



21 FEBRUARY 2025

2025 Half Year Report and Appendix 4D

In accordance with the requirements of the ASX Listing rules, attached for release to the market is the 2025 half-year report (including Appendix 4D).

The following will be released in conjunction with today's announcement:

- 2025 Half-year results announcement; and
- 2025 Half-year results briefing presentation.

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.

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Authorised for release by the Company Secretary

APPENDIX 4D

HALF-YEAR ENDED 31 DECEMBER 2024

Previous corresponding period ('PCP'): Half-year ended 31 December 2023

RESULTS FOR ANNOUNCEMENT TO THE MARKET

For the half-year ended 31 December	2024	2023	Change	
	\$'000	\$'000		
Revenue from ordinary activities	212,419	167,287	Up	27.0%
Earnings Before Interest, Tax, Depreciation and Amortisation ('EBITDA') ¹	31,578	18,904	Up	67.0%
Segment Underlying EBITDA ¹	26,767	21,154	Up	26.5%
Profit / (loss) from ordinary activities after tax	7,301	(3,960)	Up	>100%
Total comprehensive profit / (loss)	8,119	(4,347)	Up	>100%
	cents	cents		
Earnings per share	7.2	(4.7)	Up	>100%
Net tangible asset backing per ordinary security ²	343.5	74.1	Up	>100%

¹The Group uses non-AASB defined financial measures to monitor and report on the financial performance of the business on an ongoing basis. In particular, the Group reports on EBITDA and Segment Underlying EBITDA as the Board and management believe that these are the best measures of the underlying performance of the business. A reconciliation of these measures to the statutory measures are presented in the Operating and Financial Review section of this report.

²Net tangible assets calculation includes right-of-use assets, lease receivables and lease liabilities.

DIVIDENDS

There were no dividends paid, recommended or declared during the current and previous financial period. Furthermore, the Group currently has no active dividend reinvestment plan.

CONTROLLED ENTITIES, ASSOCIATES OR JOINT VENTURES

There has been no change to the ownership of controlled entities, during the current and previous financial period. The Group did not have any joint venture or associate entities during the period ended 31 December 2024. The financial information of foreign entities included in the half-year report is prepared in accordance with the Australian Accounting Standards and Interpretations.

OTHER SIGNIFICANT INFORMATION AND COMMENTARY ON RESULTS

Please refer to the commentary in the Directors' Report included in the half-year financial report for an explanation of the operating and financial performance for the period and its financial position for the half-year. This report should also be read in conjunction with the Annual Report for the year ended 30 June 2024 and announcements made on the Australian Securities Exchange ('ASX').

AUDITOR'S REPORT

The half-year report has been reviewed and an unmodified review conclusion has been issued.



2025

HALF-YEAR REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

DRIVE THRU

NACHO FRIES **CALI BURRITO**
NO RICE NO BEANS

EYE CLASSICS COMBINED *IT'S FRIES IN A BURRITO*



GUZMAN Y GOMEZ LIMITED
ACN 125 554 743

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DIRECTORS' REPORT

For the half-year ended 31 December 2024

The Directors present their report, together with the financial statements on the consolidated entity (referred to hereafter as the 'Group') consisting of Guzman y Gomez Limited (the 'Company' or 'parent entity') and the entities it controlled during the half-year ended 31 December 2024. The prior comparative period ('PCP') is the half-year ended 31 December 2023.

DIRECTORS

The following persons were Directors of Guzman y Gomez Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Name	Office
Gaetano (Guy) Russo	Non-Executive Chairman
Steven Marks	Co-Chief Executive Officer and Executive Director
Hilton Brett	Co-Chief Executive Officer and Executive Director
Bruce Buchanan	Non-Executive Director (resigned 14 Nov 2024)
Thomas (Tom) Cowan	Non-Executive Director
Jacqueline (Jacqui) Coombes	Independent Non-Executive Director
Marina Joanou	Independent Non-Executive Director
Ian Rowden	Independent Non-Executive Director

ABOUT THE GROUP

Listed on the Australian Securities Exchange in June 2024, and headquartered in Surry Hills, Sydney, Guzman y Gomez ('GYG') is one of Australia's fastest growing Quick Service Restaurant ('QSR') businesses. GYG has differentiated its business through its commitment to deliver clean, fresh, fully customisable and made to order Mexican-inspired food to guests at high-speed through various sales channels.



OPERATING AND FINANCIAL REVIEW

The Group has reported a statutory net profit after tax of \$7,301,000 for the half-year ended 31 December 2024, a significant improvement relative to the \$3,960,000 loss realised in the prior corresponding period. EBITDA for the period was \$31,578,000, increasing 67.0% on the prior corresponding period. Segment Underlying EBITDA for the Group was \$26,767,000, increasing 26.5% on the prior corresponding period. Global network sales increased 22.8% on the prior corresponding period to \$577,946,000, reflecting strong Comp Sales Growth and the roll-out of 19 new restaurants across the global network.

The significant sales and earnings growth in the half demonstrates the appeal of clean, fresh food and a compelling guest experience, as well as strong operational execution.

The global restaurant network grew from 220 as at 30 June 2024 to 239 as at 31 December 2024, with 16 new restaurant openings in Australia and 3 in Singapore. During the period, five restaurants were acquired from franchisees.

GYG has demonstrated significant progress towards its vision to "reinvent fast food and change the way the masses eat" and remains committed to creating shared value for all stakeholders, including franchisees, crew, employees, guests, suppliers, and shareholders.

	31 December 2024	31 December 2023	Change vs PCP
	\$'000	\$'000	
Network sales	577,946	470,725	22.8%
Revenue	212,419	167,287	27.0%
EBITDA	31,578	18,904	67.0%
Segment Underlying EBITDA	26,767	21,154	26.5%
PBT	15,191	(1,079)	n.m.
NPAT	7,301	(3,960)	n.m.
Adjusted for pro forma items in PCP¹			
EBITDA	31,578	24,616	28.3%
Segment Underlying EBITDA	26,767	20,047	33.5%
PBT	15,191	10,032	51.4%
NPAT	7,301	3,818	91.2%

¹ The reconciliation of underlying and pro forma measures to statutory results is set out in 'Reconciliation from statutory to pro forma underlying results' on page 12.

The Group is committed to its community partnerships with Misión Mexico Foundation and The Hunger Project. The annual GYG Misión Posible fundraising program raised \$1,300,000, funding food and education programs for children and families in Mexico, including scholarships for students living in the Misión Mexico community. The Group also collaborates with The Hunger Project on the Eat Well program in Chiapas, Mexico, promoting sustainable food practices and supporting local communities.

AUSTRALIA SEGMENT PERFORMANCE

The Australia segment comprises all restaurants operating in Australia, Singapore and Japan. This includes 74 corporate and 136 franchised restaurants in Australia, 20 restaurants in Singapore and five restaurants in Japan. Both Singapore and Japan are operated under master franchise arrangements.

The segment reported strong Comp Sales Growth of 9.4% for the half-year, driven by delivery outperformance, impactful marketing campaigns and value menu items. For example, the launch of the 'Clean is the New Healthy' marketing campaign in Singapore in July 2024, featuring food with no added preservatives, no artificial flavours, no added colours, and no unacceptable additives, drove strong sales growth in the region.

In the Australia segment, the Group opened 19 new restaurants, with no permanent closures occurring during the period.

The combination of strong Comp Sales Growth and continued network expansion led to significant growth in network sales, increasing 23.2% to \$573,040,000, while corporate restaurant sales increased 29.3% to \$176,051,000. Corporate restaurant margins grew to 18.0% for the period as expanding operating leverage offset continued guest

demand for delivery and value menu items. Delivery sales typically have a lower restaurant margin due to the premium paid on these sales.

Franchise and other revenue increased to \$38,197,000, driven by new franchised restaurants, Comp Sales Growth and an increase in the number of franchise restaurants shifting to the tiered royalty structure. The implied franchise royalty rate was 8.3% for the half-year.

General and administrative ('G&A') costs for the period increased to \$38,137,000, primarily reflecting the full-period impact of payroll costs for new hires compared to the prior period.

	31 December 2024	31 December 2023	Change vs PCP
	\$'000	\$'000	
Network sales			
Australia	538,240	438,621	22.7%
Singapore	30,194	22,245	35.7%
Japan	4,606	4,241	8.6%
Network sales	573,040	465,107	23.2%
Comp Sales Growth (%)	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	176,051	136,155	29.3%
Corporate restaurant margin	31,721	23,900	32.7%
Corporate restaurant margin (%)	18.0%	17.5%	0.5pp
Franchise and other revenue	38,197	29,477	29.6%
General and administrative costs	(38,137)	(30,235) ¹	26.1%
Segment Underlying EBITDA	31,781	23,142¹	37.3%

¹ Adjusted for pro forma items in PCP. The reconciliation from underlying and pro forma measures to statutory results is set out in 'Reconciliation from statutory to pro forma underlying results' on page 12.

AUSTRALIA GEOGRAPHY

GYG has made solid progress across all sales drivers in Australia throughout the period.

Restaurant capacity has enabled strong expansion in core dayparts of lunch and dinner. At the end of the period, GYG had 11 restaurants operating 24/7, delivering incremental sales and profit.

Network sales mix by daypart	31 December 2024	31 December 2023
	%	%
Breakfast	6.5	6.0
Lunch	33.5	34.7
Afternoon	18.4	18.5
Dinner	32.3	32.8
After 9pm	9.2	8.1

Impactful marketing contributed significantly to sales for the period. Campaigns that showcased a variety of GYG offerings were held, including *Cali Burrito and Nacho Fries*, *Good Mornings Start with GYG* and *Iced Coffee*, driving guests to restaurants.

Demand for value menu items, such as the \$12 Chicken Mini Meal, continued to strengthen during the period. Menu innovation was also a focus, with the successful trial of *Street Corn* and the *Little G's Bowl*. These new products launched across the network in February 2025.

The delivery and owned digital channels have also continued to grow during the period, supported by strong relationships with delivery partners and GYG Delivery. This was augmented by a strong *Limited Edition GYG Socks* campaign during the period, driving engagement on the GYG app.

Network sales mix by channel	31 December 2024	31 December 2023
	%	%
In-Restaurant	31.1	36.1
Drive Thru Lane	23.4	23.6
Delivery Aggregators	24.3	23.3
Owned Digital	21.3	17.0

The Group's Australian restaurant pipeline as at 31 December 2024 contains 103 sites with 32 new sites approved by the Board during the period.

GYG's Australian restaurants are underpinned by strong economics across the corporate and franchise network. Median restaurant average unit volumes ('AUVs') increased to \$6,841,000 for drive thru restaurants and \$4,845,000 for strip restaurants. Median network restaurant margins increased for drive thrus to 21.8% driven by strong operating leverage. Median network restaurant margins in strip and other formats decreased, reflecting mix-shift to higher delivery sales.

	31 December 2024			Change on PCP		
	Drive thru	Strip	Other	Drive thru	Strip	Other
Restaurants (#)	104	66	40	18	10	(1)
AUV (\$'000)	6,841	4,845	3,851	12.8%	7.5%	(5.7%)
Network restaurant margin (\$'000)	1,553	901	543	18.5%	0.9%	(25.7%)
Network restaurant margin (percentage point difference)	21.8%	18.8%	16.5%	0.2pp	(1.0pp)	(1.3pp)

Franchisee financial health and performance is fundamental to the success of GYG and median franchisee ROI for the half was compelling at 50%. Median franchisee AUV for the period was \$5,435,000, an increase of 4.8% on the prior corresponding period and franchise restaurant margin slightly decreased to 20.2%, driven by higher delivery sales. As at 31 December 2024, four franchisees were on royalty relief.

	31 December 2024	31 December 2023
Franchisee ROI	50%	51%
Franchise AUV	5,435	5,187
Franchise restaurant margin	20.2%	20.4%
Number of franchisees receiving royalty relief	4	3

US SEGMENT PERFORMANCE

Demonstrating proof of concept in the US remains a priority for GYG. The Group remains focused 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 \$4,907,000. During the period, restaurant-level leadership in Chicago was strengthened 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.

During the period, the Group entered into a management agreement with a local operator to support the ongoing growth of its Naperville restaurant. While sales from the Group's Naperville restaurant are still included in network sales, the Group no longer recognises these sales as corporate restaurant sales. Instead, the Group 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 declined, reflecting the deliberate additional investment in restaurant labour ahead of anticipated sales growth.

G&A costs for the period increased to \$3,831,000, reflecting continued investment in above-restaurant support.

	31 December 2024	31 December 2023	Change vs PCP
	\$'000	\$'000	
Network sales	4,907	5,618	(12.7%)
Number of restaurants at period end	4	4	-
Corporate restaurant sales	3,232	5,618	(42.5%)
Corporate restaurant margin	(1,319)	(507)	n.m.
Corporate restaurant margin (%)	(40.8%)	(9.0%)	n.m.
Franchise and other revenue	136	-	n.m.
General and administrative costs	(3,831)	(2,588)	48.0%
Segment Underlying EBITDA	(5,014)	(3,095)	62.0%



CASH FLOW PERFORMANCE

The Group generated strong cash conversion from earnings during the period, 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. The Group's adjusted cash conversion ratio exceeded 100% for the period, primarily due to the timing of franchise receivable collections, which typically are more significant in the first half of the year.

	31 December 2024	31 December 2023
	\$'000	\$'000
NPAT	7,301	3,818³
Depreciation and amortisation expense	19,080	15,900
Net finance (income) / costs	(2,693)	4,083
Changes in operating assets and liabilities	(9,513)	(9,762)
Other	5,019	7,501
Operating cash flows	19,194	21,540
Funds drawn from / invested in term deposits	25,873	-
Payments for the purchase of property, plant and equipment	(21,855)	(14,867)
Payments for the purchase and disposals of businesses and intangibles	(12,098)	(9)
Investing cash flows	(8,080)	(14,876)
Payments related to movements in share capital	(1,693)	(15,751)
Option fees received	1,047	173
Lease payments (principal and interest)	(11,429)	(6,547)
Lease incentives received	88	-
Other finance income / (costs)	1,195	354
Financing cash flows	(10,792)	(21,771)
Total cash flows for the half-year	322	(15,107)
Cash conversion ¹	80%	89%
Adjusted cash conversion²	109%	89%

¹ Cash conversion is determined as pre-tax operating cash flow less lease payments (principal and interest) divided by Segment Underlying EBITDA.

² Adjusted cash conversion is determined as pre-tax operating cash flow less lease payments (principal and interest) and, for the half-year ended 31 December 2024, excludes \$7,761,000 of IPO-related costs included in working capital as at 30 June 2024, divided by Segment Underlying EBITDA.

³ Adjusted for pro forma items in PCP. The reconciliation from underlying and pro forma measures to statutory results is set out in 'Reconciliation from statutory to pro forma underlying results' on page 12.

Capital expenditure was driven primarily by the opening of new restaurants and refurbishments during the period as well as new restaurants in progress. Total payments for PPE for the period were \$21,855,000 on a gross basis or \$21,385,000 adjusting for landlord contributions, partially driven by the opening of 5 new corporate restaurants in Australia and 1 in the US which opened in January 2025.

	31 December 2024	31 December 2023
	\$'000	\$'000
Restaurants - Australia	(15,218)	(12,644)
Other additions - Australia	(3,170)	(176)
Gross property, plant and equipment additions - Australia	(18,388)	(12,820)
Restaurants - US	(3,467)	(2,056)
Total property, plant and equipment additions	(21,855)	(14,876)
Landlord contribution - Australia	470	1,800
Landlord contribution - US	-	2,339
Property, plant and equipment additions net of landlord contributions	(21,385)	(10,737)

FINANCIAL POSITION

The Group ended the period with a strong balance sheet that provides flexibility for future restaurant network expansion, with a net cash and term deposits position of \$274,493,000. As at 31 December 2024, GYG had no debt.

The increase in property, plant and equipment reflects the acquisition of 5 franchise restaurants and new restaurant openings. Lease related balances increased during the half, driven by restaurant network expansion.

	31 December 2024	30 June 2024
	\$'000	\$'000
Cash and term deposits	274,493	294,480
Property, plant and equipment	103,028	87,630
Right-of-use assets	104,149	93,796
Finance lease receivable	149,570	126,403
Lease liabilities	(274,135)	(239,498)
Other assets and liabilities	10,528	(8,832)
Net assets / shareholders' equity	367,633	353,979



RECONCILIATION FROM STATUTORY TO PRO FORMA UNDERLYING RESULTS

Pro forma financial information was prepared for the purposes of inclusion in the prospectus lodged in June 2024 to provide potential investors with information to assist them in understanding the Group's historical financial performance, cash flows and financial position, including such adjustments to present the historical financial information on a comparable basis before and after the Initial Public Offering ('IPO').

The directors believe that in addition to statutory analysis of results, comparison to the pro forma historical financial information presented in the prospectus provides additional information for users of the financial statements to understand the underlying business performance on a more comparable basis, which takes into account the impact of the IPO.

A reconciliation between the statutory and the pro forma historical Group financial results are presented below:

	EBITDA	PBT	NPAT
Half-year ended 31 December 2023	\$'000	\$'000	\$'000
Statutory	18,904	(1,079)	(3,960)
Incremental public company costs	(778)	(778)	(545)
Pro forma Co-CEO costs ¹	(329)	(329)	(230)
Pro forma share based payments adjustment ¹	2,372	2,372	1,660
Pro forma interest ²	-	5,399	3,779
System implementation costs	2,351	2,351	1,646
Other costs ³	2,096	2,096	1,468
Pro forma underlying	24,616	10,032	3,818
Cash rent	(8,217)		
AASB 2 Share Based Payments	3,648		
Pro forma Segment Underlying	20,047		
Addback pro forma costs ⁴	1,107		
Segment Underlying	21,154		

¹ Reflects adjustments to bring executive remuneration in line with GYG's go forward Co-CEO model and adjustments to reflect the appropriate AASB 2 Share Based Payments expenses.

² Reflects the interest income that would have been earned in line with GYG's capital management and use of cash on balance sheet.

³ Primarily reflects costs incurred in relation to the restructure of the North American Leadership Team ('NALT') in calendar year 2023.

⁴ Includes incremental public company costs and Co-CEO costs. All pro forma adjustments relate to the Group's Australia segment.

NON-IFRS FINANCIAL MEASURES

This Operating and Financial Review ('OFR') includes financial information based on GYG's audited financial statements prepared in accordance with the Australian Accounting Standards ('AAS'). GYG also 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 this OFR, 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.

- 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. This measure is exclusive of GST and similar taxes in other jurisdictions;
- 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 and accrued, 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 calculated on a rent and outgoings paid and accrued basis excluding the impacts of AASB 16 Leases), franchise and other revenue earned from franchise and managed 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 the segments as occupancy expense. Segment Underlying EBITDA also allows investors to distinguish between the more developed Australia operations and the nascent US operations;
- EBIT is calculated as profit or loss before interest income including interest income from lease receivables, interest expense including interest on the lease liability recognised and income tax expense;
- EBITDA is calculated as EBIT (defined above) adjusted for depreciation and amortisation of intangible assets including 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;
- Restaurant Capital Expenditure includes capital expenditure to 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 improve 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.

OUTLOOK

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

In the first 7 weeks of trading for the second half of FY25, Australia segment Comp Sales Growth was 12.2%. This has been driven by a continuation of sales drivers from the first half and a lower trading momentum in the prior corresponding period.

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

The Group'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.

The Group 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

The Group 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%

The Group 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).

MATTERS AFTER THE END OF THE REPORTING PERIOD

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's affairs in future financial periods.

DIVIDENDS

There were no dividends paid, recommended or declared during or in relation to the current or previous financial half-year.

ROUNDING

In accordance with ASIC Legislative Instrument 2016/191 (Rounding in Financial/Directors' Reports) amounts in the financial report are rounded off to the nearest thousand dollars unless otherwise indicated.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' Report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001, and approved on behalf of the Directors.



STEVEN MARKS

Founder, Co-Chief Executive Officer
and Executive Director



HILTON BRETT

Co-Chief Executive Officer and
Executive Director

Sydney, 21 February 2025

AUDITOR'S INDEPENDENCE DECLARATION

Deloitte.

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The Board of Directors
Guzman y Gomez Limited
Level 5, 126-130 Philip Street
Sydney NSW 2000

21 February 2025

Dear Board Members,

Auditor's Independence Declaration to Guzman y Gomez Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Guzman y Gomez Limited.

As lead audit partner for the review of the half-year financial report of Guzman y Gomez Limited for the half-year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- Any applicable code of professional conduct in relation to the review.

Yours faithfully,

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU



Damien Cork
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte organisation.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half-year ended 31 December 2024

		31 December 2024	31 December 2023
	Note	\$'000	\$'000
Revenue	4	212,419	167,287
Other revenue and income	5	14,711	11,568
Expenses			
Cost of food and packaging		(55,071)	(43,192)
Employee benefit expenses		(89,003)	(73,326)
Administrative expenses		(25,865)	(25,346)
Marketing expenses		(11,302)	(8,537)
Other expenses		(14,311)	(9,550)
Depreciation and amortisation expenses	6	(19,080)	(15,900)
Operating profit		12,498	3,004
Finance income	7	11,445	2,327
Finance costs	8	(8,752)	(6,410)
Profit / (loss) before tax		15,191	(1,079)
Income tax expense		(7,890)	(2,881)
Profit / (loss) after income tax for the period		7,301	(3,960)
Other comprehensive income			
<i>Items that may be subsequently reclassified to profit or loss:</i>			
Foreign currency translation		818	(387)
Other comprehensive income for the period, net of tax		818	(387)
Total comprehensive income for the period attributable to shareholders		8,119	(4,347)
Earnings per share attributable to shareholders		Cents	Cents
Basic earnings per share	14	7.2	(4.7)
Diluted earnings per share	14	6.9	(4.7)

This statement is to be read in conjunction with the notes to the financial statements.

STATEMENT OF FINANCIAL POSITION

At 31 December 2024

		31 December 2024	30 June 2024
	Note	\$'000	\$'000
Current assets			
Cash and cash equivalents		16,882	16,385
Funds in term deposits		257,611	278,095
Trade and other receivables		18,852	26,020
Inventories		4,249	2,825
Finance lease receivable	9	12,250	11,999
Prepayments and other assets		4,604	3,302
Total current assets		314,448	338,626
Non-current assets			
Trade and other receivables		238	479
Right-of-use assets	9	104,149	93,796
Finance lease receivables	9	137,320	114,404
Property, plant and equipment	10	103,028	87,630
Intangible assets	11	19,153	10,586
Deferred tax assets		16,633	16,276
Total non-current assets		380,521	323,171
Total assets		694,969	661,797
Current liabilities			
Trade and other payables		30,198	39,387
Contract liabilities		1,397	2,054
Lease liabilities	9	19,687	22,201
Income tax payable		4,704	10,138
Provisions		9,725	10,507
Total current liabilities		65,711	84,287
Non-current liabilities			
Contract liabilities		2,519	2,429
Lease liabilities	9	254,448	217,297
Provisions		4,658	3,805
Total non-current liabilities		261,625	223,531
Total liabilities		327,336	307,818
Net assets		367,633	353,979
Equity			
Issued capital	12	373,593	372,708
Currency translation reserve		1,293	475
Share-based payments reserve		21,593	16,943
Accumulated losses		(28,846)	(36,147)
Total shareholders' equity		367,633	353,979

This statement is to be read in conjunction with the notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2024

	Issued capital	Currency translation reserve	Share-based payments reserve	Accumulated losses	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2023	104,046	405	10,371	(26,857)	87,965
Loss after income tax for the period	-	-	-	(3,960)	(3,960)
Other comprehensive income for the period, net of tax	-	(387)	-	-	(387)
Total comprehensive income for the period	-	(387)	-	(3,960)	(4,347)
<i>Transactions with shareholders:</i>					
Contribution of equity, net of transaction costs	142	-	-	-	142
Share buyback	(15,893)	-	-	-	(15,893)
Share-based payments expense	-	-	6,020	-	6,020
Option fees received or receivable	-	-	98	-	98
Balance at 31 December 2023	88,295	18	16,489	(30,817)	73,985
Balance at 30 June 2024	372,708	475	16,943	(36,147)	353,979
Profit after income tax for the period	-	-	-	7,301	7,301
Other comprehensive income for the period, net of tax	-	818	-	-	818
Total comprehensive income for the period	-	818	-	7,301	8,119
<i>Transactions with shareholders:</i>					
Contributions of equity, net of transaction costs (note 12)	885	-	-	-	885
Share-based payments expense	-	-	4,587	-	4,587
Option fees received or receivable	-	-	63	-	63
Balance at 31 December 2024	373,593	1,293	21,593	(28,846)	367,633

This statement is to be read in conjunction with the notes to the financial statements.



STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2024

		31 December 2024	31 December 2023
	Note	\$'000	\$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		256,298	200,826
Payments to suppliers and employees (inclusive of GST)		(223,423)	(187,583)
		32,875	13,243
Income taxes (paid) / refunded		(13,681)	519
Net cash generated from operating activities	15	19,194	13,762
Cash flows from investing activities			
Funds withdrawn from term deposits		25,873	-
Payments for property, plant and equipment	10	(21,855)	(14,867)
Payments for intangibles	11	(8)	(9)
Payments for purchase of businesses, net of cash acquired	13	(12,090)	-
Net cash used in investing activities		(8,080)	(14,876)
Cash flows from financing activities			
Proceeds from the issue of shares		-	142
Proceeds from exercise of options over shares		885	173
Payment of share issue costs		(1,693)	-
Proceeds from settlement of option fees		162	-
Payments for share buy back		-	(15,893)
Payment of lease liabilities (principal)		(7,515)	(3,552)
Payment of lease liabilities (interest)		(3,914)	(2,995)
Other finance income received		1,261	503
Other finance costs paid		(66)	(149)
Lease incentive received		88	-
Net cash used in financing activities		(10,792)	(21,771)
Net decrease in cash and cash equivalents		322	(22,885)
Cash and cash equivalents at the beginning of the financial period		16,385	36,504
Effects of exchange rate changes on cash and cash equivalents		175	-
Cash and cash equivalents at the end of the financial period		16,882	13,619

This statement is to be read in conjunction with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the half-year ended 31 December 2024

1. GENERAL INFORMATION

The consolidated financial statements cover Guzman y Gomez Limited as a Group consisting of Guzman y Gomez Limited ('the Company') and the entities it controlled (collectively 'the Group'). It is a for-profit listed public company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange ('ASX').

A description of the nature of the Group's operations and its principal activities are included in the Directors' Report. The financial statements were authorised for issue, by a resolution of Directors, on 21 February 2024.

2. MATERIAL ACCOUNTING POLICY INFORMATION

BASIS OF PREPARATION

This general purpose condensed half-year financial report is presented in accordance with *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001* and with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the annual financial report.

It is recommended that the half-year financial report be read in conjunction with the annual financial report for the year ended 30 June 2024 and is considered together with any public announcements made by the Company during the six months ended 31 December 2024, and thereafter, in accordance with the continuous disclosure obligations of the ASX listing rules.

The financial statements are presented in Australian dollars – the Group's functional and presentation currency.

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and as such, amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

The accounting policies adopted in the preparation of the half-year financial report are consistent with those applied in the preparation of the Group's annual financial report for the year ended 30 June 2024 except for the adoption of new and revised Accounting Standards and Interpretations as described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Where applicable, the comparative information has been reclassified or restated to be consistent with the presentation of the Annual Report for the year ended 30 June 2024. This includes the presentation of the statement of profit or loss and other comprehensive income by nature to improve transparency. Furthermore, as noted in the Annual Report, a voluntary accounting policy change was made in relation to the presentation of finance costs and finance income cash flows as part of the cash flows from financing activities.

ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

The Group has adopted all new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any material impact on the financial performance or position of the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the half-year financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported balances. Actual results may differ from these estimates.

In preparing this report the significant or material estimates and judgements applied were consistent with those applied to the consolidated financial statements for the year ended 30 June 2024.

3. OPERATING SEGMENTS

The Group is organised into two operating segments, namely Australia and US.

The Australian segment 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.

The US segment includes the US corporate restaurants and associated administrative costs incurred in the US, including that of non-restaurant personnel based in the US. During the current period, it also includes a share of sales arising from the establishment of a management agreement in relation to the Naperville restaurant. This share of sales is included in the Franchise and other revenue for the segment.

These two operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The Group uses Segment Underlying EBITDA to make business decisions as it represents a more useful reflection of the Group's underlying financial performance from its network of corporate and franchise restaurants.

Segment Underlying EBITDA reflects the Group's underlying earnings before interest, tax, depreciation and amortisation, excludes the share based payments expense, and administrative expenses not directly associated with underlying segment operations but includes cash rent and outgoings associated with leases. This represents the Group's current operating metric and reflects corporate restaurant margin (including rental costs), franchise and other revenue earned from franchised restaurants and general and administrative expenses for the respective segment.

Half-year ended 31 December	Australia	Australia	US	US	Group	Group
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Corporate restaurant sales	176,051	136,155	3,232	5,618	179,283	141,773
Corporate restaurant margin	31,721	23,900	(1,319)	(507)	30,402	23,393
Franchise and other revenue	38,197	29,477	136	-	38,333	29,477
Segment expenses and cash rent	(38,137)	(29,128)	(3,831)	(2,588)	(41,968)	(31,716)
Segment Underlying EBITDA	31,781	24,249	(5,014)	(3,095)	26,767	21,154
Share based payments					(4,587)	(6,020)
Other costs ¹					-	(4,447)
Cash rent					9,398	8,217
EBITDA					31,578	18,904
Depreciation and amortisation					(19,080)	(15,900)
EBIT					12,498	3,004
Net interest income / (expense)					2,693	(4,083)
Net profit / (loss) before tax					15,191	(1,079)
Income tax expense					(7,890)	(2,881)
Net profit / (loss) after tax					7,301	(3,960)

¹ Included in the Other costs amount for the half year ended 31 December 2023 are costs not deemed to relate to the underlying performance of the segment. These include major system implementation costs of \$2,351,000 and costs related to the NALT settlement of \$2,137,000.

3. OPERATING SEGMENTS (CONTINUED)

The impact of including the cash rental payments in the key segment performance measure (Segment Underlying EBITDA) rather than the AASB 16 equivalent defined depreciation and lease interest is presented below:

		31 December 2024	31 December 2023
	Note	\$'000	\$'000
Cash rent		9,398	8,217
Depreciation of right-of-use assets	6	(7,743)	(6,324)
Net lease interest on finance leases	7, 8	(3,934)	(4,437)
		(2,279)	(2,544)

There are no material transactions between the segments or material inter-segment balances.

There were no major customers that represent greater than 10% of the Group's external revenue.

Segment assets were \$662,590,000 (Jun 2024: \$637,557,000) for the Australian segment and \$32,379,000 (Jun 2024: \$24,240,000) for the US segment.

Segment liabilities were \$311,806,000 (Jun 2024: 294,293,000) for the Australian segment and \$15,530,000 (Jun 2024: \$13,525,000) for the US segment.

4. REVENUE

	31 December 2024	31 December 2023
	\$'000	\$'000
Corporate restaurant sales	179,283	141,773
Franchise royalty revenue	32,187	25,063
Franchise fee revenue	949	451
	212,419	167,287

Disaggregation of revenue	31 December 2024	31 December 2023
	\$'000	\$'000
<i>Australia:</i>		
Corporate restaurant sales	176,051	136,155
Franchise royalty revenue	32,187	25,063
Franchise fee revenue	949	451
<i>US:</i>		
Corporate restaurant sales	3,232	5,618
	212,419	167,287

SEASONALITY AND CYCLICALITY OF HALF-YEAR OPERATIONS

There is no material observable seasonality impacting the performance of the business.

5. OTHER REVENUE AND INCOME

	31 December 2024	31 December 2023
	\$'000	\$'000
Franchising marketing levy revenue	10,976	7,658
Other franchise revenue and recovered costs	3,423	2,573
Other income	312	1,337
	14,711	11,568

6. DEPRECIATION AND AMORTISATION EXPENSES

		31 December 2024	31 December 2023
	Note	\$'000	\$'000
Right-of-use assets depreciation	9	7,743	6,324
Property, plant and equipment depreciation	10	7,832	6,062
Amortisation of reacquired rights	11	1,890	1,434
Amortisation of other intangible assets	11	1,615	2,080
		19,080	15,900

7. FINANCE INCOME

		31 December 2024	31 December 2023
	Note	\$'000	\$'000
Interest on term deposits		6,632	459
Interest on lease receivables	9	4,752	1,824
Other finance income		61	44
		11,445	2,327

8. FINANCE COSTS

		31 December 2024	31 December 2023
		\$'000	\$'000
Interest on lease liabilities		8,686	6,261
Other finance costs		66	149
		8,752	6,410

9. LEASES

The Group has lease contracts for offices and restaurants ('principal leases') for lease terms typically between five to 20 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

LEASE LIABILITIES

These principal lease contracts give rise to the recognition of lease liabilities as summarised below:

	31 December 2024	30 June 2024
	\$'000	\$'000
Lease liabilities – current	19,687	22,201
Lease liabilities – non-current	254,448	217,297
	274,135	239,498

RIGHT-OF-USE ASSETS

Where the Group has principal use of the leased premises, a right-of-use asset is recognised. The analysis of the right-of-use assets at the period end is as follows:

	31 December 2024	30 June 2024
	\$'000	\$'000
Premises – at cost	152,956	134,860
Less: accumulated depreciation	(48,807)	(41,064)
	104,149	93,796

The reconciliation of the written down values at the beginning and end of the reporting period is set out below:

	Note	Premises \$'000
Balance at 30 June 2024		93,796
Additions from renewals and new leases		16,323
Transfers from lease receivables		1,923
Lease modifications		(504)
Depreciation expense	6	(7,743)
Net exchange differences		354
Balance at 31 December 2024		104,149



9. LEASES (CONTINUED)**FINANCE LEASE RECEIVABLES**

Where the Group does not have principal use of the leased premises, such as where it licences the premises to franchisees by way of a property licence deed under which the franchisees assume substantially all the benefits of the lease, then a finance lease receivable balance is recognised rather than a right-of-use asset. The analysis of the Lease receivable balances is as follows:

	31 December 2024	30 June 2024
	\$'000	\$'000
Finance lease receivable – current	12,250	11,999
Finance lease receivable – non-current	137,320	114,404
	149,570	126,403

Reconciliations of the balance at the beginning and end of the reporting period are set out below:

	Note	Premises \$'000
Balance at 30 June 2024		126,403
Additions from renewals and new leases		24,549
Transfers to right-of-use assets		(1,923)
Lease modifications		6,737
Lease interest income	7	4,752
Lease payment paid by franchisee		(10,948)
Balance at 31 December 2024		149,570

The analysis of the contracted rental payments receivable are as follows:

	31 December 2024	30 June 2024
	\$'000	\$'000
Within 12 months	21,963	19,811
Between 1 and 2 years	20,627	17,840
Between 2 and 3 years	19,977	16,786
Between 3 and 4 years	18,570	15,704
Between 4 and 5 years	17,709	14,395
Over 5 years	135,246	101,827
Total contracted lease receivables	234,092	186,363
Less: unearned future lease interest income	(84,522)	(59,960)
Discounted present value at end of period	149,570	126,403

OPERATING LEASES

Where the franchisee does not assume substantially all the benefits of the head lease, normally due to the licence deed period being substantially different to the Group's entitlement under the head lease, then the Group continues to recognise the right-of-use asset and treats the licensing of the asset to the franchisee as an operating lease, recognising rental income on the sublease.

At 31 December 2024, the Group had one property licence deed where the right-of-use asset is recognised on the balance sheet and rental income is being recognised.

The Group also has various lease elements where the Group is the lessee, which are not included in lease liabilities. These include those with variable rentals, terms under 12 months, and low-value assets. Expenses relating to these leases for the half-year were \$1,248,000 (31 December 2023: \$1,046,000).

10. PROPERTY, PLANT AND EQUIPMENT

	31 December 2024	30 June 2024
	\$'000	\$'000
Leasehold improvements – at cost	80,547	70,635
Less: Accumulated depreciation and impairment	(21,920)	(18,758)
	58,627	51,877
Plant and equipment – at cost	43,744	38,876
Less: Accumulated depreciation and impairment	(19,850)	(16,172)
	23,894	22,704
Computer and office equipment – at cost	14,469	13,163
Less: Accumulated depreciation and impairment	(8,484)	(7,542)
	5,985	5,621
Assets under construction – at cost	14,522	7,428
	103,028	87,630

Reconciliations of the written down values at the beginning and end of the reporting period are set out below:

	Leasehold improvements	Plant and equipment	Computer and office equipment	Assets under construction	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2024	51,877	22,704	5,621	7,428	87,630
Acquired in business combination (note 13)	255	119	10	-	384
Additions	1,126	1,790	544	18,395	21,855
Transfers in / (out)	7,703	2,801	797	(11,301)	-
Depreciation expense (note 6)	(3,072)	(3,702)	(1,058)	-	(7,832)
Net exchange differences	738	182	71	-	991
Balance at 31 December 2024	58,627	23,894	5,985	14,522	103,028

Transfers from Assets under construction of \$11,301,000 relates to restaurants that commenced trading during the period.

At 31 December 2024, the Group had contractual capital commitments of \$23,969,000 related to items of property, plant and equipment.



11. INTANGIBLE ASSETS

	31 December 2024	30 June 2024
	\$'000	\$'000
Goodwill – at cost	9,286	1,456
Less: Impairment	(97)	(97)
	9,189	1,359
Software – at cost	14,138	14,138
Less: Accumulated depreciation	(12,490)	(10,904)
	1,648	3,234
Reacquired rights – at cost	18,256	14,022
Less: Accumulated depreciation	(10,486)	(8,596)
	7,770	5,426
Other intangibles – at cost	575	567
Less: Accumulated depreciation	(29)	-
	546	567
	19,153	10,586

Reconciliations of the written down values at the beginning and end of the reporting period are set out below:

	Goodwill	Software	Reacquired rights	Other intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2024	1,359	3,234	5,426	567	10,586
Acquired in business combination note 13)	7,830	-	4,234	-	12,064
Additions	-	-	-	8	8
Amortisation expense (note 6)	-	(1,586)	(1,890)	(29)	(3,505)
Balance at 31 December 2024	9,189	1,648	7,770	546	19,153

During the period, the Group acquired five restaurants from franchisees. Refer to note 13 for details of these transactions.



12. ISSUED CAPITAL

	31 December 2024	31 December 2024	30 June 2024	30 June 2024
	Shares	\$'000	Shares	\$'000
Ordinary shares – fully paid	101,463,664	373,593	101,352,914	372,708

Reconciliation of the number of shares and share capital values at the beginning and end of the current reporting period are set out below:

	Shares	Issue price	\$'000
Balance at 30 June 2024	101,352,914	-	372,708
Exercise of options during the period	110,750	\$1.98-\$16.00	885
Balance at 31 December 2024	101,463,664		373,593

On 31 May 2024, the shareholders approved the subdivision of each ordinary share of the Company to 250 new shares. All disclosed share numbers and movements have been adjusted to present the impact of this split retrospectively.

ESCROW ARRANGEMENTS

At 31 December 2024, 55,043,598 shares are subject to voluntary escrow. Of these 13,760,907 (25%) will cease to be escrowed upon achieving a volume weighted average share price ('VWAP') of at least \$26.40 for any ten consecutive trading days after the release of this half-year financial report.

The remaining escrowed shares will be released from escrow after the results of the financial year ending 30 June 2025 are released to the market in August 2025.

13. BUSINESS COMBINATIONS

RESTAURANT ACQUISITIONS

During the half-year the Group acquired all trade and assets related to five Australian Guzman y Gomez branded restaurants from franchisees. Details of consideration paid and the fair value of identified net assets acquired is set out below.

	Note	31 December 2024 \$'000
Consideration cash paid net of cash acquired		12,090
Property, plant and equipment	10	384
Reacquired rights	11	4,234
Other identified assets and liabilities acquired		(358)
Fair value of identified net assets		4,260
Goodwill arising from restaurant acquisitions	11	7,830

These acquisitions are consistent with the Group's strategy to increase the proportion of corporate restaurants where the Group can operate these established restaurants in a commercial manner.

The acquired restaurants contributed \$8,656,000 of revenue and \$861,000 in operating profit (adjusted for the foregone royalty revenue) to the results for the period. If acquired on 1 July 2024, it is estimated they would have contributed \$12,399,000 of revenue and \$1,320,000 in operating profit.

14. EARNINGS PER SHARE

	31 December 2024	31 December 2023
Profit / (loss) for the half-year attributable to the owners of the Group - \$'000	7,301	(3,960)
Weighted average number of shares for:		
• Basic earnings per share (number)	101,438,248	84,837,946
• Diluted earnings per share (number)	106,134,631	84,837,946
Basic earnings per share (cents)	7.2	(4.7)
Diluted earnings per share (cents)	6.9	(4.7)

At 31 December 2024 there are 7,912,250 potentially dilutive share options on issue (31 December 2023: 8,761,750). The potentially dilutive share options are disregarded in the calculation of the diluted EPS for the half-year ended 31 December 2023 as the entity recognised a loss for that period and the inclusion of those would be anti-dilutive.

15. CASH FLOW FROM OPERATING ACTIVITIES – INDIRECT METHOD

	Note	31 December 2024	31 December 2023
		\$'000	\$'000
Profit / (loss) after income tax for the period		7,301	(3,960)
Adjust for:			
• Depreciation and amortisation	6	19,080	15,900
• Share based payment costs		4,587	6,020
• Finance income	7	(11,445)	(2,327)
• Finance costs	8	8,752	6,410
• Other non-cash items in operating profit		432	1,481
Changes in operating assets and liabilities:			
• Trade and other receivables		7,353	2,716
• Inventory		(1,424)	(1,018)
• Other assets		(1,506)	(869)
• Trade and other payables		(7,496)	(10,602)
• Contract liabilities		(720)	(716)
• Provisions		71	(2,576)
• Deferred tax asset		(357)	(2,794)
• Income tax payable		(5,434)	6,097
Net cash generated from operating activities		19,194	13,762

16. EVENTS AFTER THE END OF THE REPORTING PERIOD

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's affairs in future financial periods.

DIRECTORS' DECLARATION

For the half-year ended 31 December 2024

In the opinion of the Directors of Guzman y Gomez Limited:

- (a) The consolidated financial statements and notes of Guzman y Gomez Limited are in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of its financial position at 31 December 2024 and of its performance for the half-year ended on that date; and
 - ii. complying with Australian Accounting Standard *AASB 134 Interim Financial Reporting*; and
- (b) There are reasonable grounds to believe that Guzman y Gomez Limited will be able to pay its debts as and when they become due and payable.

On behalf of the Directors.



STEVEN MARKS
Founder, Co-Chief Executive Officer
and Executive Director



HILTON BRETT
Co-Chief Executive Officer
and Executive Director

Sydney, 21 February 2025



AUDITOR'S REVIEW REPORT

For the half-year ended 31 December 2024

Deloitte.

Deloitte Touche Tohmatsu
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Independent Auditor's Review Report to the Members of Guzman Y Gomez Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Guzman Y Gomez Limited (the "Company") and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 31 December 2024, and consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the half-year ended on that date, notes to the financial statements, including material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibilities for the Half-year Financial Report

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

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Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report 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 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.

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU



Damien Cork
Partner
Chartered Accountants
Sydney, 21 February 2025

CORPORATE DIRECTORY

REGISTERED OFFICE

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DIRECTORS

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Steven Marks
Hilton Brett
Thomas (Tom) Cowan
Jacqueline (Jacqui) Coombes
Marina Joanou
Ian Rowden

CHIEF FINANCIAL OFFICER

Erik du Plessis

COMPANY SECRETARIES

Claudine Tarabay and Lucy Rowe (of Automic)

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