occur. Actual results are likely to be different from the Forecast Financial Information since anticipated events or transactions frequently do not occur as expected and the variation may be material.

The Directors' best estimate assumptions on which the Forecast Financial Information is based relate to future events and / or transactions that management expect to occur and actions that management expect to take and are also subject to uncertainties and contingencies, which are often outside the control of the Company. Evidence may be available to support the assumptions on which the Forecast Financial Information is based, however such evidence is generally future orientated and therefore speculative in nature. We are therefore not in a position to express a reasonable assurance conclusion on those best estimate assumptions, and accordingly, provide a lesser level of assurance on the reasonableness of the Directors' best estimate assumptions. We do not express any opinion on the achievability of the results. The limited assurance conclusion expressed in this report has been formed on the above basis.

Prospective investors should be aware of the material risks and uncertainties relating to an investment in the Company, which are detailed in the Prospectus, and the inherent uncertainty relating to the prospective financial information. Accordingly prospective investors should have regard to the investment risks and sensitivities set out in Section 5 and Section 4.10 of the Prospectus.

The sensitivity analysis set out in Section 4.10 of the Prospectus demonstrates the impacts on the Forecast Financial Information of changes in key assumptions. The Forecasts are therefore only indicative of the financial performance which may be achievable. We express no opinion as to whether the Forecast Financial Information will be achieved.

We have assumed, and relied on representations from certain members of management of the Company, that all material information concerning the prospects and proposed operations of the Company has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

Directors' Responsibility

The Directors are responsible for:

- the preparation and presentation of the Historical Financial Information and the Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information;
- the preparation of the Forecast Financial Information, including the best estimate assumptions underlying the Forecasts and the selection and determination of the Pro Forma Adjustments made to the Statutory Forecast Financial Information and included in the Pro Forma Forecast Financial Information; and
- the information contained within the Prospectus.

This responsibility includes for the operation of such internal controls as the Directors determine are necessary to enable the preparation of the Statutory Historical Financial Information, the Pro Forma Historical Financial Information and the Forecast Financial Information that are free from material misstatement, whether due to fraud or error.

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Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Statutory Historical Financial Information, Pro Forma Historical Financial Information, Statutory Forecast Financial Information and Pro Forma Forecast Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with Australian Standard on Assurance Engagements (ASAE) 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information (ASAE 3450).*

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

Conclusions

Statutory Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Statutory Historical Financial Information is not prepared, in all material respects, in accordance with the stated basis of preparation, as described in Sections 4.2.1 and 4.2.2 of the Prospectus.

Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information is not prepared, in all material respects, in accordance with the stated basis of preparation, as described in Sections 4.2.1 and 4.2.2 of the Prospectus.

Statutory Forecast Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that:

(i) the Directors' best estimate assumptions used in the preparation of the Statutory Forecast Financial Information do not provide reasonable grounds for the Statutory Forecast Financial Information;

(ii) in all material respects, the Statutory Forecast Financial Information:
  a. is not prepared on the basis of the Directors' best estimate assumptions as described in Section 4.2.3 of the Prospectus,
  b. is not presented fairly in accordance with the stated basis of preparation, being the accounting policies adopted and used by the Company and the recognition and measurement principles contained in Australian Accounting Standards; and

(iii) the Statutory Forecast Financial Information itself is unreasonable.

Pro Forma Forecast Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that:

(i) the Directors' best estimate assumptions used in the preparation of the Pro Forma Forecast Financial Information do not provide reasonable grounds for the Pro Forma Forecast Financial Information;

(ii) in all material respects, the Pro Forma Forecast Financial Information:
   a. is not prepared on the basis of the Directors' best estimate assumptions as described in Section 4.8 of the Prospectus,
   b. is not presented fairly in accordance with the stated basis of preparation, being the accounting policies adopted and used by the Company and the recognition and measurement principles contained in Australian Accounting Standards, applied to the Statutory Forecast Financial Information and the Pro Forma Adjustments as if those adjustments had occurred on or after 1 July 2021; and

(iii) the Pro Forma Forecast Financial Information itself is unreasonable.

Notice to investors outside Australia

Under the terms of our engagement this report has been prepared solely to comply with the requirements applicable to a review engagement under ASAE 3450.

This report does not constitute an offer to sell, or a solicitation to offer to buy, any securities. We do not hold any financial services licence outside Australia.

Restrictions on Use

Without modifying our conclusions, we draw attention to Section 4.2 of the Prospectus, which describes the purpose of the Financial Information (being the Statutory Historical Financial Information, Pro Forma Historical Financial Information, Statutory Forecast Financial Information and Pro Forma Forecast Financial Information) being for inclusion in the Prospectus. As a result, the Financial Information may not be suitable for use for another purpose. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Information to which it relates, for any purpose other than that for which it was prepared.

Consent

Deloitte Corporate Finance Pty Limited has consented to the inclusion of this limited assurance report in the Prospectus in the form and context in which it is included.

Liability

The liability of Deloitte Corporate Finance Pty Limited is limited to the inclusion of this report in the Prospectus. Deloitte Corporate Finance Pty Limited makes no representation regarding, and has no liability for, any other statements or other material in, or omissions from the Prospectus.

Disclosure of Interest

Deloitte Corporate Finance Pty Limited does not have any interest in the outcome of this Offer other than the preparation of this report and participation in the due diligence procedures for which normal professional fees will be received.

Deloitte Touche Tohmatsu is the auditor of the Company.

General financial product advice

Deloitte Corporate Finance Pty Limited has prepared this report for general information purposes only. It does not take into account the objectives, financial situation or needs of any specific investor. Investors should consider their own objectives, financial situation and needs when assessing the suitability of the report to their situation or investors may wish to obtain personal financial product advice to assist them in this assessment.

Financial Services Guide

We have included our Financial Services Guide in this report. The Financial Services Guide is designed to assist retail clients in their use of any general financial product advice in our report.

Yours faithfully

DELOITTE CORPORATE FINANCE PTY LIMITED

Sarah Avis
Authorised Representative of
Deloitte Corporate Finance Pty Limited
(AFSL Number 241457)
AR number 468673

Ian Turner
Authorised Representative of
Deloitte Corporate Finance Pty Limited
(AFSL Number 241457)
AR number 461016

Deloitte.

May 2024

Financial Services Guide (FSG)

What is an FSG?

An FSG is designed to provide information about the supply of financial services to you.

Deloitte Corporate Finance Pty Limited (**DCF**) (AFSL 241457) provides this FSG to you, so you know how we are remunerated and who to contact if you have a complaint.

Who supplies the financial services?

We provide this FSG to you where you engage us to act on your behalf when providing financial services.

Alternatively, we may provide this FSG to you because our client has provided financial services to you that we delivered to them.

The person who provides the financial service to you is our Authorised Representative (**AR**) and DCF authorises the AR to distribute this FSG. Their AR number and contact details are in the document that accompanies this FSG.

What financial services are we licensed to provide?

We are authorised to provide financial product advice to wholesale clients in relation to derivatives, government debentures, stocks or bonds, interests in managed investment schemes, securities, and regulated emissions units (i.e. Australian carbon credit units and eligible international emissions units). We can also provide general financial product advice to retail clients in relation to the above financial products except for regulated emissions units.

We are also authorised to arrange for another person to deal in financial products in relation to:

- securities, interests in managed investment schemes, government debentures, stocks or bonds, and regulated emissions units and related derivatives to wholesale clients; and
- derivatives to retail and wholesale clients.

General financial product advice

We provide general advice when we have **not** taken into account your personal objectives, financial situation or needs, and you would not expect us to have done so. In this situation, you should consider whether our general advice is appropriate for you, having regard to your own personal objectives, financial situation or needs.

If we provide advice to you in connection with the acquisition of a financial product, you should read the relevant offer document carefully before making any decision about whether to acquire that product.

How are we remunerated?

Our fees are usually determined on a fixed fee or time cost basis plus reimbursement of any expenses incurred in providing the services. Our fees are agreed with, and paid by, those who engage us.

Clients may request particulars of our remuneration within a reasonable time after being given this FSG.

Apart from these fees, DCF, our directors and officers, and any related bodies corporate, affiliates or associates, and their directors and officers, do not receive any commissions or other benefits.

All employees receive a salary, and, while eligible for annual salary increases and bonuses based on overall performance, they do not receive any commissions or other benefits as a result of the services provided to you.

The remuneration paid to our directors reflects their individual contribution to the organisation and covers all aspects of performance.

We do not pay commissions or provide other benefits to anyone who refers prospective clients to us.

Associations and relationships

The Deloitte member firm in Australia (Deloitte Touche Tohmatsu) controls DCF. Please see www.deloitte.com/au/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu.

We, and other entities related to Deloitte Touche Tohmatsu, do not have any formal associations or relationships with any entities that are issuers of financial products. However, we may provide professional services to issuers of financial products in the ordinary course of business.

What should you do if you have a complaint?

If you wish to make a complaint, please refer to the relevant complaints policy available at: https://www.deloitte.com/au/en/contact/contact-us.html?icid=bn_contact-us

or contact the Complaints Officer:
Online: www.deloitte.com.au via the Contact Us page
Email: complaints@deloitte.com.au
Phone: +61 (02) 9322 7000

If an issue is not resolved to your satisfaction, you can lodge a dispute with the Australian Financial Complaints Authority (**AFCA**). AFCA provides fair and independent financial services dispute resolution free to consumers.

www.afca.org.au
1800 931 678 (free call)
Australian Financial Complaints Authority Limited
GPO Box 3 Melbourne VIC 3001

What compensation arrangements do we have?

Deloitte Australia holds professional indemnity insurance that covers the financial services we provide. This insurance satisfies the compensation requirements of the Corporations Act 2001 (Cth).

Deloitte Corporate Finance Pty Limited, ABN 19 003 833 127, AFSL number 241457 of Quay Quarter Tower, Level 46, 50 Bridge St, Sydney NSW 2000
Member of Deloitte Asia Pacific Limited and the Deloitte organisation.
Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL.

CLEAN IS THE NEW HEALTHY

SECTION 9:

ADDITIONAL INFORMATION

9. ADDITIONAL INFORMATION

9.1 REGISTRATION

The Company was registered in New South Wales, Australia on 23 May 2007.

SaleCo was registered in New South Wales, Australia on 15 May 2024.

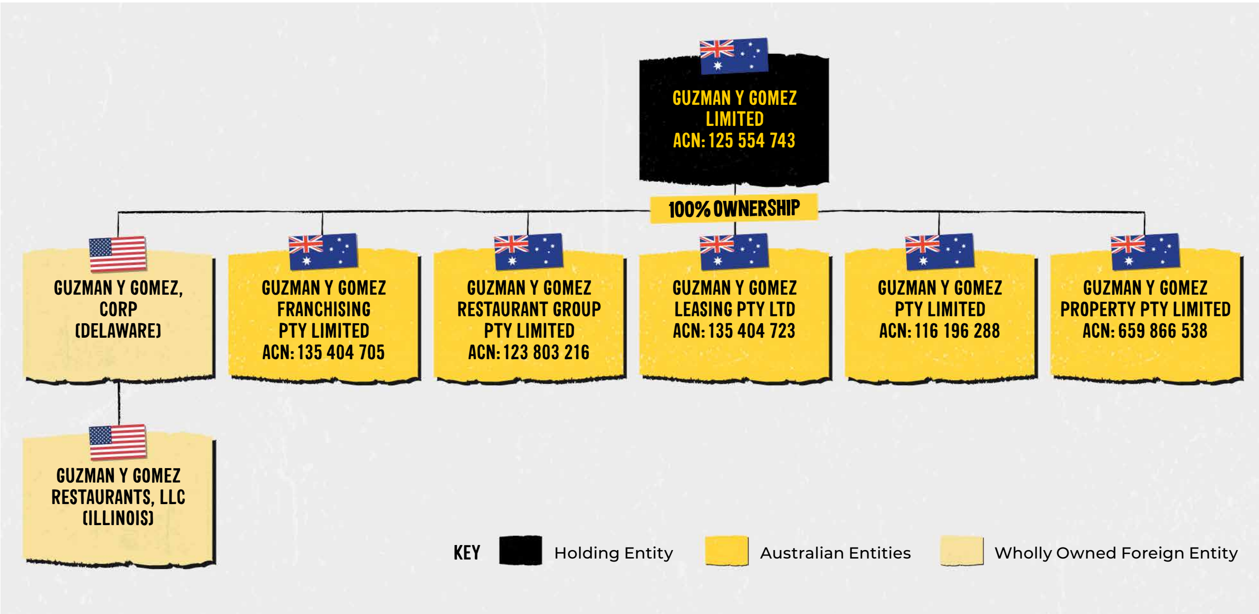
9.2 COMPANY TAX STATUS AND FINANCIAL YEAR

The Company and its subsidiaries are subject to tax at the prevailing rates of tax in the countries in which they have operating subsidiaries (Australia and the United States).

The Company's financial year for taxation purposes ends on 30 June.

9.3 CORPORATE STRUCTURE

The follow diagram shows the entities in the corporate structure of the Group:



9.4 SALE OF SHARES BY SALECO

SaleCo is a special purpose vehicle that has been established to facilitate the sale of Existing Securities by the Selling Securityholders.

Prior to the lodgement of this Prospectus with ASIC, each of the Selling Securityholders, SaleCo and the Company entered into a deed ("**Security Sale Deed**") under which:

- the Selling Securityholders have, subject to successful settlement of the Offer, offered to sell to SaleCo 5,531,296 Shares ("**Sale Shares**") and 608,500 Options ("**Sale Options**");
- immediately upon successful settlement of the Offer, SaleCo will accept those sale offers and exercise the Sale Options to Shares ("**Resultant Shares**", together with the Sale Shares, the "**Sale Securities**");
- SaleCo will transfer the Sale Shares and direct the Company to issue the Resultant Shares to Successful Applicants (such that Successful Applicants will only receive Shares), in each case free from encumbrances and third-party rights;

- the price payable by SaleCo to Selling Securityholders will be, in respect of each Sale Share, the Offer Price and, in respect of each Sale Option, the difference between the Offer Price and the applicable exercise price for that Sale Option; and
- the aggregate exercise price for the Sale Options will be paid by SaleCo to the Company.

The Sale Securities will be transferred or issued (as applicable) to Successful Applicants at the Offer Price at the time of Completion.

SaleCo has no material assets, liabilities or operations other than its interests in and obligations under the Underwriting Agreement and the deed described above. The sole shareholder of SaleCo is Marina Joanou, who is also a Director of the Company. Marina Joanou, Jacqui Coombes and Hilton Brett are the Directors of SaleCo.

The Company has agreed to provide such resources and support as are necessary to enable SaleCo to discharge its functions in relation to the Offer and has indemnified SaleCo in respect of costs of the Offer. The Company has indemnified SaleCo and the shareholders and officers of SaleCo for any loss which they may incur as a consequence of the Offer.

9.5 MATERIAL CONTRACTS

9.5.1 AUSTRALIAN FRANCHISE AGREEMENTS

GYG Franchising has entered into franchise agreements with each of its franchisees for the operation of its franchise restaurants. Guzman y Gomez Leasing Pty Limited ("**GYG Leasing**") has entered into the majority of leases for these restaurants and licenses the occupancy rights to each franchisee under an occupancy deed. These two documents form the main contractual basis of the franchise relationship between GYG and its franchisees.

The franchise agreements and occupancy deeds contain terms and conditions which are customarily found in documents of this nature.

The terms of the occupancy deed require that the franchisee comply with all obligations in the lease, as though it were a party to the lease, including an obligation that the franchisee make all payments required under the lease and undertake all fit-out, make good and refurbishment obligations. The occupancy deed is considered a related agreement of the franchise agreement, so a breach of the occupancy deed will be considered a breach of the franchise agreement and where one agreement is terminated, the other will also terminate.

For the franchise agreements, the terms can generally be summarised as follows:

- franchisees are granted a non-exclusive right to operate as a franchisee of GYG from the relevant premises over a fixed term. The 'term' of the franchise agreement will generally range from 5 to 10 years. In most respects, the initial term and any option to renew will be tied to the ultimate lease term;
- a right to renew for a further term (generally an additional 5 to 10 years) is provided to franchisees so long as the relevant franchisee is not in default under the franchise agreement or any other agreement with GYG, the relevant lease is renewed or extended, the franchisee and GYG have given each other the relevant notices to renew and additional obligations are complied with by the franchisee, including but not limited to refitting/refurbishment of the premises and the franchisee undertaking additional training;
- a requirement that the franchisee pay the usual fees expected in franchise relationships, including an initial franchise fee, training fee, online costs, royalties based on the net weekly sales of the restaurant, a marketing contribution, renewal fees, documentation fees and assignment fees;
- obligations and responsibilities on the franchisees for undertaking the restaurant's initial fit-out, restaurant refurbishment, training, operating standards, advertising and promotion, records and bookkeeping, reporting, insurance and IP protection;

- a requirement that franchisees comply with all laws, including specific areas of risk for GYG such as food health and safety, licensing and employment laws;
- a requirement that franchisees comply with the terms of any related agreements, including any leases and occupancy documents and a standard set of lease terms to be contained in any lease taken directly by the franchisee;
- a right of termination by GYG aligned with the Franchising Code and with respect to unremedied breaches by the franchisee;
- customary termination rights of the franchisee that align with the Franchising Code (i.e. in the event of cooling off by the franchisee in the first 14 days of operation or termination by mutual agreement between GYG and Franchisee) and in the event the costs of the fit-out increase outside of the range of the original costs estimate range provided;
- restrictions on a franchisee during the term carrying on any other business or dealing with a franchise interest without the consent of GYG;
- restriction on the franchisee assigning its rights without GYG's approval and a first right of refusal in favour of GYG to buy the restaurant and/or its assets in the event of termination or assignment;
- confidentiality and restraint obligations on the franchisee, guarantors of the franchisee and other parties, including restrictions on all franchisees from having a competitive business for up to 3 years after the agreement ends;
- an obligation on the directors and shareholders of the franchisee to sign a guarantee and indemnity in favour of GYG; and
- dispute resolution procedures as aligned with the Franchising Code and other general protections afforded under the Franchising Code.

9.5.2 MASTER FRANCHISE AGREEMENT FOR SOUTH AUSTRALIA

GYG Franchising has granted a Master Franchise Agreement ("**MFA**") to Mehico Pty Ltd ("**Master Franchisee**") dated 21 December 2016 for an area that incorporates the whole of South Australia, and surrounding parts of Western Australia, Northern Territory and Victoria ("**MFA Territory**").

The term of the MFA is for 10 years commencing from October 2017 when the first GYG restaurant was opened by the Master Franchisee.

On expiry of the initial term, there are four further options to renew for a further 10 years each, subject to the Master Franchisee notifying GYG of its intention to renew 24 months prior to expiry and so long as the Master Franchisee has materially complied with the MFA and any other material contract, paid any amounts owing to GYG and paying a renewal fee.

The additional key terms of the MFA are summarised as follows:

- the Master Franchisee has been granted the exclusive right in the MFA Territory to grant franchises, to sell the GYG products at GYG restaurants, promote the GYG brand and establish and operate a GYG network and to use the GYG IP, which includes GYG's systems and trade marks;
- a requirement that the Master Franchisee pay the usual fees expected in master franchise relationships, including a master franchise fee, training fee, launch costs, royalties based on the net weekly sales of the GYG restaurants operated in the MFA Territory, renewal fees, administrative marketing levies to GYG's marketing fund as well as the Master Franchisee's own fund for the MFA Territory, an operations system fee (where the Master Franchisee uses GYG's operating systems) and a 'New Restaurant Fee' for each GYG restaurant granted by the Master Franchisee;

9. ADDITIONAL INFORMATION CONTINUED

- obligations and responsibilities on the Master Franchisee to enter into franchise agreements with each franchisee that must be consistent with the terms of the MFA, to ensure that the franchisees pay all fees under those agreements and to enforce payment obligations under those agreements;
- a requirement that the Master Franchisee establish and operate its own marketing fund for the MFA Territory;
- a requirement that the Master Franchisee ensure all GYG restaurants comply with GYG's requirements in regard to initial fit-out, restaurant refurbishment, training, operating standards, use of approved suppliers and sale of approved products, licenses, advertising and promotion, records and bookkeeping, reporting, insurance and IP protection;
- a requirement that the Master Franchisee ensures all GYG restaurants comply with all laws, including specific areas of risk for GYG such as food health and safety, licensing and employment laws;
- requirement that the Master Franchisee operates its own business in certain ways, such as in accordance with laws, with GYG requirements, with GYG's IP, in compliance with any related agreements and properly and diligently;
- provides GYG with the right to request or access all information necessary, or to audit the Master Franchisee or any of the GYG restaurants to ensure the Master Franchisee's compliance with the MFA and all relevant laws;
- restrictions on the Master Franchisee during the term carrying on any other business without the consent of GYG;
- restriction on the Master Franchisee assigning its rights without GYG's approval and a first right of refusal in favour of GYG to buy the Master Franchise and/or its assets in the event of termination or assignment;
- obligations of GYG to the Master Franchisee in regard to GYG's grant of the MFA;
- a right of termination by GYG aligned with the Franchising Code and with respect to unremedied breaches by the Master Franchisee;
- a right of the Master Franchisee to terminate the MFA where there is a material breach by GYG of the MFA;
- confidentiality obligations on the Master Franchisee; and
- dispute resolution procedures as aligned with the Franchising Code.

9.5.3 BANKING FACILITIES

9.5.3.1 Description of the facilities

Certain members of the Group have facilities in place with the Commonwealth Bank of Australia ("**CBA**"), namely (together, the "**Banking Facilities**"):

Type of Facility	Facility Limit	Borrowers	Purpose	Term/principal repayment date
Market Rate Loan Facility	$3,000,000	GYG	Term Renewal (Growth funding line)	20 April 2026 (Facility Limit and Term subject to annual review. Facility limit cancellation/reduction where reasonably consider a material adverse change in financial circumstances on 90 days' notice)
Corporate Charge Card Facilities	$500,000 (aggregate)	GYG	Corporate charge card for business purposes	Monthly repayment per applicable terms On demand (90 days' notice)
Procurement Management Account	$100,000	GYG	To finance commercial procurement purchases	Monthly repayment per applicable terms On demand (90 days' notice)
Contingent Liability Bank Guarantee Facility	$5,000,000	GYG Leasing	Bank guarantees	On demand Facility limit reduction/cancellation on 90 days' written demand

9.5.3.2 Financial covenants, undertakings and events of default

The CBA Current Terms and Conditions for Business Finance apply to the Banking Facilities (the "**CBA Terms**"). The standard declarations under the CBA Terms include, but are not limited to, no breach of laws, security provided being free of competing security interests, no material default under other credit arrangements, no misleading information, financial soundness and no proceedings.

The undertakings and default events contemplated in the CBA Terms also apply which include, but not limited to, non-payment, cross-default, material adverse effect, change of control, misrepresentation, enforcement and insolvency. In respect of the change of control undertakings, the borrower is required to notify CBA and seek consent if they are changing their form, nature, beneficial ownership, management or Control within 10 days of becoming aware that there is a proposal for such a change to happen. If reasonable to do so, CBA may impose conditions on granting their consent for such a change to occur.

It is also a default under the CBA Facilities if CBA decide there has been an unacceptable material change in the legal or beneficial ownership, or management or control of the borrower or a guarantor or the borrower or a guarantor's business changes without consent (for example, a material change of control will occur where a person, or two or more persons acting in concert, have acquired a 50% or more interest in the borrower or guarantee).

In addition, further undertakings in respect of 'financial covenants' apply to the Banking Facilities as follows:

- a fixed charge cover ratio set at 1.5x for the Market Rate Loan and Contingent Liability Facilities;
- under both the Market Rate Loan and the Contingent Liability Facilities, a guarantor group coverage test requiring the obligors of the Banking Facilities to at all times comprise 90% of the EBITDA and total assets of the group's consolidated Australian operations;
- under the Market Rate Loan, the Company must also ensure that EBITDA for each reporting period (being the six months ending on the last day of each June and December) is not less than A$1,850,000; and
- under the Contingent Liability Facilities, GYG Leasing must also ensure that EBITDA for each reporting period (being the six months ending on the last day of each June and December) is not less than A$2,500,000.

Failure to comply with the 'financial covenants' will constitute a default, and failure to comply with certain other provisions of the Banking Facilities, including the undertakings set out above, may result in a default. If a default occurs which cannot be remedied, then CBA may exercise their rights under the Banking Facilities including, among others, by charging default interest, cancelling the facilities or a facility limit, stopping payments under a facility, terminating the agreement, requiring immediate payment within 7 days of any outstanding balance and/or seize property and enforce their security, suing the relevant borrowers.

9.5.3.3 Security

The Banking Facilities are guaranteed by the Company, GYG Leasing, Guzman y Gomez Restaurant Group Pty Limited and Guzman y Gomez Franchising Pty Limited.

Each of these Group Companies has entered a general security deed with CBA under which it has granted all-asset security to CBA.

9.6 UNDERWRITING AGREEMENT

The Offer is fully underwritten by the Joint Lead Managers pursuant to an underwriting agreement dated 31 May 2024 and amended on 7 June 2024 between the Joint Lead Managers, the Company and SaleCo ("**Underwriting Agreement**"). Under the Underwriting Agreement, the Joint Lead Managers have agreed to arrange, manage and underwrite the Offer.

9.6.1 FEES AND EXPENSES

9.6.1.1 Joint Lead Managers' fees

The Company and SaleCo have agreed to pay the Joint Lead Managers fees of an amount equal to 2.75% of the gross proceeds of the Offer, in their respective proportions, for managing and underwriting the Offer.

In addition to the fees described above, the Company and SaleCo have agreed to reimburse the Joint Lead Managers for certain agreed costs and expenses incurred by the Joint Lead Managers in relation to the Offer.

9.6.1.2 Other syndicate members' fees

The Joint Lead Managers are responsible for any fees, commissions or rebates due to any co-managers or brokers appointed by the Joint Lead Managers.

9.6.2 TERMINATION EVENTS NOT SUBJECT TO MATERIALITY

A Joint Lead Manager may, at any time after the date of the Underwriting Agreement until on or before 4.00pm on the Settlement Date, terminate the Underwriting Agreement without cost or liability by notice to the Company and SaleCo and the other Joint Lead Manager if any of the following events occur:

- (**disclosure in the offer documents**) the offer documents do not comply with the Corporations Act, including if a statement in an offer document is or becomes misleading or deceptive or is likely to mislead or deceive, or a matter required to be included is omitted from the offer documents;
- (**new circumstances**) an adverse new circumstance arises after the Prospectus is lodged, that would have been required to be included in the Prospectus if it had arisen before lodgement;
- (**supplementary Prospectus**) the Company and SaleCo issue or are required to issue a supplementary prospectus or lodge a supplementary prospectus with ASIC in a form and substance that has not been approved by the Joint Lead Managers;
- (**forecasts**) there are not, or there cease to be, reasonable grounds for any statement or estimate in the offer documents, which relates to a future matter or any statement or estimate in the offer documents that relate to a future matter is, in the reasonable opinion of the terminating Joint Lead Manager, unlikely to be met in the projected timeframe (including in each case financial forecasts);
- (**Security Sale Deeds**) the Security Sale Deeds are withdrawn, terminated, rescinded, amended in a material respect or breached, without the consent of the Joint Lead Managers;
- (**Escrow Deeds**) any of the Escrow Deeds (other than those entered into by Participating Franchisees in respect of Shares acquired under the Franchisee Offer) are withdrawn, terminated, rescinded, amended or breached, without the consent of the Joint Lead Managers;
- (**market fall**) at any time before the Settlement Date, the S&P/ASX 200 Index falls to a level that is 90% or less of the level as at the close of trading on the business day immediately prior to the date of the Prospectus and closes at or below that 90% level on 2 consecutive business days;
- (**listing and quotation**) approval is refused or not granted, or approval is granted subject to conditions other than customary conditions, to:
  - the Company's admission to the official list of ASX; or
  - the quotation of the Shares on ASX or for the Shares to be traded through CHESS,

  or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld;
- (**certificate**) the Company and SaleCo do not provide a certificate required by the Underwriting Agreement;
- (**ASIC**) any of the following occurs in respect of the Offer and becomes public (unless withdrawn within 2 business days after it is made or commenced or by Settlement):
  - ASIC issues an order (including an interim order) under section 1324B or under section 739 of the Corporations Act;
  - ASIC holds a hearing under section 739(2) of the Corporations Act; or
  - an application is made by ASIC for an order under Part 9.5 in relation to the Offer or an offer document or ASIC commences any investigation or hearing under Part 3 of the ASIC Act in relation to the Offer or an offer document;
- (**notifications**) any of the following notifications are made in respect of the Offer:
  - any person who has previously consented to the inclusion of its name in the Prospectus (other than the terminating Joint Lead Manager) withdraws that consent; or
  - any person gives a notice under section 730 in relation to the Prospectus (other than the terminating Joint Lead Manager);
- (**withdrawal**) the Company or SaleCo withdraws the Prospectus or the Offer or indicates that it does not intend to proceed with the Offer or any part of the Offer;

- (**unable to issue Shares**) the Company is prevented from allotting and issuing or SaleCo is prevented from transferring (as applicable) the Shares under the Offer by applicable laws, an order of a court of competent jurisdiction or a governmental authority, within the time required by the ASX Listing Rules;
- (**regulatory approvals**) a regulatory body withdraws, revokes or amends any regulatory approvals, required for the Company or SaleCo to perform its obligations under the Underwriting Agreement or to carry out the transactions contemplated by the offer documents;
- (**material contracts**) any of the obligations of the relevant parties under any of the material contracts are not capable of being performed in accordance with their terms (in the reasonable opinion of the terminating Joint Lead Manager) or if all or any part of any of the material contracts:
  - is terminated, withdrawn, rescinded, avoided or repudiated;
  - is materially altered, amended or varied without the consent of the Joint Lead Managers (acting reasonably);
  - is materially breached, or there is a failure by a party to comply;
  - ceases to have effect, otherwise than in accordance with its terms; or
  - is or becomes void, voidable, illegal, invalid or unenforceable (other than by reason only of a party waiving any of its rights) or capable of being terminated, withdrawn, rescinded, avoided or withdrawn or of limited force and affect, or its performance is or becomes illegal;
- (**Timetable**) an event specified in the timetable up to and including Settlement is delayed by more than 2 business days (other than any delay agreed between the Company, SaleCo and the Joint Lead Managers or an extension to the exposure period by ASIC under section 727(3) of the Corporations Act);
- (**insolvency events**) any member of the Group becomes insolvent, or there is an act or omission which is likely to result in a member of the Group becoming insolvent;
- (**change in Directors or senior management**) a change occurs in the Directors, either of the Chief Executive Officers or Chief Financial Officer of the Company or SaleCo, or a Director, Chief Executive Officer or Chief Financial Officer dies or becomes permanently incapacitated;
- (**action against Directors**) any of the following occur:
  - a director of the Company or Group is charged with an indictable offence relating to a financial or corporate matter;
  - any government agency commences any public action against a director of the Company or Group;
  - any director of the Company or Group is disqualified from managing a corporation under Part 2D.6 of the Corporations Act; or
  - the Company or a member of the Group or any of their respective directors engages in any fraudulent conduct or activity;
- (**unauthorised change**) without the prior written consent of the Joint Lead Managers, the Company or a Group member:
  - disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property other than as contemplated in the Prospectus;
  - ceases or threatens to cease to carry on business;
  - alters its capital structure, other than as contemplated in the Prospectus; or
  - amends its constitution or any other constituent document, or the terms of issue of the Shares under the Offer or corresponding Shares;
- (**encumbrance**) other than as disclosed in the Prospectus, the Company creates or agrees to create an encumbrance over the whole or a substantial part of its business or property; or
- (**force majeure**) there is an event or occurrence, including any statute, order, rule, regulation, directive or request (including one compliance with which is in accordance with the general practice of persons to whom the directive or request is addressed) of any governmental agency which makes it illegal or impossible for the Joint Lead Manager to satisfy an obligation under the Underwriting Agreement, or to market, promote or settle the Offer.

9.6.3 TERMINATION EVENTS SUBJECT TO MATERIALITY

A Joint Lead Manager may, at any time after the date of the Underwriting Agreement until on or before 4.00pm on the Settlement Date terminate the Underwriting Agreement without cost or liability by notice to the Company and SaleCo and the other Joint Lead Manager if any event listed below occurs and the Joint Lead Manager has reasonable grounds to believe, and does believe, the event:

- has or is likely to have a materially adverse effect on the success, Settlement or marketing of the Offer, or on the ability of the Joint Lead Manager to promote or settle the Offer, the subsequent market for the Shares or the willingness of investors to subscribe for the Shares; or
- will, or is likely to, give rise to:
  - the Joint Lead Manager contravening, or being involved in a contravention of, any applicable law or regulation, including the Corporations Act; or
  - a liability of the Joint Lead Manager under any applicable law or regulation.

The events referred to above are:

- (**compliance with law**) any of the offer documents or any aspect of the Offer does not comply with the Corporations Act, the ASX Listing Rules, or any other applicable law or regulation;
- (**information supplied**) any information supplied (including any information supplied prior to the date of the Underwriting Agreement) by or on behalf of a member of the Group to the Joint Lead Managers in respect of the Offer or the Group is, or is found to be, misleading or deceptive, or is likely to mislead or deceive (including by omission);
- (**disclosures in other documents**) a statement in any other document (other than the Prospectus) is or becomes misleading or deceptive or likely to mislead or deceive;
- (**disclosures in the due diligence report**) the due diligence report or any other information supplied by or on behalf of the Company and SaleCo to the Joint Lead Managers in relation to the Shares, the Group or the Offer is, or becomes (or becomes likely to be) untrue, incorrect, misleading or deceptive, including by way of omission;
- (**adverse change**) an event occurs which is, or is likely to give rise to, an adverse change in the assets, liabilities, financial position or performance, profits, losses, earnings, prospects or condition or otherwise of the Group from that disclosed in the Original Prospectus lodged with ASIC on the date of the Original Prospectus;
- (**certificate**) a statement in any certificate required by the Underwriting Agreement is false, misleading, inaccurate or untrue or incorrect;
- (**hostilities**) hostilities not presently existing commence (whether or not war or a national emergency has been declared), a major escalation in existing hostilities occurs (whether or not war or a national emergency has been declared) or a major terrorist act is perpetrated; involving any one or more of Australia, New Zealand, the United States, the United Kingdom, the Peoples' Republic of China, Singapore or Japan, or involving any diplomatic, military, commercial or political establishment of any of those countries, and in respect of the ongoing conflicts in Israel, Russia or Ukraine as at the date of the Original Prospectus, chemical, nuclear or biological weapons of any sort are used in connection with the conflict or the military of any member state of the North Atlantic Treaty Organisation becomes directly involved in the conflict;
- (**change of law**) there is introduced, or there is a public announcement of a proposal to introduce, a new law or regulation or policy in Australia, or any State or Territory of Australia (including a policy of the Reserve Bank of Australia or ASIC);
- (**representations and warranties**) a representation or warranty contained in the Underwriting Agreement on the part of the Company or SaleCo (whether severally or jointly) is breached, becomes not true or correct or is not performed;
- (**breach**) the Company or SaleCo (whether severally or jointly) defaults on 1 or more of its undertakings or obligations under the Underwriting Agreement;

- (**legal proceedings**) legal proceedings are commenced against the Company or SaleCo, any member of the Group or against any director of the Company or SaleCo or any member of the Group in that capacity; or
  - a general moratorium on commercial banking activities in Australia, the United Kingdom, the United States, Hong Kong, or Singapore is declared by the relevant central banking authority in those countries, or there is a disruption in commercial banking or security settlement or clearance services in any of those countries;
  - trading in all securities quoted or listed on ASX, the London Stock Exchange, the New York Stock Exchange or the Hong Kong Stock Exchange is suspended for at least 1 day on which that exchange is open for trading; or
  - any adverse change or disruption to the existing financial markets, political or economic conditions of, or currency exchange rates or controls in Australia, Hong Kong, Singapore, the United States or the United Kingdom, or the international financial markets or any adverse change in national or international political, financial or economic conditions.

9.7 VOLUNTARY ESCROW ARRANGEMENTS

9.7.1 ESCROW ARRANGEMENTS

The Existing Shareholders set out in the table below ("**Escrowed Shareholders**") will be subject to voluntary escrow arrangements in respect of the Shares that they will hold at Completion.

Each Escrowed Shareholder below has entered into an Escrow Deed in respect of their Escrowed Shares, which prevents them from disposing of their Escrowed Shares for the Escrow Period described in Section 9.7.2. The Escrow Deeds also extend to Options held by these Escrowed Shareholders (and certain other Optionholders who only hold Options) at Completion such that those Options, and any Shares issued on the exercise of those Options during the Escrow Period, will be subject to the same restrictions applying to the Escrowed Shares.

Escrowed Shareholder	Number of Escrowed Shares[1]
TDM[2]	28,622,070
Steven Marks[3]	8,814,000
Barrenjoey Private Capital[4]	10,499,750
Other management personnel and Non-Executive Directors	6,279,750
Other Existing Shareholders	516,250
Total	**54,731,820**

Notes:

1. On an undiluted basis (i.e., does not include any Options that are subject to escrow arrangements) and excludes any Shares that may be acquired under the Offer by these Existing Shareholders as such Shares will not be subject to voluntary escrow.
2. Shares are held through a custodian.
3. Including those held by his associated entities.
4. See Section 6.3.5.2 for more information regarding Barrenjoey Private Capital's shareholding in the Company.

In addition to the above Escrowed Shareholders, Eligible Franchisees who apply for and are issued Shares under the Franchisee Offer will also be subject to the same voluntary escrow arrangements in respect of such Shares. Such Eligible Franchisees are also Escrowed Shareholders. As set out in Section 7.7.1, it is a condition of participating in the Franchisee Offer that Eligible Franchisees enter an Escrow Deed in respect of any Shares they acquire under the Franchisee Offer.

Assuming the Franchisee Offer is fully subscribed, a maximum of 55,009,598 Shares on Completion will be Escrowed Shares.

9.7.2 ESCROW PERIOD

The Escrow Period will commence on Completion and end:

- in respect of 25% of the Escrowed Shares held by an Escrowed Shareholder, at 4:15pm (Sydney time) on any trading day after the date on which the Company releases to the ASX its financial results for the half year ending 31 December 2024 ("**1H25 Results**") provided the volume-weighted average price of Shares for any 10 consecutive trading days following release of the 1H25 Results exceeds the Offer Price by at least 20%; and
- in respect of the remaining Escrowed Shares held by an Escrowed Shareholder, at 4:15pm (Sydney time) on the trading day after the date on which the Company releases to the ASX its financial results for the financial year ending 30 June 2025.

9.7.3 RESTRICTIONS ON DEALING

The restriction on 'dealing' is broadly defined in the Escrow Deeds and restricts the Escrowed Shareholder from, among other things, selling, assigning, transferring or otherwise disposing of any legal, beneficial or economic interest in the Escrowed Shares, creating or agreeing to create a security interest over the Escrowed Shares, doing, or omitting to do, any act if the act or omission would have the effect of transferring effective ownership or control of any of the Escrowed Shares or agreeing to do any of those things.

However, Escrowed Shareholders whose Shares remain subject to escrow may still deal in any of their Escrowed Shares during the Escrow Period to the extent that the dealing is exempted under the Escrow Deeds which includes to the extent that the dealing is:

- as a result of a bona fide third-party offer under a takeover bid or the transfer or cancellation of the Escrowed Shares under a scheme of arrangement;
- an encumbrance of any or all Escrowed Shares to a bona fide third-party financial institution as securities for a loan, hedge or other financial accommodation;
- required by applicable law, including an order of a court of competent jurisdiction (provided that any recipient of the Escrowed Shares will no longer be bound by any holding lock or restrictions on dealing with respect to the Escrowed Shares); or
- a transfer by the personal representative of the Escrowed Shareholder to whom the Escrowed Shares have been bequeathed (provided that any recipient of the Escrowed Shares will no longer be bound by any holding lock or restrictions on dealing with respect to the Escrowed Shares).

9.8 REGULATORY ENVIRONMENT

9.8.1 OVERVIEW

GYG is subject to various laws and regulations concerning how its business is conducted including, but not limited to, food safety, industrial relations, workplace health and safety, franchising, consumer protection, privacy and handling of personal information, data collection, environment and planning, industrial relations and workplace health and safety. The key regulatory frameworks applying to GYG's Australian operations are summarised below.

9.8.2 FOOD SAFETY

There are a number of regulations and regulatory bodies across Australia that govern food safety standards.

The Food Standards Australia New Zealand Act

Food production and safety standards in Australia are primarily governed by the Food Standards Australia New Zealand Act (the "**FSANZ Act**") which sets out various food safety standards.

The FSANZ Act sets out the Australia New Zealand Food Standards Code ("**Food Standards Code**"), which details general standards for all food producers, distributors and salespeople in Australia, including labelling and other information requirements, as well as food production and safety standards. The Food Standards Code is updated on an ongoing basis by Food Standards Australia New Zealand ("**FSANZ**"), which operates as a statutory authority under the FSANZ Act. FSANZ assesses applications to amend the Food Standards Code and prepares proposals to vary existing standards or develop new ones. It also publishes 'Safe Food Australia', a guide covering the Food Standards Code's food safety standards, which aims to assist government agencies in enforcing food standards and to inform food businesses of their legal obligations under the FSANZ Act. For example, under the FSANZ Act, GYG must provide accurate nutritional information and also must ensure safe storage, handling and serving of food.

State and Territories

The standards in the FSANZ Act are incorporated into each Australian State and Territory's food safety legislation. Local councils also play a key role in regulating and enforcing relevant legislation.

Each State and Territory's food safety legislation reflects the FSANZ Act, however there are some differences between the food safety legal frameworks for each jurisdiction. Despite these differences, the Food Acts of each State and Territory broadly provide each regulator with a variety of compliance tools, including:

- **Warning letters:** where the regulator considers non-compliance has occurred, but the food operator has a demonstrated good compliance culture and willingness to resolve any issues.
- **Corrective action requests and improvement notices:** if an auditor identifies any issues, a Corrective Action Request (CAR) is raised for each issue identified. A CAR is rated 'minor', 'major' or 'critical' based on the level of risk to food safety and points are allocated accordingly. Improvement notices are statutory notices issues by an authorised officer to an owner of a food business if it is believed that the food business is in some way non-compliant with the relevant food safety legislation. The owner of the food business must undertake the specified improvements within a particular timeframe or face further penalties.
- **Penalty notices and infringement notices:** authorised officers may issue penalty notices or infringement notices, with those served with notices listed on a "name and shame" register. Penalties paid under infringement notices are relatively low and infringement notices are typically issued for less-serious offending.
- **Prosecution:** the relevant authority may seek to prosecute the relevant food business in a court of law to seek a higher penalty than would otherwise be available under an infringement notice, as well as other orders. Prosecution will normally be reserved for the more serious breaches or matters where less severe enforcement action has not changed the non-compliant behaviour.
- **Prohibition orders:** where the regulator considers there is a serious risk to public health it may issue a prohibition order which will set out the actions that a food business must undertake to ensure compliant. Once such actions are taken, the food business may organise with the relevant regulator to have the prohibition order lifted.

Codex Alimentarius

In addition to Australian regulations, GYG also designs its processes and systems with the aim of adhering to the Codex Alimentarius international food standards.

The Codex Alimentarius is a set of international food standards, guidelines and codes of practice published by the World Health Organisation that contribute to the safety, quality and fairness of international food trade. The Codex Alimentarius includes provisions in respect of food hygiene, food additives, labelling and presentation, with which GYG endeavours to comply.

Responsible Service of Alcohol

Each Australian State and Territory has different laws which regulate the sale and consumption of alcohol. A requirement across all acts is that employees of licensed premises in Australia who serve or supply alcohol must obtain a Responsible Service of Alcohol ("**RSA**") certificate. However, the requirements for RSA training and assessment differ between jurisdictions. RSA practices aim to minimise the harm associated with the misuse and abuse of alcohol and encourage responsible attitudes and practices towards the promotion, sales, supply, service and consumption of liquor. As some GYG restaurants operate with a liquor license, all necessary crew must ensure they have an up-to-date RSA certificate. Food and liquor laws generally apply to the 'persons', 'premises', 'businesses' or 'venues' which supply food or liquor. As such, in relation to franchise restaurants, franchisees, as operators of their own respective businesses, are typically responsible for ensuring that their premises have the required food and liquor authorisations, and that all associated regulations are complied with.

9.8.3 EMPLOYMENT

Fair Work Act

The *Fair Work Act 2009* (Cth) ("**FW Act**") is the primary piece of legislation governing the employee and employer relationship in Australia. The Fair Work Act establishes a safety net comprising the National Employment Standards, modern awards and national minimum wage order for employees and enforces a compliance regime for employers. The modern award which applies to a majority of GYG's employees is the *Fast Food Industry Award 2020*.

Under the Fair Work Act, GYG is legally responsible for contraventions of the legislation within its corporate-owned operations. In its role as a franchisor, GYG can also be held legally responsible if its franchisees contravene their obligations under the Fair Work Act. Franchisors can be held legally responsible for contraventions of the Fair Work Act by their franchisees where they are a "responsible franchisor entity". GYG will be considered a "responsible franchisor entity" where it has a significant degree of influence or control over the franchisee entity's affairs. A responsible franchisor can be held responsible for breaches (including underpayments) if they know, or could have reasonably known, that a franchisee was not following workplace laws and they did not take reasonable steps to prevent it. Where GYG enters into a master franchise agreement (i.e. an agreement whereby GYG gives a master franchisee the right to grant franchises to single franchisees known as "sub-franchisees", typically within a specific geographic territory), it will be the master franchisee who could be considered the "responsible franchisor entity" as the master franchisee will have a significant degree of influence or control over the sub-franchisee's affairs. GYG may be held vicariously liable for misrepresentations made by a master franchisee to sub franchisees.

Model Work Health & Safety Laws

Work Health and Safety ("**WHS**") law in Australia is largely coordinated across Australia's state, territory and Commonwealth jurisdictions through a set of uniform laws known as the model WHS laws, with the exception of Victoria. These laws include the model WHS Act, the model WHS Regulations and model Codes of Practice. The model WHS laws ensure the health and safety of workers and workplaces through, amongst other measures, requiring duty holders to eliminate or minimise risk, securing compliance, promoting the provision of advice and training and encouraging unions and employer organisations to take a constructive role in promoting sound WHS practices.

9.8.4 FRANCHISING

The Franchising Code of Conduct (the "**Code**") is the primary law that regulates franchising agreements in Australia. The Code sits within the *Competition and Consumer Act 2010* (Cth) and obliges franchisors and franchisees to act in good faith in their dealings with one another, requires franchisors to provide transparency in the use of franchisee funds and imposes financial penalties for particular kinds of breaches, amongst other obligations.

The Code governs how GYG as a franchisor must conduct themselves in the operation of their franchise network. Importantly, the Code obliges GYG to comply with certain obligations before entering into, during the term of and upon termination of its franchise agreements.

The Code also sets out strict requirements related to the disclosure of relevant information, which must be provided prior to a franchisee entering into a franchise agreement. For example, GYG must:

- provide certain documents to a franchisee at least 14 days before the franchisee enters into the franchise agreement such as a copy of the Franchise Agreement to be signed by the franchisee (particularised and in executable form), the Disclosure Document, Key Facts Sheet, Lease documentation including the occupancy licence plus any other documents that are material to the grant of the franchise;
- disclose to all incoming franchisee's information regarding the financial position of GYG;
- within the disclosure document, disclose the name, ABN, ACN or ARBN, address of each associate of the franchisor that is a body corporate and that is not a body corporate and provide details of the relationship between these associates and the franchisor including the relevance of the relationship to the franchise, as well as the business experience of each officer of the franchisor; and
- provide audits of its financial position and marketing fund.

There are substantial financial penalties for non-compliance with the Code.

Compliance with the Code is governed by the Australian Competition and Consumer Commission ("**ACCC**"). Investigations by the ACCC are undertaken at the ACCC's discretion; however, the ACCC has been clear that franchising and Code compliance are always a key focus.

9.8.5 CONSUMER PROTECTION

The *Competition and Consumer Act 2010* (Cth) ("**CCA**") sets out the obligations of a business in dealing with suppliers, competitors and customers, as well as the rights of a purchaser of goods and services in Australia. Schedule 2 to the CCA contains the Australian Consumer Law ("**ACL**"), which protects consumers by prohibiting various types of unfair trading practices, and provides basic consumer guarantees.

As a consumer-facing business engaged in trade or commerce, GYG is subject to the CCA and ACL and seeks to ensure that it is compliant including by:

- training its staff regarding obligations under the ACL;
- substantiating claims about its products and services; and
- responding to customer complaints effectively.

Since 9 November 2023, the Unfair Contract Term ("**UCT**") regime in the ACL was expanded to apply to contracts where one of the parties is a business that employs fewer than 100 persons, or has an annual turnover of less than $10 million. If a franchisee under to a franchise agreement with GYG meets these conditions, the franchise agreement may be subject to the UCT regime.

In addition, in certain circumstances GYG may have liability under the CCA or ACL for the conduct of its franchisees – for example, when the franchisee makes false, misleading or deceptive representations about products using only information that GYG has provided to it and that it is required to use as part of its franchising arrangements.

9.8.6 ENVIRONMENT

Each State and Territory government in Australia in which GYG operates has enacted legislation to regulate contamination ("**Contamination Laws**").

All jurisdictions in Australia also impose mandatory obligations on the person responsible for contamination or the owner (and in Victoria, the person with management and control) of land to notify the regulator of that contamination.

Not all contamination gives rise to regulatory action under the Contamination Laws. Typically, the regulator must be satisfied that the contamination presents a significant risk of harm to human health or the environment (for example where the contamination exceeds applicable criteria for applicable land uses and/or is migrating off-site) before the regulator's statutory powers to require remediation are able to be exercised.

If GYG is responsible for contamination (i.e. the polluter) it will be primarily liable under the Contamination Laws for any regulatory action in respect of that contamination.

9.8.7 PLANNING AND DEVELOPMENT

GYG is subject to planning and development laws when scoping and establishing new restaurants and as they may look to remodel current locations.

Land use and development in Australia is regulated under State and Territory and local planning legislation. Each jurisdiction that GYG operates has enacted planning legislation which provides a framework for developers and decision-makers that stipulates the types of development that require approval and the associated environmental impacts which must be assessed.

The consequences for building or operating a premises without approval under the relevant planning legislation may include orders to regularise the development or orders to cease operations or use of a premises until planning approval is obtained, fines, penalties and court proceedings.

Where planning approval has been obtained, the carrying out of that development is typically subject to conditions, which may set out limitations in relation to building size, landscaping, waste management, noise, odour and operating hours.

9.8.8 PRIVACY

The *Privacy Act 1988* (Cth) ("**Privacy Act**") is the principal piece of legislation that governs the handling of personal information in Australia and covers private sector entities with annual turnover over $3 million such as GYG.

The Privacy Act regulates the collection, use, disclosure and storage of personal information, and requires regulated organisations to, amongst other things, have a privacy policy that describes how the organisation collects, uses, discloses and stores personal information and to allow individuals to access and correct the personal information it holds about them. The Privacy Act also requires organisations to take certain steps in response to data breaches, including mandatory notification of "eligible data breaches" to the Office of the Australian Information Commissioner ("**OAIC**"), the main privacy regulator in Australia, as well as affected individuals. The OAIC's responsibilities include conducting investigations, handling privacy complaints, and providing guidance and advice to the public, organisations and agencies. It may also seek significant civil penalties for serious or repeated interferences with privacy.

GYG is required to comply with the Privacy Act when handling personal information, including the information it collects when interacting with its customers in its restaurants and through its mobile app, website and loyalty program.

9. ADDITIONAL INFORMATION CONTINUED

9.9 REGULATORY RELIEF

9.9.1 ASIC EXEMPTIONS AND RELIEF

ASIC has granted the following exemptions:

- an exemption to ensure that the on-sale restrictions in section 707(3) of the Corporations Act do not apply to Shares that are to be issued at some future point in time after Completion upon the exercise of Existing Options where those Existing Options were issued without disclosure under Chapter 6D of the Corporations Act and do not have the benefit of section 1100ZD of the Corporations Act. The effect of this exemption is that Company will not need to provide a notice under section 708A(5)(e) of the Corporations Act to ASX each time Shares are issued on the exercise of these Existing Options; and
- an exemption pursuant to section 1020F(1) of the Corporations Act from compliance with section 1020B(2) (prohibition of certain short sales of securities) in order facilitate aspects of the sale by SaleCo.

9.9.2 ASX WAIVERS AND CONFIRMATIONS

ASX has provided the following confirmations in respect of the ASX Listing Rules on an in-principle basis:

- confirmation of the Company's suitability for admission to the Official List of the ASX as an 'ASX Listing' under ASX Listing Rule 1.1, conditions 1 and 1.19;
- confirmation that the Company may seek admission to the Official List of the ASX under the assets test in ASX Listing Rule 1.3;
- confirmation that the mandatory escrow provisions in Chapter 9 of the ASX Listing Rules will not apply to the Company, having regard to the fact that the Company has a track record of revenue acceptable to ASX;
- confirmation that the form of the Constitution of the Company is acceptable to the ASX pursuant to condition 2 of ASX Listing Rule 1.1;
- confirmation that the Company may undertake deferred and conditional settlement trading of the Shares, subject to certain conditions to be approved by the ASX;
- confirmation that, for the purposes of Listing Rule 10.17A, Options issued to Non-Executive Directors of the Company in lieu of cash fees for performing their role as Non-Executive Director do not count towards the fee limit referred to in Listing Rule 10.17; and
- confirmation that the timetable the Company has adopted in connection with the Offer is acceptable to ASX.

In addition, the Company has applied to ASX for a waiver from ASX Listing Rule 4.7B to exempt the Company from the requirement to provide quarterly cash flow reports and a waiver from ASX Listing Rule 4.10.19 to exempt the Company from the requirement to include in its first two annual reports after admission to the official list of ASX the information required under that ASX Listing Rule.

9.10 LITIGATION AND CLAIMS

The Company may, from time to time, be party to litigation and other claims and disputes incidental to the conduct of its business, including employment disputes, contractual disputes, indemnity claims and occupational and personal claims. Such litigation, claims and disputes, including the costs of settling claims and operational impacts, could materially adversely affect the Company's business, operating and financial performance.

As far as the Directors are aware however, there is no current or threatened civil litigation, arbitration proceeding or administrative appeal, or criminal or Governmental prosecution of a material nature in which the Company is directly or indirectly concerned, which is likely to have a material adverse impact on the business or financial position of the Company.

9.11 SUBDIVISION OF CAPITAL

On 31 May 2024, the Company obtained shareholder approval to undertake a subdivision of its share capital on a ratio of 1 for 250 such that:

- each Share was split to become 250 Shares; and
- each Option was split to become 250 Options with the applicable exercise price of each Option divided by 250 (so that the holders of those Options are in no better or worse position as a consequence of the share split),

(together, the "**Capital Subdivision**").

The Capital Subdivision took effect on 3 June 2024.

Unless otherwise indicated, this Prospectus has been prepared on a post Capital Subdivision basis and all Share and Option numbers and Option exercise prices in this Prospectus are shown on a post Capital Subdivision basis.

On Completion, the shareholding structure of the Company will be as shown in Section 7.1.3.

9.12 TAXATION CONSIDERATIONS

This Section does not constitute financial product advice as defined in the *Corporations Act 2001* and is confined to Australian taxation issues only. Taxation is only one of the matters you need to consider when making a decision about your investments. You should consider taking advice from a licensed adviser, before making a decision about your investments.

The following tax comments are based on the tax and duty laws in Australia in force as at the date of the Original Prospectus. Australian tax and duty laws are complex. This summary is general in nature and is not intended to be an authoritative or complete statement of all potential tax and duty implications for each investor or relied upon as tax advice. During the period of ownership of the Shares by investors, the taxation laws of Australia, or their interpretation, may change. The precise implications of ownership or disposal will depend upon each investor's specific circumstances. Investors should seek their own professional advice on the taxation implications of holding or disposing of the Shares, taking into account their specific circumstances.

The following information is a general summary of the Australian income tax implications for Australian tax resident individuals, complying superannuation entities, trusts, partnerships and corporate investors that hold their Shares on capital account. These comments do not apply to non-resident investors, investors that hold their Shares on revenue account or as trading stock, investors who are exempt from Australian income tax or investors subject to the Taxation of Financial Arrangements regime in Division 230 of the *Income Tax Assessment Act 1997* (Cth) which have made elections (i.e. to apply the fair value or reliance on financial reports methodologies).

9.12.1 DIVIDENDS PAID ON SHARES

Australian resident individuals and complying superannuation entities

Dividends paid by the Company on a share will constitute assessable income of an Australian tax resident investor. Australian tax resident investors who are individuals or complying superannuation entities should include the dividend in their assessable income in the year the dividend is paid, together with any franking credit attached to that dividend.

Subject to the comments in Section 9.12.2 below, such investors should be entitled to a tax offset equal to the franking credit attached to the dividend. The tax offset can be applied to reduce the tax payable on the investor's taxable income. Where the tax offset exceeds the tax payable on the investor's taxable income, the investor should be entitled to a tax refund equal to the excess.

To the extent that the dividend is unfranked, the investor will generally be taxed at his or her prevailing marginal rate on the dividend received (with no tax offset). Complying superannuation entities will generally be taxed at the prevailing rate for the complying superannuation entities (with no tax offset).

Trusts and partnerships

Investors who are trustees (other than trustees of complying superannuation entities) or partnerships should include the franking credit in determining the net income of the trust or partnership. The relevant beneficiary or partner may be entitled to a share of the tax offset equal to the beneficiary's or partner's share of the net income of the trust or partnership.

Corporate investors

Corporate investors are also required to include both the dividend and the associated franking credit in their assessable income. Subject to the comments in Section 9.12.2 below, corporate investors are then entitled to a tax offset up to the amount of the franking credit attached to the dividend.

An Australian resident corporate investor should also be entitled to a credit in its own franking account to the extent of the franking credits attached to the distribution received. This will allow the corporate investor to pass on the franking credits to its investor(s) on the subsequent payment of franked dividends.

Excess franking credits received by corporate investors will not give rise to a refund entitlement for a company, but can be converted into carry forward tax losses instead.

Exempting franking credits

Dividends which have exempting franking credits attached and which are paid by the Company to Australian resident shareholders are generally treated as unfranked dividends in the hands of the investor. The amount of the dividend shall be included in the assessable income of the investor.

9.12.2 SHARES HELD AT RISK

The benefit of franking credits can be denied where an investor is not a 'qualified person', in which case the investor will not need to include the amount of the franking credits in their assessable income and will not be entitled to a tax offset.

Broadly, to be a 'qualified person', two tests must be satisfied, namely the holding period rule and the related payment rule.

Under the holding period rule, an investor is required to hold shares 'at risk' for more than 45 days continuously (which is measured as the period commencing the day after the shares were acquired and ending on the 45th day after the Shares become ex-dividend) in order to qualify for the benefit of the franking credits. This holding period rule is subject to certain exceptions, including where the total franking offsets of an individual in a year of income do not exceed $5,000.

Under the related payment rule, a different testing period applies where the investor has made, or is under an obligation to make, a related payment in relation to the dividend. The related payment rule requires the investor to have held the Shares at risk for the continuous 45 day period as above but within the period commencing on the 45th day before, and ending on the 45th day after the day the Shares become ex-dividend.

Investors should seek professional advice to determine if these requirements, as they apply to them, have been satisfied.

There are specific integrity rules that prevent taxpayers from obtaining a tax benefit from additional franking credits where dividends are received as a result of 'dividend washing' or certain other arrangements. Shareholders should consider the impact of these rules given their own personal circumstances.

9.12.3 Disposal of Shares

Most Australian resident investors will be subject to Australian CGT on the disposal of their Shares. Some investors may hold their Shares on revenue account as trading stock, or be subject to the Taxation of Financial Arrangements regime. These investors should seek their own professional advice in respect of the consequences of a disposal of their Shares.

An investor will derive a capital gain on the disposal of Shares where the capital proceeds received on disposal exceeds the CGT cost base of the Shares. The CGT cost base of the Shares is broadly the amount paid to acquire the Shares plus any qualifying incidental costs such as certain transaction or holding costs.

A CGT discount may be available on the capital gain for individual investors, certain trustee investors and investors that are complying superannuation entities, provided the particular Shares are held for at least 12 months prior to sale. Any current year or carry forward capital losses should offset the capital gain first before the CGT discount can be applied.

The CGT discount for individuals and certain trusts is 50% and for complying superannuation entities is 33⅓%. In relation to trusts, the CGT discount rules are complex, but the discount may flow through to presently entitled beneficiaries of the trust. An investor will incur a capital loss on the disposal of their particular Shares to the extent that the capital proceeds on disposal are less than the CGT reduced cost base of the Shares.

If an investor derives a net capital gain in a year, this amount is, subject to the following comments, included in the investor's assessable income. If an investor incurs a net capital loss in a year, this amount is carried forward and is available to offset against capital gains derived in subsequent years, subject to corporate investors satisfying certain rules relating to the recoupment of carried forward losses.

9.12.4 Tax File Number (TFN) and Australian Business Number (ABN)

Resident investors may, if they choose, notify the Company of their TFN, ABN or a relevant exemption from withholding tax with respect to dividends. In the event the Company is not so notified, tax will automatically be deducted at the highest marginal rate, in addition to where relevant, the Medicare levy from dividends.

Resident investors may be able to claim a tax credit in respect of any tax withheld on dividends in their tax returns. An investor is not required to quote their TFN to the Company.

An investor who holds Shares as part of an enterprise may quote its ABN instead of its TFN.

9.12.5 Goods and Services Tax (GST)

The acquisition, redemption or disposal of the Shares by an Australian resident (registered for GST) will be an input taxed financial supply, and therefore is not subject to GST.

No GST should be payable in respect of dividends paid to investors.

An Australian resident investor (registered for GST) may not be entitled to claim full input tax credits in respect of GST on expenses incurred relating to the acquisition, redemption or disposal of the Shares (e.g. lawyers' and accountants' fees).

Investors should seek their own tax advice on the impact of GST in their own particular circumstances.

9.12.6 Stamp Duty

No stamp duty should be payable by investors on the acquisition of the Shares provided no person, either alone or together with associated/related persons or acting in concert with others obtains a 90% or more interest in the Company. We note that some State/Territory Revenue Authorities may regard persons acquiring shares as part of an initial public offering to be associated/related in certain circumstances. Accordingly, the nature of the initial public offering will be important in concluding that no liability to duty arises on this step (i.e. whether any member of the public can participate or whether it is restricted).

Investors should seek their own tax advice as to the impact of stamp duty in their own particular circumstances.

9. ADDITIONAL INFORMATION CONTINUED

9.13 SELLING RESTRICTIONS

This Prospectus does not constitute an offer of Shares in any jurisdiction in which it would be unlawful. In particular, this Prospectus may not be distributed to any person, and the Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

CANADA (BRITISH COLUMBIA, ONTARIO AND QUEBEC PROVINCES)

This Prospectus constitutes an offering of Shares only in the Provinces of British Columbia, Ontario and Quebec (the "**Provinces**"), only to persons to whom Shares may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This Prospectus is not a prospectus, an advertisement or a public offering of securities in the Provinces. This Prospectus may only be distributed in the Provinces to persons who are "accredited investors" within the meaning of National Instrument 45-106 – Prospectus Exemptions, of the Canadian Securities Administrators.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this Prospectus, the merits of the Shares or the offering of the Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the Shares in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this Prospectus has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this Prospectus are in Australian dollars.

Statutory rights of action for damages and rescission. Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations. Prospective purchasers of the Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the Shares as there are Canadian tax implications for investors in the Provinces.

Language of documents in Canada. Upon receipt of this Prospectus, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement*.

EUROPEAN UNION (EXCLUDING AUSTRIA)

This Prospectus has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this Prospectus may not be made available, nor may the Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "**Prospectus Regulation**").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

HONG KONG

WARNING: This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "**SFO**"). Accordingly, this Prospectus may not be distributed, and the Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

JAPAN

The Shares have not been, and will not be, registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "**FIEL**") pursuant to an exemption from the registration requirements applicable to a private placement of securities to a small number of investors. This Prospectus is for the exclusive use of Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder) and franchisees of the Company. This document is confidential to the person to whom it is addressed and must not be distributed, reproduced or disclosed (in whole or in part) to any other person in Japan. Any person who acquires Shares may not resell them to any person in Japan that is not a Qualified Institutional Investor and acquisition by any such person of Shares is conditional upon the execution of an agreement to that effect.

JERSEY

This Prospectus may be distributed, and the Shares may be offered and sold, only from outside Jersey to a limited number of institutional and professional investors in Jersey. No offer to subscribe for Shares will be made to the public in Jersey.

9. ADDITIONAL INFORMATION CONTINUED

NEW ZEALAND

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (the "**FMC Act**").

The Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

SINGAPORE

This Prospectus and any other materials relating to the Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Shares, may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "**SFA**") or another exemption under the SFA.

This Prospectus has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this Prospectus immediately. You may not forward or circulate this Prospectus to any other person in Singapore.

Any offer is not made to you with a view to the Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

UNITED KINGDOM

Neither this Prospectus nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("**FSMA**") has been published or is intended to be published in respect of the Shares.

The Shares may not be offered or sold in the United Kingdom by means of this Prospectus or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Prospectus is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This Prospectus may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this Prospectus is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("**FPO**"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated ("**relevant persons**"). The investment to which this Prospectus relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus.

9.14 OWNERSHIP RESTRICTIONS

The sale and purchase of Shares in Australia are regulated by a number of laws that restrict the level of ownership or control by any one person (either alone or in combination with others). This Section 9.14 contains a general description of these laws.

9.14.1 CORPORATIONS ACT

The takeover provisions in Chapter 6 of the Corporations Act restrict acquisitions of shares in listed companies, and unlisted companies with more than 50 members, if the acquirer's (or another party's) voting power would increase to above 20%, or would increase from a starting point that is above 20% and below 90%, unless certain exceptions apply. The Corporations Act also imposes notification requirements on persons having voting power of 5% or more in the Company either themselves or through an associate.

9.14.2 FATA AND FEDERAL GOVERNMENT FOREIGN INVESTMENT POLICY

Generally, the *Foreign Acquisitions and Takeovers Act 1975* (Cth) ("**FATA**") applies to acquisition of shares and voting power in a company of 20% or more by a single foreign person and its associates ("**Substantial Interest**"), or 40% or more by two or more un-associated foreign persons and their associates ("**Aggregate Substantial Interest**"), where the acquisition meets a threshold value (which varies by investor type and industry). Where a foreign person holds a Substantial Interest in the Company or foreign persons hold an Aggregate Substantial Interest in the Company, the Company will be a 'foreign person' for the purposes of FATA.

In addition, FATA applies to acquisitions of a direct interest in an Australian company by foreign governments and their related entities irrespective of the acquisition value. A 'direct interest' is an interest of 10% in the entity but may also include an interest of less than 10% where the investor has entered into business arrangements with the entity or the investor is in a position to influence or participate in the management and control or policy of the entity. There are exemptions which can apply to certain acquisitions.

Where FATA applies to the acquisition, the acquisition may not occur unless notice of it has been given to the Federal Treasurer and the Federal Treasurer has either notified that there is no objection to the proposed acquisition (with or without conditions) or a statutory period has expired without the Federal Treasurer objecting.

An acquisition to which the FATA applies may be the subject of a divestment order by the Federal Treasurer unless the process of notification, and either a non-objection notification or expiry of a statutory period without objection, has occurred. Criminal offences and civil penalties can apply to failing to give notification of certain acquisitions, undertaking certain acquisitions without no objection notification or contravening a condition in a no objection notification.

9.15 CONSENTS TO BE NAMED AND DISCLAIMERS OF RESPONSIBILITY

Each of the parties listed below in this section as a consenting party, to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, makes no representations regarding and takes no responsibility for, any statements in or omissions from this Prospectus, other than the reference to its name in the form and context in which it is named and a statement or report included in this Prospectus with its consent as specified below.

Each of the parties listed below has given and has not, at the time of lodgement of this Prospectus with ASIC, withdrawn its written consent to the inclusion of statements in this Prospectus that are specified below in the form and context in which the statements appear:

- Each of Barrenjoey Markets Pty Limited and Morgan Stanley Australia Securities Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Joint Lead Manager and Underwriter to the Offer in the form and context in which it is named;

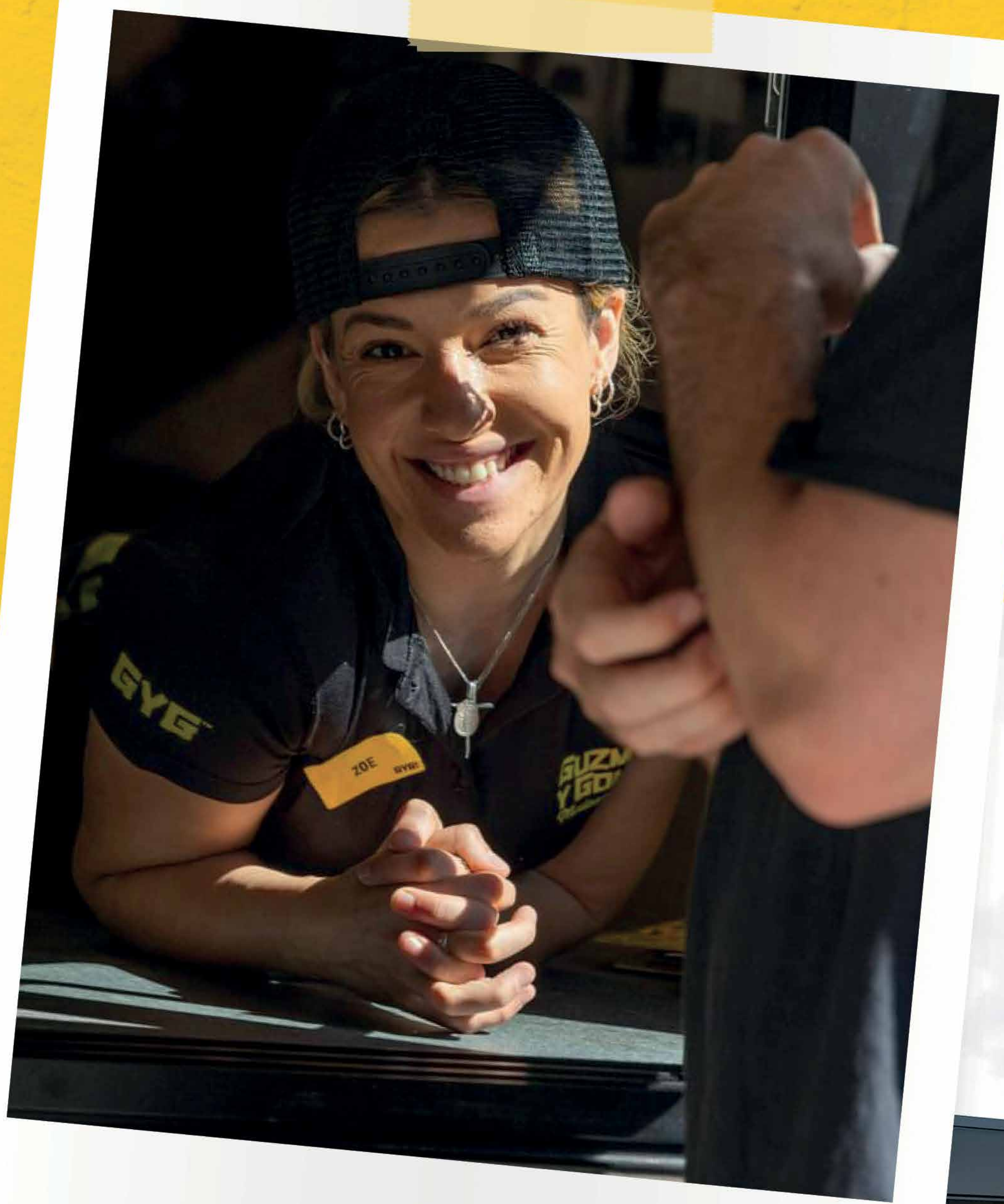
- Gilbert + Tobin has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Australian legal adviser (other than in relation to taxation matters and the Australian legal due diligence enquiries undertaken by LegalVision) to the Company and SaleCo in relation to the Offer in the form and context in which it is named;
- Deloitte Corporate Finance Pty Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Investigating Accountant to the Company in relation to the Financial Information in the form and context in which it is named and to the inclusion of its Independent Limited Assurance Report on the Financial Information set out in Section 8 in the form and context in which it appears in this Prospectus;
- Deloitte Touche Tohmatsu has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as the auditor of the Company;
- Ernst & Young has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as tax adviser to the Company in the form and context in which it is so named;
- Think Economics Pty Ltd has given, and has not withdrawn before lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus in relation to the inclusion in this Prospectus of references to the Market Report that the Company commissioned Think Economics Pty Ltd to prepare in the form and context in which they are included. Think Economics Pty Ltd takes no responsibility for any part of this Prospectus other than any reference to its name and its Market Report;
- LegalVision has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as having provided certain Australian legal due diligence services to the Company and SaleCo in relation to the Offer in the form and context in which it is named;
- Baker & McKenzie has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as having conducted legal due diligence on GYG's international business operations in the United States of America, Singapore and Japan for the Company and SaleCo in relation to the Offer in the form and context in which it is named; and
- Automic Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Share Registry of the Company in the form and context in which it is named. Automic Pty Ltd has had no involvement in the preparation of any part of this Prospectus other than being named as Share Registry to the Company. Automic Pty Ltd has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.

9.16 GOVERNING LAW

This Prospectus and the contracts that arise from the acceptance of the Applications and bids under the Prospectus are governed by the laws applicable in New South Wales and each Applicant submits to the exclusive jurisdiction of the courts of New South Wales.

9.17 STATEMENT OF DIRECTORS

This Prospectus is authorised by each Director of the Company and SaleCo who consents to its lodgement with ASIC and its issue.



LOVE YA WORK

APPENDIX A:

SIGNIFICANT ACCOUNTING POLICIES

APPENDIX A. SIGNIFICANT ACCOUNTING POLICIES

CONTENTS

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The principal accounting policies adopted in the preparation of the financial information included in Section 4 of the Prospectus (the 'Financial Information') are set out below. These accounting policies are consistent with the last statutory general purpose financial statements of Guzman y Gomez (Holdings) Limited (as it was previously named) (the 'Company' or 'parent entity') for the financial year ended 30 June 2023.

HISTORICAL COST CONVENTION

The Financial Information has been prepared under the historical cost convention except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss.

MATERIAL ACCOUNTING POLICIES

As set out in Section 4, the consolidated entity has prepared consolidated pro forma financial information for FY22, FY23 and HY24 from the statutory general purpose financial statements of the Company. The material accounting policies set out below reflect the pro forma accounting policies of the consolidated entity on a go forward basis.

PRINCIPLES OF CONSOLIDATION

The Financial Information incorporates the assets and liabilities of all subsidiaries of the Company as at 30 June 2023 and the results of all subsidiaries for the year then ended. The Company and its subsidiaries together are referred to in this Financial Information as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained, together with any gain or loss in profit or loss.

REVENUE RECOGNITION

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled, in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity:

- identifies the contract with a customer;
- identifies the performance obligations in the contract;
- determines the transaction price which takes into account estimates of variable consideration and the time value of money;
- allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and
- recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

APPENDIX A. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Sale of goods

The consolidated entity sells Mexican-inspired food through a network of quick service restaurants in Australia and the US. Revenue for these sales is recognised when control of the inventory transfers to the customer, which is generally at the time of delivery. Invoices are generated at a point in time upon receipt of goods. There is no significant financing component nor variable consideration.

Franchising revenue

The consolidated entity manages a franchise business engaged in providing the same Mexican-inspired food through a franchise network of quick service restaurants in Australia, Japan and Singapore. The consolidated entity enters into franchise agreements with franchisees (including certain master franchise agreements) to operate Guzman y Gomez branded restaurants. The material types of franchising revenues are set out below.

Initial franchising fees and sales-based royalties

The consolidated entity confers the right to operate the franchised restaurants to the franchisees and the granting of this right represents a single performance obligation. The consolidated entity has determined that the services provided in exchange for franchising fees and sales-based royalties are highly interrelated with the franchise right and are not individually distinct from the ongoing services provided to the franchisees.

Initial franchising fees are recognised as revenue on a straight-line basis over the term of the respective franchise agreement. Revenue associated with continuing sales-based royalties are recognised when the related franchisee sale occurs.

Other franchisee services

The consolidated entity also provides services to franchisees which are carried out in accordance with the contract. These include recharges of costs where the consolidated entity acts as the principal in the provision of the service to the franchisee. Service revenue is recognised as the performance obligation is satisfied which is when the services are rendered. Where these other franchisee services are not distinct from the granting of the franchise right, they are recognised in accordance with the initial franchising fees and/or sales-based royalties above.

Marketing fund contributions

The consolidated entity earns marketing fund contributions from franchisees which are collected for specific use within the Guzman y Gomez Marketing Fund which is operated on behalf of the franchise network. Marketing fund contributions are recognised when the related franchisee sale occurs.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

INCOME TAX

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

An income tax benefit will arise for the financial year where an income tax loss is incurred and, where permitted to do so, is carried-back against a qualifying prior period's tax payable to generate a refundable tax offset.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

The Company (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

Current tax liabilities and assets and deferred tax assets arising from unused tax losses and relevant tax credits arising from this allocation process are then accounted for as immediately assumed by the head entity, as under Australian taxation law the head entity has the legal obligation (or right) to these amounts.

The tax sharing agreement entered into between members of the tax-consolidated group provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations or if an entity should leave the tax-consolidated group. 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.

The entities have also entered into a tax funding agreement under which the wholly owned entities in the tax consolidated 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.

LEASE LIABILITIES

The consolidated entity as lessee

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The consolidated entity remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate; or
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in other expenses in the profit or loss.

As a practical expedient, AASB 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The consolidated entity has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the consolidated entity allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The consolidated entity as lessor

The consolidated entity enters into lease agreements as a lessor for franchisee restaurants.

Leases for which the consolidated entity is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the consolidated entity is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. Amounts due from lessees under finance leases are recognised as receivables at the amount of the consolidated entity's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the consolidated entity's net investment outstanding in respect of the leases.

When a contract includes both lease and non-lease components, the consolidated entity applies AASB 15 to allocate the consideration under the contract to each component.

RIGHT-OF-USE ASSETS

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

PROPERTY, PLANT AND EQUIPMENT

Plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	Life of the lease (3-15 years)
Plant and equipment	1-20 years
Make good assets	Life of the lease (3-15 years)
Computer equipment	1-8 years
Motor vehicles	1-8 years
Office equipment	1-20 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

APPENDIX A. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

INTANGIBLE ASSETS

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 2-5 years.

Reacquired rights

Significant costs associated with reacquired rights are deferred and amortised on a straight-line basis over a period of 2 to 8 years (based on the period of the franchising contract).

Software-as-a-Service ('SaaS') arrangements

SaaS arrangements are service contracts providing the Company with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received.

Some of these costs incurred are for the development of software code that enhances or modifies or creates additional capability to existing on-premises systems and meets the definition of and recognition criteria for an intangible asset. These costs are recognised as intangible software assets and amortised over the useful life of the software on a straight-line basis. The useful lives of these assets are reviewed at least at the end of each financial year, and any change accounted for prospectively as a change in accounting estimate.

EMPLOYEE BENEFITS

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments as the date at which they are granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact on expenses and equity.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If the equity-settled awards are forfeited, the previously recognised expense is de-recognised immediately.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

APPENDIX A. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Financial Information requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The key areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Information, are outlined below.

SHARE-BASED PAYMENT TRANSACTIONS

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

AASB 16 *LEASES* – EXTENSION OPTIONS

Extension and termination options are included in a number of property lease agreements. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option. These include relevant factors such as the restaurant performance, the remaining useful life of the restaurant plant & equipment and remaining term of the licence to franchisees where relevant. Extension options are only included in the lease term if the lease is reasonably certain to be extended. The lease term is reassessed if and when an option becomes reasonably certain.

AASB 16 *LEASES* – INCREMENTAL BORROWING RATE

The consolidated entity recognizes lease liabilities based on the minimum lease payments, discounted by the incremental borrowing rate ('IBR'). The IBR is calculated on a lease-by-lease basis at the commencement date of the lease and is based on assumptions which include the consolidated entity's expected long-term borrowing rate for a lending facility with similar terms to the lease and based on inputs including the risk-free borrowing rate, the expected margin and the term of the lease.

GYG DRIVE THRU

APPENDIX B:

GLOSSARY

APPENDIX B. GLOSSARY

Term	Description
100% Clean	has the meaning given in Section 3.3.4.
1H25 Results	has the meaning given in Section 9.7.2.
Australian Accounting Standards or **AAS**	means the Australian Accounting Standards and other authoritative pronouncements issued by the AASB.
AASB	means the Australian Accounting Standards Board.
ACCC	Australian Competition and Consumer Commission.
ACL	has the meaning given in Section 9.8.5.
Aggregate Substantial Interest	has the meaning given in Section 9.14.2.
Amortisation of reacquired rights	Amortisation of reacquired rights due to the buyback of franchise restaurants from franchisees. These are typically amortised over the remaining term of the lease.
Applicant	a person who submits an Application.
Application	an application for Shares under this Prospectus.
Application Form	an application form attached to or accompanying this Prospectus and any replacement prospectus (including the electronic form provided by an online application facility).
Application Monies	the amount of money accompanying an Application Form submitted by an Applicant.
ASX	means ASX Limited (ACN 008 624 691) or the financial market operated by it, being the Australian Securities Exchange, as the context requires.
ASX Listing Rules	the official listing rules of the ASX.
ASX Recommendations	has the meaning given in Section 6.4.
ASX Settlement Operating Rules	the rules of ASX Settlement Pty Limited (ABN 49 008 504 532).
Average Unit Volume or **AUV**	refers to aggregate sales for a restaurant or group of restaurants over a specified time period expressed on a per restaurant basis.
Baker & McKenzie	refers to Baker & McKenzie (ABN 32 266 778 912), an Australian partnership.
Banking Facilities	has the meaning given in Section 9.5.3.1.
Barrenjoey	Barrenjoey Markets Pty Limited (ABN 66 636 976 059).

Term	Description
Barrenjoey Private Capital	has the meaning given to that term in the Important Notices.
Broker	any ASX participant organisation selected by the Joint Lead Managers and the Company to act as a broker for the Offer.
Broker Firm Offer	the offer of Shares under this Prospectus to Australian and eligible New Zealand resident retail clients of Brokers and who have received a firm allocation from their Broker as detailed in Section 7.4.
Broker Firm Offer Applicant	a person who submits an Application under the Broker Firm Offer.
CAGR	compound annual growth rate.
Capital Subdivision	has the meaning given in Section 9.11.
CBA	has the meaning given in Section 9.5.3.1.
CBA Terms	has the meaning given in Section 9.5.3.2.
CCA	*Competition and Consumer Act 2010* (Cth).
Clearing House Electronic Subregister System (CHESS)	Clearing House Electronic Subregister System, operated in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.
Closing Date	the date on which the Offer is expected to close, being 17 June 2024 in respect of the Retail Offer. This date may be varied without prior notice.
Code	has the meaning given in Section 9.8.4.
Comparable Restaurant Margin	reflects Network Restaurant Margins for all Australian restaurants included in the calculation of Comparable Restaurant Sales Growth (see Glossary and Section 4.2.4 for further detail). Excludes 10 restaurants owned by the South Australia master franchisee as they are not representative of the broader restaurant network (see Section 3.3.3.2 for further detail).
Comparable Restaurant Sales Growth (or **Comp Sales Growth** or **Comp Sales)**	represents the percentage change of the total sales generated by a restaurant or group of restaurants in a relevant period, compared to the total sales from the same restaurant or group of restaurants in the prior corresponding period. Restaurants that have not been open for a minimum of 56 weeks are excluded from the calculation of Comp Sales. A 56-week measurement excludes the impact of elevated sales immediately following restaurant opening dates. The calculation also adjusts for the impact of restaurant refurbishments, closures and other significant non-recurring factors that could impact restaurant sales in a period.
Constitution	the constitution of the Company as in force at admission to the official list of the ASX.
Contamination Laws	has the meaning given in Section 9.8.6.
Cornerstone Investor	Institutional Investor that has, as at the date of this Prospectus, pre-committed to the Joint Lead Managers to acquire Shares at the Offer Price under this Prospectus.

APPENDIX B. GLOSSARY CONTINUED

Term	Description
Comparable Corporate Restaurant Margin	refers to Corporate Restaurant Margins (excluding costs that are not directly attributable to the individual restaurant) for all Australian corporate restaurants included in the calculation of Comparable Restaurant Sales Growth (see Section 4.2.4 for further detail).
Corporate Restaurant Margin	refers to corporate restaurant sales less cost of food and packaging, cost of labour, delivery commissions, rent and outgoings paid, marketing expenditure and other costs attributable to a set of restaurants that are owned and operated by GYG. This measure excludes any impact from AASB 16 *Leases*.
Corporate Restaurant ROI	has the meaning given in Section 3.7.1.5.
Corporations Act	*Corporations Act 2001* (Cth).
CPI	means the Consumer Price Index.
Crew	refers to GYG's in-restaurant team at both corporate and franchise restaurants.
DA	Development Application.
Director	each of the directors of the Company from time to time.
EBIT	earnings before interest and tax is calculated as profit or loss before interest income, interest expense and interest on the lease liability recognised under AASB 16 *Leases* and income tax expense.
EBIT Margin	represents EBIT expressed as a percentage of revenue.
EBITDA	earnings before interest and tax, depreciation and amortisation is calculated as profit or loss before interest income, interest expense, interest on the lease liability recognised under AASB 16 *Leases*, income tax expense, depreciation, amortisation and amortisation of reacquired rights.
EFT	Electronic Funds Transfer.
Eligible Employee	individuals who are resident in Australia and are permanent full-time or permanent part-time employees of the Company as at Original Prospectus Date and who receive an invitation to apply for Shares under the Employee Offer as set out in Section 7.6.
Eligible Franchisee	franchisees who are resident in Australia and other jurisdictions determined by the Company in its discretion as at Original Prospectus Date and who receive an invitation to apply for Shares under the Franchisee Offer as set out in Section 7.7.
Eligible GYG Shareholder	existing shareholders of GYG as at the day three business days before the Original Prospectus Date who are not eligible to participate under the Institutional Offer and who receive an invitation to apply for Shares under the Priority Offer.
Employee Offer	the offer of Shares under this Prospectus to Eligible Employees who are resident in Australia, as set out in Section 7.6.
Employee Offer Applicant	a person who submits an application under the Employee Offer.

Term	Description
Employee Offer Invitation	the invitation under this Prospectus to Eligible Employees, to participate in the Employee Offer.
Escrow Deed	a voluntary escrow deed between an Escrowed Shareholder (including Participating Franchisees) and the Company in relation to that Escrowed Shareholder's Escrowed Shares.
Escrow Period	the applicable period set out in Section 9.7.1.
Escrowed Shareholder	a person holding Escrowed Shares and includes Participating Franchisees.
Escrowed Shares	Shares that are subject to the voluntary escrow arrangements described in Section 9.7.
Existing Optionholder	a person holding an Option at the Original Prospectus Date.
Existing Options	options held by the Existing Optionholders.
Existing Securities	Existing Shares and Existing Options.
Existing Securityholder	a person holding a Share and/or an Option as at the Original Prospectus Date.
Existing Shareholder	a person holding a Share as at the Original Prospectus Date.
Existing Shares	Shares held by the Existing Shareholders.
FW Act	*Fair Work Act 2009* (Cth).
FATA	*Foreign Acquisitions and Takeovers Act 1975* (Cth).
FFIA	Fast Food Industry Award.
Financial Information	has the meaning given to that term in Section 4.
First Replacement Prospectus	the prospectus issued by the Company and SaleCo dated and lodged with ASIC on 7 June 2024, which replaced the Original Prospectus, and which is replaced by this Prospectus.
FMC Act	*Financial Markets Conduct Act 2013.*
Food Standards Code	Australia New Zealand Food Standards Code.
Forecast Financial Information	has the meaning given to that term in Section 4.
FPO	has the meaning given in Section 9.13.

APPENDIX B. GLOSSARY CONTINUED

Term	Description
Franchise Restaurant Margin	refers to franchise restaurant sales less cost of food and packaging, cost of labour, delivery commissions, rent and outgoings paid, marketing expenditure and other costs attributable to a set of restaurants that are owned and operated by franchisees. This measure is net of the sales royalty and excludes any impact from AASB 16 *Leases*.
Franchise Restaurant ROI	has the meaning given in Section 3.7.1.5.
Franchise Royalty Rate	refers to the average ongoing sales royalty, net of delivery commissions, paid by franchisees to the franchisor in accordance with the GYG royalty structure and franchise agreement.
Franchisee Offer	the offer of Shares under this Prospectus to Eligible Franchisees who are resident in Australia and other jurisdictions determined by the Company in its discretion, as set out in Section 7.7.
Franchisee Offer Applicant	a person who submits an application under the Franchisee Offer.
Franchisee Offer Price	$18.00 per Share, a discount of 18.2% to the Offer Price.
Franchisee ROI	calculated on an individual franchisee basis based on their aggregate Franchise Restaurant Margin (which is net of royalties) divided by their aggregate restaurant capex (including any refurbishments or subsequent investment).
Franchisee(s)	an individual who owns the right to operate one or more GYG franchise restaurants.
FSANZ Act	*Food Standards Australia New Zealand Act 1991* (Cth).
FSANZ	Food Standards Australia New Zealand.
FSMA	has the meaning given in Section 9.13.
FY and **Financial Year**	refers to the 12 months ending 30 June in the relevant year.
G&A	refers to general and administrative expenses incurred in the ordinary course of business.
Global Network Sales	Network Sales for all operating locations.
Group	the Company and its Related Bodies Corporate.
Group Company	a company that is a member of the Group.
GST	goods and services or similar tax imposed in Australia.
GYG or **the Company**	Guzman y Gomez Limited (ACN 125 554 743).
GYG Franchising	Guzman y Gomez Franchising Pty Limited (ACN 135 404 705).
GYG Leasing	Guzman y Gomez Leasing Pty Limited (ACN 135 404 723).

Term	Description
GYG IPO Information Line	1300 441 602 (within Australia) or +61 2 9934 0529 (outside Australia).
Historical Financial Information	consists of the Statutory Historical Financial Information and the Pro Forma Historical Financial Information for the periods ending FY22, FY23 and 1H23 and 1H24.
HIN	Holder Identification Number.
Hola Central	GYG's corporate head office.
IFRIC	International Financial Reporting Interpretations Committee.
IFRS	International Financial Reporting Standards.
Implied Franchise Royalty Rate	is calculated as the total Franchise Royalty Revenue divided by the total Franchise Network Sales.
Industry Data	is data relating to the industry and markets in which GYG operates.
Institutional Investor	investors who are: • persons in Australia who are wholesale clients under section 761G of the Corporations Act and either 'professional investors' or 'sophisticated investors' under sections 708(11) and 708(8) of the Corporations Act; or • institutional investors in certain other jurisdictions, as agreed by the Company and the Joint Lead Managers, to whom offers of Shares may lawfully be made without the need for a lodged or registered prospectus or other form of disclosure document or filing with, or approval by, any governmental agency (except one with which the Company is willing in its discretion to comply).
Institutional Offer	the offer and sales of Shares to Institutional Investors in Australia and certain other eligible jurisdictions around the world under this Prospectus as described in Section 7.8.
Investigating Accountant	Deloitte Corporate Finance Pty Limited.
IPO	Initial Public Offering.
Joint Lead Managers	Barrenjoey Markets Pty Limited (ABN 66 636 976 059) and Morgan Stanley Australia Securities Limited (ABN 55 078 652 276).
KDS	Kitchen Display System.
KMP or **Key Management Personnel**	Steven Marks, Hilton Brett and Erik du Plessis (and excludes for the purposes of the Prospectus any other Directors).
Listing	has the meaning given in the Important Notices.
LTI Plan	has the meaning given in Section 6.3.3.1.
Market Report	refers to the report prepared by Think Economics and dated April 2024 on the Australian QSR market.

APPENDIX B. GLOSSARY CONTINUED

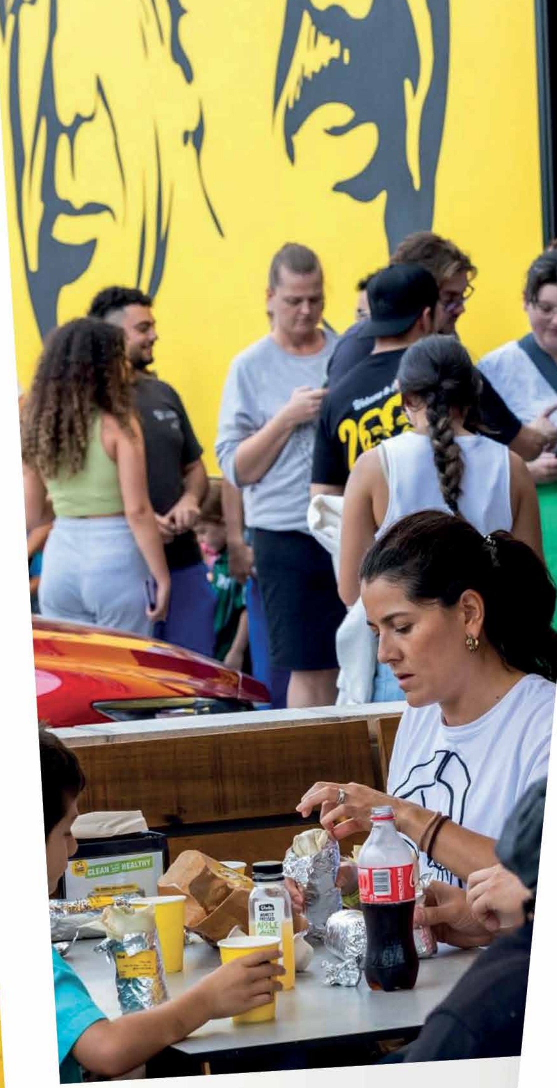
Term	Description
Master Franchisee	has the meaning given in Section 9.5.2.
MFA	has the meaning given in Section 9.5.2.
MFA Territory	has the meaning given in Section 9.5.2.
Network Restaurant Margin	refers to restaurant sales less cost of food and packaging, cost of labour, delivery commissions, rent and outgoings paid, marketing expenditure and other costs attributable to a set of restaurants that are owned and operated by the Company or franchisees. It is a pre-sales royalty measure and excludes any impact from AASB 16 *Leases*.
Network Sales	is calculated as the aggregate sales of all or a specified group of GYG restaurants over a specified time period, including restaurants owned and operated by franchisees and master franchisees unless otherwise specified. Network Sales relates to the total value of sales generated across corporate and franchise restaurants, within a specified region. Global Network Sales is used when referring to all regions.
NPAT	net profit after tax.
OAIC	Office of the Australian Information Commissioner.
Offer	means the offer of new Shares by the Company and the offer of Sale Securities by SaleCo under this Prospectus.
Offer Price	$22.00 per Share.
Offer Website	www.gyg.automicgroup.com.au
Official List	the official list of the ASX.
Opening Date	the date on which the Offer is expected to open, being 15 June 2024 in respect of the Retail Offer.
Opex	operating expenditure.
Operating Cashflow	EBIT after the removal of non-cash items in EBIT (e.g. timing differences between cash receipts and expenses and accrued revenue and costs, share-based payment expenses and movements in provisions and changes in working capital).
Option	an option to acquire a Share upon the satisfaction (or waiver) of any applicable vesting conditions.
Original Prospectus	the prospectus issued by the Company and SaleCo dated 31 May 2024, which was lodged with ASIC on that date and was replaced by the First Replacement Prospectus.
Original Prospectus Date	the date of the Original Prospectus, being 31 May 2024.
Other Capital Expenditure or **Other Capex**	reflects capital expenditure to maintain Hola Central fixed assets and excludes acquisitions from and disposals to franchisees.
Participating Franchisee	an Eligible Franchisee who applies for and is issued Shares under the Franchisee Offer.

Term	Description
Plan Rules	has the meaning given in Section 6.3.3.2.
Pre-IPO Capital Raise	means the offer of new and existing Shares and Options undertaken by GYG and selling securityholders in April 2024.
Priority Offer	the Offer of Shares under this Prospectus to Eligible GYG Shareholders and select investors, resident in Australia and New Zealand, who have received a Priority Offer Invitation, as set out in Section 7.5.
Priority Offer Applicant	a person who submits an application under the Priority Offer.
Priority Offer Invitation	the invitation under this Prospectus to selected investors and Eligible GYG Shareholders, to participate in the Priority Offer.
Privacy Act	*Privacy Act 1988* (Cth).
Pro Forma Consolidated Cash Flow	has the meaning given in Section 4.
Pro Forma Consolidated Statement of Financial Position	has the meaning given in Section 4.
Pro Forma Historical Financial Information	has the meaning given in Section 4.
Pro Forma Historical Results or Interim Results	has the meaning given in Section 4.
Pro Forma Forecast Financial Information	has the meaning given in Section 4.
Pro Forma Forecast Results	has the meaning given in Section 4.
Prospectus	means this document (including the electronic form of this Prospectus) and any supplement to, or replacement of, this document.
Prospectus Date	the date on which a copy of this Prospectus was lodged with ASIC, being 14 June 2024.
Prospectus Regulation	has the meaning given in Section 9.13.
Provinces	has the meaning given in Section 9.13.
QSR	has the meaning given in Section 1.1.

APPENDIX B. GLOSSARY CONTINUED

Term	Description
Regulation S	means Regulation S under the U.S. Securities Act.
Related Body Corporate and **Related Bodies Corporate**	has the meaning given by section 50 of the Corporations Act.
Restaurants	refers to the operating locations of GYG, both corporate and franchise.
Restaurant Capital Expenditure or **Restaurant Capex**	includes capital expenditure to maintain or refurbish existing restaurants and initial expenditure to establish new restaurants (before landlord contributions) and excludes acquisitions from and disposals to franchisees.
Restaurant Capital Expenditure or **Restaurant Capex (net of landlord contributions)**	includes capital expenditure to maintain or refurbish existing restaurants and initial expenditure to establish new restaurants (after landlord contributions) and excludes acquisitions from and disposals to franchisees.
Resultant Shares	has the meaning given in Section 9.4.
Retail Offer	the Broker Firm Offer, Employee Offer, Franchisee Offer and Priority Offer.
ROI	return on investment, typically calculated on an individual restaurant basis based on Restaurant Margin divided by Restaurant Capex (including any refurbishments or subsequent investment).
RSA	Responsible Service of Alcohol.
Sale Options	has the meaning given in Section 9.4.
Sale Securities	has the meaning given in Section 9.4.
Sale Shares	has the meaning given in Section 9.4.
SaleCo	GYG SaleCo Limited (ACN 677 361 581).
Security Sale Deed	has the meaning given in Section 9.4.
Segment Underlying EBITDA	reflects GYG's underlying earnings before interest, tax, depreciation and amortisation. This does not include the impacts of AASB 16 *Leases* or AASB 2 *Share Based Payments*. This represents GYG's current operating metric and reflects Corporate Restaurant Margin (which is done on a rent and outgoings paid basis excluding the impacts of AASB 16 *Leases*), franchise revenue earned from franchise restaurants and general and administrative expenses allocated to the respective segment.
Selling Securityholder	a person holding a Sale Share and/or a Sale Option.

Term	Description
Settlement	the settlement in respect of the Shares the subject of the Offer occurring under the Underwriting Agreement and associated settlement support arrangements.
Settlement Date	the date on which Settlement occurs.
SFA	Securities and Futures Act 2001 of Singapore.
SFO	has the meaning given in Section 9.13.
Share	a fully paid ordinary share in the capital of the Company.
Share Registry	Automic Pty Ltd (ACN 152 260 814).
SRN	Securityholder Reference Number.
Statutory Historical Financial Information	has the meaning given in Section 4.
Statutory Historical Results or **Interim Results**	has the meaning given in Section 4.
Statutory Forecast Financial Information	has the meaning given in Section 4.
Statutory Forecast Results	has the meaning given in Section 4.
Subsidiary	has the meaning given by section 46 of the Corporations Act.
Substantial Interest	has the meaning given in Section 9.14.2.
TDM	refers to TDM Growth Partners Pty Ltd (ACN 133 246 330).
Think Economics	refers to Think Economics Pty Ltd (ACN 643 128 232).
UCT	has the meaning given in Section 9.8.5.
U.S. Securities Act	U.S. Securities Act of 1993.
Underwriting Agreement	has the meaning given in Section 9.6.
WHS	Work Health and Safety.
Working Capital	comprises inventories, trade receivables, trade payables, accruals and employee entitlement provisions.



OUR SMILES ARE CONTAGIOUS

APPENDIX C:

ADDITIONAL INFORMATION IN RELATION TO OPTIONS

APPENDIX C. ADDITIONAL INFORMATION IN RELATION TO OPTIONS

The information in this Appendix C is provided for the purposes of ASX Listing Rule 10.16(c)(i).

<table>
<tr><th>Information</th><th>Description</th></tr>
<tr><td>The name of the person</td><td>Each person listed in Section 6.3.1.4.</td></tr>
<tr><td>Which category in ASX Listing Rules 10.14.1 to 10.14.3 the person falls within and why</td><td>Each person is a Director, being a person falling under ASX Listing Rule 10.14.1.</td></tr>
<tr><td>The number and class of securities issued to the person under the scheme</td><td>The Options issued to the Directors as set out in Sections 6.3.3.3 (in relation to the Executive Directors) and 6.3.3.4 (in relation to the Non-Executive Directors).</td></tr>
<tr><td>Details of each Director's current total remuneration package</td><td>As set out in Sections 6.3.2.1 (Steven Marks), 6.3.2.2 (Hilton Brett) and 6.3.1.3 (Non-Executive Directors).</td></tr>
<tr><td>The number of securities that have previously been issued to the person under the scheme and the average acquisition price (if any) paid by the person for those securities</td><td>The below table sets out the total number of Options that ever been granted to the Directors under LTI Plans and the average price (if any) paid by each Director for the acquisition of those Options.
<table>
<tr><th></th><th>Guy Russo</th><th>Steven Marks</th><th>Hilton Brett</th><th>Tom Cowan</th><th>Bruce Buchanan</th><th>Jacqui Coombes</th><th>Marina Joanou</th><th>Ian Rowden</th></tr>
<tr><td>Options</td><td>437,750</td><td>6,479,250</td><td>1,642,000</td><td>63,250</td><td>263,250</td><td>113,250</td><td>56,500</td><td>42,000</td></tr>
<tr><td>Average acquisition price</td><td>$0.47</td><td>$0.18</td><td>$1.02</td><td>Nil</td><td>Nil</td><td>Nil</td><td>Nil</td><td>Nil</td></tr>
</table></td></tr>
<tr><td>A summary of the material terms of the securities</td><td>The material terms of the Options held by Directors are summarised in Sections 6.3.3.3 (in relation to the Executive Directors) and 6.3.3.4 (in relation to the Non-Executive Directors).</td></tr>
<tr><td>An explanation of why that type of security is being used</td><td>Options were chosen for the purpose of aligning the interests of these persons more closely with the interests of shareholders by providing them with an opportunity to receive an equity interest in the Company.</td></tr>
</table>

APPENDIX C. ADDITIONAL INFORMATION IN RELATION TO OPTIONS CONTINUED

Information	Description
The value the entity attributes to that security and its basis/ Issue date for the securities/ Issue price of the securities	The Company uses the Black Scholes Pricing Model to value each of the Options. In respect of the Options (which were calculated as at the date of issuance of the relevant Options) that will be held by the Directors on Completion, the valuations per Option are provided in the table below along with their issue dates and issues prices.

Director	Issue date	Issue Price	Valuation
Guy Russo	5 June 2023	$1.31	$7.04
	17 May 2024	$1.48	$6.18
Steven Marks	14 Feb 2020	$0.16	$0.27
	27 May 2022	$0.17	$3.15
	27 May 2022	$0.16	$3.23
Hilton Brett	1 July 2023	$1.12	$4.21
Tom Cowan	5 June 2023	Nil	$7.04
	17 May 2024	Nil	$6.18
Bruce Buchanan	5 June 2023	Nil	$7.04
	17 May 2024	Nil	$6.18
Jacqui Coombes	5 June 2023	Nil	$7.04
	17 May 2024	Nil	$6.18
Marina Joanou	5 June 2023	Nil	$7.04
	17 May 2024	Nil	$6.18
Ian Rowden	17 May 2024	Nil	$5.94

A summary of the material terms of the scheme	The material terms of the LTI Plans are summarised in Section 6.3.3.2.
A summary of the material terms of any loan made to the person in relation to the acquisition	Refer to Section 6.3.3 for details of the loans that have been made by the Company to the Executive Directors in connection with the Options granted to them under the LTI Plans. No loans have been made by the Company to Non-Executive Directors in connection with the Option that they hold as at the Original Prospectus Date.

BROKER FIRM OFFER APPLICATION FORM

Broker Code	Adviser Code

Applicants who received this Offer from their broker must return their Application Form and Application Monies back to their broker

Guzman y Gomez Limited
ACN 125 554 743

Standard Application

Enter your details below (clearly in capital letters using pen) and return in accordance with the instructions on page 2 of the form.

1. Number of Shares applied for

Application payment (multiply box 1 by $22.00 per Share)

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Applications must be for a minimum of 100 Shares at $22.00 per Share (i.e. for a minimum subscription amount of $2,200).

2. Applicant name(s) and postal address (Refer to Naming Standards overleaf)

Post Code:

3. Contact details

Telephone Number

( )

Contact Name (PLEASE PRINT)

Email Address

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible).

4. CHESS Holders Only – Holder Identification Number (HIN)

X

Note: if the name and address details in section 2 does not match exactly with your registration details held at CHESS, any Shares issued as a result of your Application will be held on the Issuer Sponsored subregister.

5. TFN/ABN/Exemption Code

Applicant #1

Applicant #2

Applicant #3

If NOT an individual TFN/ABN, please note the type in the box
C = Company; P = Partnership; T = Trust; S = Super Fund

AUTOMIC GROUP

YOUR PRIVACY

Automic Pty Ltd (ACN 152 260 814) trading as Automic Group advises that Chapter 2C of the *Corporations Act 2001* (Cth) (**Corporations Act**) requires information about you as a securityholder (including your name, address and details of the Shares you hold) to be included in the public register of the entity in which you hold Shares. Primarily, your personal information is used in order to provide a service to you. We may also disclose the information that is related to the primary purpose and it is reasonable for you to expect the information to be disclosed. You have a right to access your personal information, subject to certain exceptions allowed by law and we ask that you provide your request for access in writing (for security reasons). Our privacy policy is available on our website – www.automic.com.au

CORRECT FORMS OF REGISTRABLE TITLE

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual	Mr John Richard Sample	J R Sample
Joint Holdings	Mr John Richard Sample & Mrs Anne Sample	John Richard & Anne Sample
Company	ABC Pty Ltd	ABC P/L or ABC Co
Trusts	Mr John Richard Sample <Sample Family A/C>	John Sample Family Company
Superannuation Funds	Mr John Sample & Mrs Anne Sample <Sample Family Super A/C>	John & Anne Superannuation Fund
Partnerships	Mr John Sample & Mr Richard Sample <Sample & Son A/C>	John Sample & Son
Clubs/Unincorporated Bodies	Mr John Sample <Health Club A/C>	Health Club
Deceased Estates	Mr John Sample <Estate Late Anne Sample A/C>	Anne Sample (Deceased)

INSTRUCTIONS FOR COMPLETING THE FORM

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS BROKER FIRM OFFER APPLICATION FORM.

This is an Application Form for fully paid ordinary Shares in Guzman y Gomez Limited (ACN 125 554 743) (**Company**) made under the terms of the Broker Firm Offer set out in the replacement prospectus dated 14 June 2024 (**Prospectus**).

The Broker Firm Offer is open to Australian and eligible New Zealand resident retail clients of Brokers who received a firm allocation of Shares from their Broker and who have a registered address in Australia or New Zealand. If you have received an invitation to participate from your Broker, you will be treated as eligible to become a Broker Firm Offer Applicant under the Broker Firm Offer. You should contact your Broker to determine whether you can receive an allocation of Shares under the Broker Firm Offer.

Capitalised terms not otherwise defined in this document have the meaning given to them in the Prospectus. The Prospectus contains important information relevant to your decision to invest and you should read the entire Prospectus before applying for Shares. If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. To meet the requirements of the Corporations Act, this Application Form must not be distributed unless included in, or accompanied by, the Prospectus and any supplementary Prospectus (if applicable). While the Prospectus is current, the Company will send paper copies of the Prospectus, and any supplementary Prospectus (if applicable) and an Application Form, on request and without charge.

1. **Shares Applied For & Payment Amount** - Enter the number of Shares that you wish to apply for and the amount of the application monies payable. Applications must be for a minimum of 100 shares at $22.00 per Share (i.e. for a minimum subscription amount of $2,200).
2. **Applicant Name(s) and Postal Address** - ONLY legal entities can hold Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable by the Company. At least one full given name and surname is required for each natural person. Refer to the table above for the correct forms of registrable title(s). Applicants using the wrong form of names may be rejected. Next, enter your postal address for the registration of your holding and all correspondence. Only one address can be recorded against a holding.
3. **Contact Details** - Please provide your contact details for us to contact you between 9:00am and 7:00pm (Sydney time) should we need to speak to you about your application. In providing your email address you elect to receive electronic communications where legally permissible. You can change your communication preferences at any time by logging in to the Investor Portal accessible at https://investor.automic.com.au/#/home
4. **CHESS Holders** - If you are sponsored by a stockbroker or other participant and you wish to hold Shares allotted to you under this Application on the CHESS subregister, enter your CHESS HIN. Otherwise leave the section blank and on allotment you will be sponsored by the Company and a "Securityholder Reference Number" ('SRN') will be allocated to you.
5. **TFN/ABN/Exemption** - If you wish to have your Tax File Number, ABN or Exemption registered against your holding, please enter the details. Collection of TFN's is authorised by taxation laws but quotation is not compulsory, and it will not affect your Application.
6. **Payment** - Payment for this application must be made in full as per the 'Application payment' stated amount above in section 1. If you receive a firm allocation of Shares from your Broker, make your payment to your Broker in accordance with your instructions.

DECLARATIONS

BY SUBMITTING THIS APPLICATION FORM WITH THE APPLICATION MONIES, I/WE DECLARE THAT I/WE:

- Have received a copy of the Prospectus, either in printed or electronic form and have read the Prospectus in full;
- Have completed this Application Form in accordance with the instructions on the form and in the Prospectus;
- Declare that the Application Form and all details and statements made by me/us are complete and accurate;
- I/we agree to provide further information or personal details, including information related to tax-related requirements, and acknowledge that processing of my application may be delayed, or my application may be rejected if such required information has not been provided;
- Agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Prospectus; and
- Where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company;
- Acknowledge that once the Company accepts my/our Application Form, I/we may not withdraw it;
- Apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Prospectus);
- Acknowledge that my/our Application may be rejected by the Company in its absolute discretion;
- Authorise the Company and their agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Shares to be allocated;
- Am/are over 18 years of age;
- Agree to be bound by the Constitution of the Company;
- Acknowledge that neither the Company nor any person or entity guarantees any particular rate of return of the Shares, nor do they guarantee the repayment of capital; and
- Are deemed to have given any other acknowledgments set out in Section 7.9 of the Prospectus.

LODGEMENT INSTRUCTIONS

The Broker Firm Offer opens on 15 June 2024 and is expected to close at 5.00pm (AEST) on 17 June 2024. The Company and SaleCo, in consultation with the Joint Lead Managers, reserve the right to vary the times and dates of the Broker Firm Offer without notice. Applicants are encouraged to submit their applications as early as possible.

If you have been contacted by your Broker regarding the Broker Firm Offer, you should ask your Broker for information about how and when to lodge this Application Form, and who to make your payment to. Generally, you will lodge this Application Form and make payment with your Broker in accordance with their instructions. Do NOT lodge this Application form with the Share Registry.

Your Broker must receive your completed Application Form and Application Monies (if applicable) in time to arrange settlement on your behalf by the relevant Closing Date for the Broker Firm Offer.

ASSISTANCE

Need help with your application, no problem. Please contact Automic on:

PHONE:
1300 441 602 within Australia
+61 2 9934 0529 from outside Australia

EMAIL:
hello@automicgroup.com.au

CORPORATE DIRECTORY

COMPANY'S REGISTERED OFFICE

GUZMAN Y GOMEZ LIMITED

(ACN 125 554 743)

Level 5
126 Phillip Street,
Sydney NSW 2000

SALECO'S REGISTERED OFFICE

GYG SALECO LIMITED

(ACN 677 361 581)

Level 5
126 Phillip Street,
Sydney NSW 2000

JOINT LEAD MANAGERS

BARRENJOEY MARKETS PTY LIMITED

(ACN 636 976 059)

Quay Quarter Tower
Level 19
50 Bridge Street,
Sydney NSW 2000

MORGAN STANLEY AUSTRALIA SECURITIES LIMITED

(ACN 078 652 276)

Level 39
Chifley Tower
2 Chifley Square,
Sydney NSW 2000

LEGAL ADVISERS

GILBERT + TOBIN

Level 35
Tower 2, International Towers Sydney
200 Barangaroo Avenue,
Barangaroo NSW 2000

AUDITOR

DELOITTE TOUCHE TOHMATSU

Quay Quarter Tower
Level 46
50 Bridge Street,
Sydney NSW 2000

GYG IPO INFORMATION LINE

Between 8:30am and 7:00pm (Sydney time), Monday to Friday (excluding national public holidays)

Within Australia
1300 441 602

Outside Australia
+61 2 9934 0529

Offer website
www.gyg.automicgroup.com.au

SHARE REGISTRY

AUTOMIC PTY LTD

(ACN 152 260 814)

Level 5
126 Phillip Street,
Sydney NSW 2000

INVESTIGATING ACCOUNTANT

DELOITTE CORPORATE FINANCE PTY LIMITED

(ACN 003 833 127)

Quay Quarter Tower
Level 46
50 Bridge Street,
Sydney NSW 2000

TAX ADVISER

ERNST & YOUNG

200 George Street,
Sydney NSW 2000


GUZMAN Y GOMEZ™
Mexican Kitchen
DRIVE THRU
DRIVE THRU
BREKKIE
LUNCH
DINNER