



21 FEBRUARY 2025

2025 Half-Year Results

Guzman y Gomez delivers significant growth in sales and earnings in 1H25 and expects to outperform its FY25 NPAT prospectus forecast

Guzman y Gomez Limited (“GYG” or “the Company”) today announced its financial results for the half-year ended 31 December 2024 (“1H25”).

Key Highlights

- Global network sales increased 23% to \$578 million, driven by strong demand for clean, fresh food and solid operational execution
- Sales momentum translated to strong earnings growth, with EBITDA increasing 28%¹ to \$32 million
- Australian segment achieved 9.4% comp sales growth, driving \$573 million in sales, due to delivery outperformance, impactful marketing and demand for value menu items
- Restaurant expansion continued with 19 new locations opened, global network at 239 restaurants²
- Future expansion underpinned by 103 restaurant sites in pipeline
- GYG expects to exceed its FY25 NPAT prospectus forecast based on the strong progress made in the half

Steven Marks, Founder and co-CEO said:

“GYG’s first-half 2025 performance and growth in sales and earnings showcases our guest’s love for our food, but also the strong execution of our strategy and our unwavering commitment to exceptional guest experience.

“Our strong 2025 half-year results demonstrate the appeal of our clean, fresh, made-to-order, Mexican-inspired food, leading to significant global network sales growth of 23%. The growth in network sales contributed to a 28%¹ EBITDA uplift as corporate restaurant margins expanded and franchise revenues increased.

“GYG achieved outstanding results in our Australian segment, with \$573 million in sales and 9.4% comp sales growth. This result was led by Australia and reflects momentum driven by the delivery channel, our impactful marketing and demand for value menu items like our \$12 Chicken Mini Meal.

“We finished the half with 239 restaurants globally, opening 19 new restaurants (16 in Australia). We have more than 100 future restaurants in our pipeline, all in AAA locations, positioning us well for solid expansion in the coming years.

“Our franchisees and their unwavering commitment are fundamental to the success of GYG. With franchisees achieving a median return on investment of 50%, we are creating shared value and together are on a mission to create the best and biggest restaurant company in the world.”

¹ On a pro forma and underlying basis for PCP. The reconciliation of underlying and pro forma measures to statutory results is set out in ‘Reconciliation from statutory to pro forma underlying results’ in the 2025 half-year report.

²As at 31 December 2024.



Group results

\$ million	1H25	1H24 <i>Pro forma</i> ^{3,4}	Change vs PCP
Network sales	577.9	470.7	22.8%
Revenue	212.4	167.3	27.0%
EBITDA	31.6	24.6	28.3%
PBT	15.2	10.0	51.4%
Profit / (loss) after income tax expense	7.3	3.8	91.2%

- Global network sales of \$577.9 million, an increase of 22.8% on PCP driven by strong Comp Sales Growth and network expansion
- 239 restaurants operating across Australia, Singapore, Japan and the US as at 31 December 2024
- Revenue of \$212.4 million, an increase of 27.0% on PCP
- EBITDA of \$31.6 million, an increase of 28.3% on pro forma PCP
- PBT of \$15.2 million and profit after income tax expense of \$7.3 million.

Australia segment⁵

\$ million, unless stated otherwise	1H25	1H24	Change vs PCP
Network sales			
Australia	538.2	438.6	22.7%
Singapore	30.2	22.2	35.7%
Japan	4.6	4.2	8.6%
Network sales	573.0	465.1	23.2%
<i>Comp Sales Growth</i>	9.4%	10.1%	(0.7pp)
Number of corporate restaurants at period end	74	62	12
Number of franchised restaurants at period end - Australia	136	121	15
Number of franchised restaurants at period end - Singapore	20	17	3
Number of franchised restaurants at period end - Japan	5	5	0
Corporate restaurant sales	176.1	136.2	29.3%
Corporate restaurant margin	31.7	23.9	32.7%
<i>Corporate restaurant margin (%)</i>	18.0%	17.5%	0.5pp
Franchise and other revenue	38.2	29.5	29.6%
G&A costs	(38.1)	(30.2) ⁶	26.1%
Segment Underlying EBITDA	31.8	23.1⁶	37.3%

³ Statutory EBITDA for the period of \$18.9 million, Segment Underlying EBITDA of \$21.2 million, PBT of (\$1.1) million and net loss after tax of (\$4.0) million.

⁴ Pro forma and underlying adjustments relate to incremental public company costs, Co-CEO costs, share based payments, interest, system implementation costs and other costs.

⁵ Represents the Australia Segment, which includes restaurants in Singapore and Japan.

⁶ Adjusted for pro forma items in PCP.



- Strong network sales of \$573.0 million, an increase of 23.2% on PCP. Australian and Singaporean restaurants were significant contributors to growth, with sales increasing by 22.7% and 35.7% respectively
- Comp Sales Growth of 9.4%, primarily driven by delivery outperformance, impactful marketing campaigns and strong demand for value menu items
- 235 restaurants operating, with 74 corporate and 136 franchised within Australia, 20 restaurants in Singapore and 5 restaurants in Japan as at 31 December 2024
- 19 new restaurants opened, including 16 in Australia, with no closures occurring during the half
- Corporate restaurant margins improved from 17.5% to 18.0%, as expanding operating leverage offset continued guest demand for delivery and value menu items
- Segment Underlying EBITDA increased to \$31.8 million, increasing 37.3% on pro forma PCP

Australia geography

Australian sales growth during the period was underpinned by restaurant capacity expansion, dayparts growth (particularly in breakfast which experienced 19% Comp Sales Growth), marketing, menu innovation and continued improvement of the digital and delivery guest experience.

The Australian restaurants continue to be underpinned by strong economics across the corporate and franchise network. Median restaurant AUVs increased to \$6.8 million for drive thru restaurants and \$4.8 million for strip restaurants. Median network restaurant margins have increased for drive thrus to 21.8% driven by strong operating leverage. Median network restaurant margins in strip formats decreased to 18.8%, reflecting mix-shift to higher delivery sales.

Franchisee financial health and performance are fundamental to the success of GYG and median franchisee ROI for the half was 50%. Median franchise AUV for the period was \$5.4 million, an increase of 4.8% on PCP and franchise restaurant margin slightly decreased to 20.2%, driven by higher delivery sales. As at 31 December 2024, 4 franchisees were on royalty relief.

US segment

\$ million, unless stated otherwise	1H25	1H24	Change vs PCP
Network sales	4.9	5.6	(12.7%)
Corporate restaurant sales	3.2	5.6	(42.5%)
Corporate restaurant margin	(1.3)	(0.5)	<i>n.m.</i>
<i>Corporate restaurant margin (%)</i>	<i>(40.8%)</i>	<i>(9.0%)</i>	<i>n.m.</i>
Franchise and other revenue	0.1	-	<i>n.m.</i>
G&A costs ²	(3.8)	(2.6)	48.0%
Segment Underlying EBITDA	(5.0)	(3.1)	62.0%

Demonstrating proof of concept in the US remains a priority for GYG and focus remains on driving sales through expanding brand awareness and improving the guest experience.

The performance of the US restaurants reflects the opportunity to increase brand awareness and improve the guest experience with network sales for the half decreasing 12.7% to \$4.9 million. During the period, restaurant-level leadership was strengthened in Chicago to drive performance. Local area marketing initiatives were also undertaken, including partnerships with schools and sporting groups. Continued progress has also been made towards a 100% Clean menu in the US.

In October 2024, GYG entered into a management agreement with a local operator to support the ongoing growth of its Naperville restaurant. While sales from the Naperville restaurant are still included in network sales, GYG no longer recognises these sales as corporate restaurant sales. Instead, GYG now receives a share of the restaurant's sales accounted for in 'Franchise and other revenue'. This



change contributed to a decrease in corporate restaurant sales for the period. Corporate restaurant margins also decreased, reflecting the deliberate additional investment in restaurant labour ahead of anticipated sales growth. G&A costs for the period increased to \$3.8 million, reflecting continued investment in above restaurant support.

Cash flow and balance sheet highlights

GYG delivered strong cash conversion from earnings during the half driven by strong operating performance throughout the period. Cash conversion during the period was 80% (109% adjusting for the impacts of IPO-related costs included in working capital as at 30 June 2024) which compares to 89% in the prior corresponding period.

Capital expenditure was driven by the opening of new restaurants and refurbishments as well as new restaurants in progress. Total payments for PPE for the period were \$21.9 million on a gross basis or \$21.4 million adjusting for landlord contributions.

GYG ended the year with a robust balance sheet that provides flexibility for restaurant network expansion, with a net cash and term deposits position of \$274.5 million. As at 31 December 2024, GYG had no debt.

The Board has determined that no dividend will be declared for the 2025 half-year as GYG focuses on its growth strategy and invests in areas that drive long-term value for shareholders.

Outlook

GYG remains focussed on its vision to reinvent fast food and change the way the masses eat.

In the first 7 weeks of the second half of FY25, Australia segment Comp Sales Growth has been above expectations at 12.2%, reflecting continued trading momentum from the first half and a lower prior corresponding period.

As stated in its prospectus, GYG's growth strategy is centred upon new restaurant openings, existing restaurant sales growth, margin improvement, digital initiatives and international expansion.

GYG's strategic priorities include:

- Continuing Australian and US restaurant roll out;
- Expanding restaurant sales growth through dayparts, marketing, menu innovation and enhancing the guest experience;
- Improving margins through corporate restaurant margin expansion, franchise royalty rate uplift and driving operating leverage on investment made into the company;
- Growing digital via its mobile app and website, loyalty program, GYG Delivery and systems investment; and
- Driving growth in Singapore and Japan and validating its model in the US.

GYG remains confident in its ability to demonstrate proof of concept in the US. Continued focus on improving the guest experience, local area marketing and the evolution of a *100% Clean* menu is expected to drive sales growth. Additionally, increasing network density in the suburbs of Chicago is expected to yield in-fill benefits and build brand awareness.



Guidance

GYG provides the following guidance for its Australia segment in FY25:

- 31 restaurant openings in Australia, including 18 franchise and 13 corporate (21 drive thru and 10 strips)
- Corporate restaurant margins of approximately 17.8%, with ongoing operating leverage offset by delivery sales outperformance, demand for value menu items and new restaurant openings in the second half of the year
- A franchise royalty rate of 8.3%
- A G&A costs to network sales ratio of 6.7%

Overall, GYG expects to exceed its FY25 NPAT prospectus forecast.

Escrow

At the time of GYG's listing, the Board, senior management, eligible franchisees and major shareholders including TDM Growth Partners and Barrenjoey Private Capital agreed to voluntary escrow restrictions on their shares until 4.15pm on the trading day following the release of the Company's preliminary final report for the financial year ending 30 June 2025. 25% of these shares (13.6% of issued capital) will be released from escrow restrictions at 4:15 PM (Sydney time) on any trading day following the release of the Company's 1H25 results, if the volume weighted average price ('VWAP') of GYG shares exceeds \$22.00 by at least 20% for ten consecutive trading days (which means the earliest date for early partial release is 10 March 2025).

Briefing

A briefing for investors and analysts will be held at 11:00am AEDT today. Participants can register for the briefing session via GYG's website at www.guzmanygomez.com.au.

For further information

More detailed information regarding GYG's 2025 half-year results, including defined terms and a reconciliation from statutory to pro forma and underlying figures can be found in the GYG 2025 Half-Year Report (including Appendix 4D) for the half-year ended 31 December 2024.

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Authorised for release by the Board.