NUS INVESTMENT SOCIETY

Guzman y Gomez Ltd (ASX: GYG)

SELL: A$13.93 (-27.0%)

Equity Research Department – Consumers

Date: 14th March 2026

Analysts

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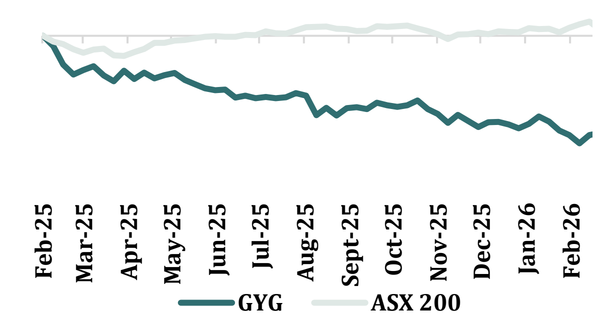
Basic Information

Last Closed Price	A$19.09
12M Target Price	A$13.93
+/- Potential	-27.0%
Bloomberg Ticker	ASX: GYG
GICS Sector	Consumer Discretionary
GICS Sub-Industry	Restaurants

1Y Performance Against ASX 200



Company Description

Guzman y Gomez Ltd is an Australia-based Quick Service Restaurant chain specialising in Mexican cuisine.

Key Financials

Market Cap	A$1.86bn
Basic Shares O/S	102.6mn
Free Float	62.2%
52-Wk High-Low	17.00 / 34.91
Fiscal Year End	30-Jun-2026

(A$ Mn)	FY24A	FY25A	FY26E	FY27E
Revenue	365	468	598	690
Gr Rate %	*31.9%*	*28.2%*	*27.7%*	*15.5%*
NPI	(14)	14	33	32
Margin %	*(3.8%)*	*3.1%*	*5.6%*	*4.6%*
ROE	(3.9%)	3.8%	8.0%	7.1%
ROA	(2.1%)	1.8%	3.9%	3.5%
Gearing	0.64x	0.84x	0.79x	0.73x

Key Executives

Steven Marks	Co-Chief Executive Officer
Hilton Brett	Co-Chief Executive Officer
Erik du Plessis	Chief Financial Officer

We are initiating coverage of **Guzman y Gomez Ltd. ("Guzman", "GYG", or "the company")** with a SELL rating and a A**$13.93** 12M price target.

1H26 Earnings Highlights

- Total revenue rose 22.0% YoY from A$228.3mn in 1H25 to 278.6mn in 1H26.
- Gross margin increased slightly from 28.3% in 1H25 to 31.0% in 1H26.
- Corporate restaurant margin was 17.6%, down slightly from 18.0% prior.
- U.S. segment EBITDA loss widened to A$8.3mn from A$5.0mn.

Investment Thesis

- **GYG's domestic rollout is increasingly diluting returns, with store growth accelerating while SSSG deteriorates, suggesting growth is being driven more by new openings than by improving productivity of the existing base.** However, the Street continues to view it as a long-run compounding growth story supported by significant white space and strong unit economics.
- **GYG's international expansion has faced difficulties and has not been impressive.** While the Street tends to focus on the optionality from overseas expansion, particularly the U.S., we think international expansion is structurally flawed and is not feasible.
- **GYG's drive-thru and 24/7 expansion strategy may dilute the profitability of GYG's core Australian business.** While Street remains positive that GYG's SSSG will improve as GYG accelerates their expansion strategy, but structural cost hikes present challenges.

Catalysts

- **H2'26 results show further SSSG slowdown** and margin compression.
- **Zambrero accelerates rollout** or raises capital, increasing competition in suburban and regional catchments GYG is targeting.
- **Australian wage increases** pressure labour-heavy formats, exposing the fragility of GYG's margin expansion story.

Valuations

Our 12M price target at the date of coverage is **A$13.93**. This was obtained through using a blend of DCF perpetual growth and exit multiple, along with public comparables.

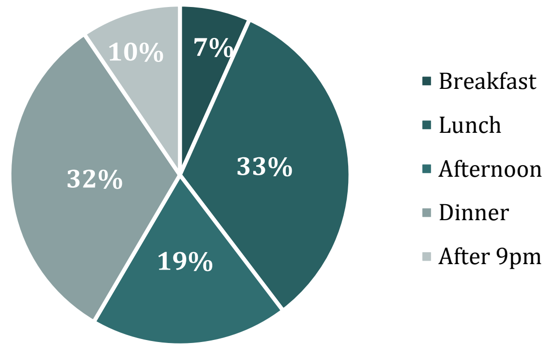
Investment Risks

- **The 108-store pipeline proves higher quality** than expected, with new stores ramping well despite our concerns.
- A **strong U.S. strategic or master-franchise partner** emerges, improving execution and confidence in international expansion.
- **Menu price increases** successfully offset cost inflation, allowing GYG to protect margins without materially hurting traffic.

Figure 1: GYG'S product offerings

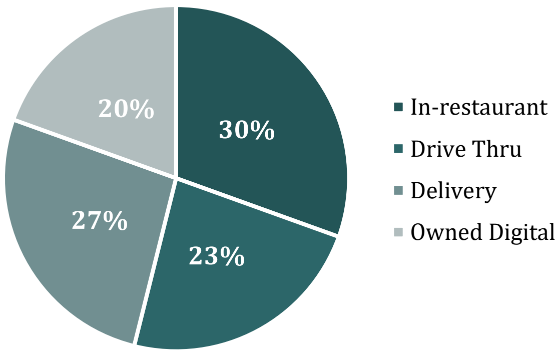
Source(s): Company filings

Figure 2: GYG'S product revenue by daypart



Source(s): Company filings

Figure 3: GYG'S product revenue by sales stream



Source(s): Company filings

Company Overview

Founded in 2005 by Steven Marks and Robert Hazan, Guzman y Gomez (GYG) is a leading Australian-based Quick Service Restaurant (QSR) chain. The company was built on the disruptive brand vision that "Fast food does not have to be bad food," positioning itself as a "clean label" alternative to traditional high-calorie, processed fast-food incumbents. GYG specializes in fresh, authentic Mexican street food, with a heavy operational focus on speed, high-quality ingredients, and digital integration.

Core Offerings and Culinary Philosophy

GYG's core menu is anchored by a "fresh-is-best" culinary philosophy that centres on customizable, authentic Mexican street food staples, including burritos, burrito bowls, nachos, and tacos (Fig 1). These offerings are defined by a strict "clean label" commitment, ensuring all proteins and produce are sourced without artificial preservatives, colours, or added flavours – a key differentiator in the high-volume QSR space. To drive repeat traffic and maintain brand relevance, the company complements these staples with a sophisticated innovation engine; this includes "blockbuster" launches like the Caesar Salad and localized, limited-time offerings such as the Chicken Rendang, which are designed to capture viral food trends while adhering to the brand's premium, health-conscious identity.

Sales Channels and Digital Ecosystem

GYG operates a sales model designed to meet the consumer where they are (Fig 3).

- **In-Restaurant & Drive-Thru (53%)**: Remains the foundation of the physical footprint, with high-volume drive-thrus being the preferred format for new Australian corporate stores.
- **Delivery (27%)**: Supported by an **exclusive partnership with Uber Eats** (established Feb 2026), which replaced previous multi-aggregator models to streamline data and logistics.
- **Owned Digital (20%)**: Driven by the proprietary GYG app, which integrates with **Revel Systems** for a seamless, mobile-first ordering experience and a robust loyalty program.

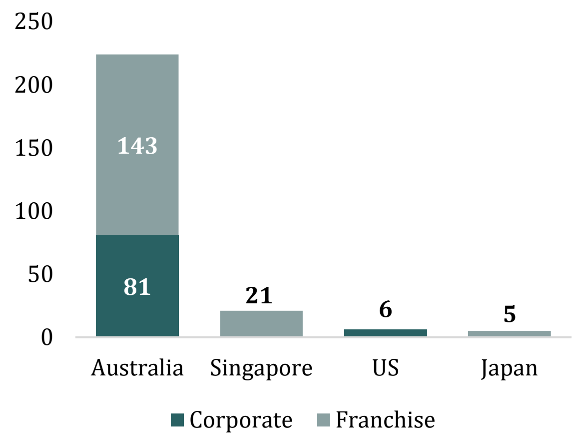
Geographic Scale and Store Network

As of FY2025, GYG has established a dominant presence in the Australian market while executing a selective, high-stakes international expansion strategy (Fig 4):

- **Australia (224 Corporate/Franchised Stores):** The heart of the business, consisting of **81 Corporate** and **143 Franchised** locations. The Australian segment is the primary engine of profitability and cash flow.
- **Singapore (21 Franchised Stores):** A successful international proof-of-concept, leveraging Singapore's high density and digital-savvy consumer base.
- **United States (6-8 Corporate Stores):** Centered in the **Chicago** market. While high-profile, this segment currently faces structural challenges regarding capital intensity and margin pressure.
- **Japan (5 Franchised Stores):** A smaller, strategic footprint targeting the North Asian market.

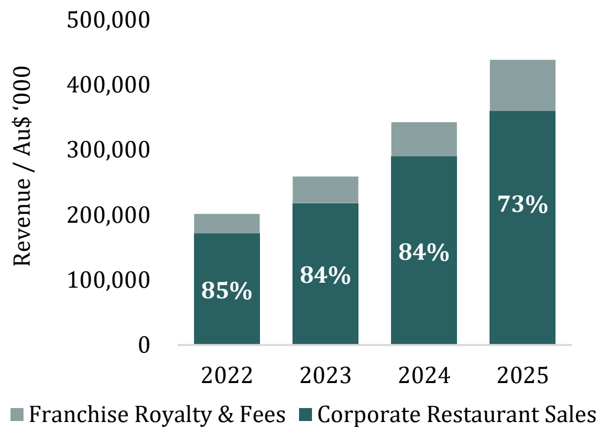
However, as of FY2025, 73% of Guzman's revenue still comes from corporate revenue despite the prevalence of franchise stores (Fig 5).

Figure 4: Guzman's stores by geography



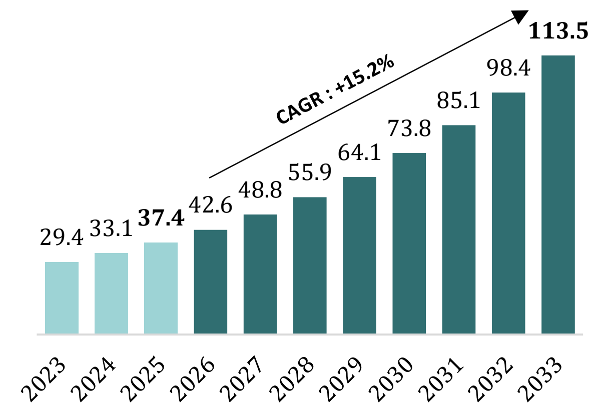
Source(s): Company filings

Figure 5: GYG Revenue by store format



Source(s): Company's Fillings

Figure 6: Global Mexican Fast Casual Restaurant Market Size (US$ 'Bn)



Source(s): Statista

Management and Leadership

The company is led by a management team focused on aggressive scaling and operational excellence. Under their "High-Tech Tacos" initiative, the leadership has prioritized vertical integration of the supply chain and proprietary tech stacks to maintain ingredient consistency and speed-of-service as the store count grows.

Industry Outlook

The global Mexican fast-casual dining sector is a rapidly growing category, currently undergoing a period of significant expansion and structural evolution. Valued at approximately **US$38 billion in 2025**, the market is projected to reach over **US$110 billion by 2033**, representing a robust **CAGR of +15.2%** (Fig 6). This growth is underpinned by shifting consumer preferences toward healthier, convenient, and premium dining experiences.

Fragmented Market Dynamics

The industry is currently defined by a competitive landscape split between massive global incumbents and a vast tail of independent players (Fig 7). **Chipotle** remains the clear market leader with a **38% market share**, effectively setting the global benchmark for high ingredient integrity and premium pricing. Other major players like **Taco Bell (15%)** and **Qdoba (12%)** dominate the value and convenience segments, while regional leaders and independent players still command a combined **35% of the market**. This fragmentation creates a significant opportunity for brands like **Guzman y Gomez** to consolidate share by positioning themselves in the "high-integrity" quadrant, offering a product that rivals Chipotle's quality but with a distinct, tech-enabled operational model.

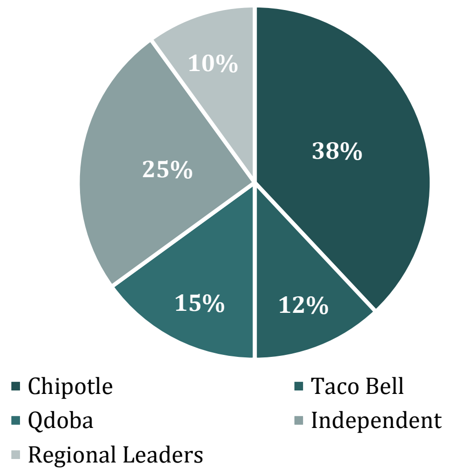
Outlook 1: Premiumisation: From Fast Food to "Gourmet-Casual"

The industry is experiencing a significant "trading up" effect as chains introduce higher-tier, gourmet offerings to increase the average transaction value (ATV). This shift moves Mexican cuisine beyond the "cheap taco" stereotype and into a space where it competes with sit-down dining. Brands are now highlighting provenance and ingredient integrity, such as grass-fed proteins and hand-smashed guacamole, to justify premium price points. This strategy is particularly effective for capturing "foodie" demographics who are willing to pay a surplus for perceived health benefits and culinary authenticity. By elevating the menu, operators can protect margins even as raw material costs rise.

Outlook 2: Convenience through Variety and Multi-Channel Access

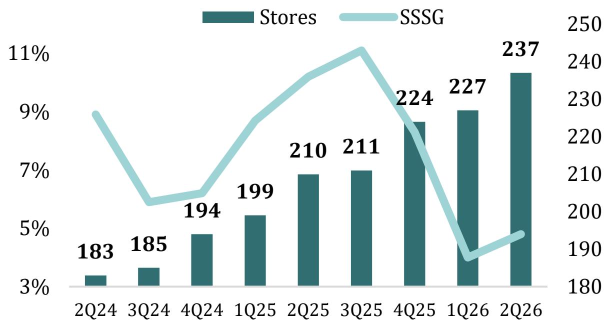
Modern consumers, particularly digitally native Millennials and Gen Z, prioritize brands that offer a wide variety of meal options across multiple service channels. Convenience is no longer just about speed, but also about flexibility. This trend has led to the rise of "omni-channel" dining, where a single restaurant must excel at in-store dining, high-speed drive-thrus, and third-party delivery. Chains that provide a broad range of customizable options, from "clean label" bowls for the health-conscious to indulgent nachos for late-night diners, are seeing higher customer retention. The ability to switch

Figure 7: Global Market Share of Mexican Fast Casual



Source(s): Statista

Figure 8: GYG's Store Openings vs SSSG (%)



Source(s): Company filings

Figure 9: GYG's Store Pipeline Analysis

	Established, Older Stores	Newer/Upcoming Stores
Example Locations	Surry Hills NSW, Fortitude Valley QLD, Newtown NSW	Clyde North VIC, Fairfield Waters QLD, Ellenbrook WA
Median Household Income	A$2400-2600	A$1400-1850
Population Density	8,000-12,000 ppl/km²	1,900-2,500 ppl/km²
Consumer Profile	High-income urban professionals, habituated A$18 burritos for lunch	First-home buyer, mortgage stressed, discretionary spend sensitive

Source(s): Company filings, Australian Bureau of Statistics

between an app-based order for pickup and a drive-thru visit for a family meal is now a baseline expectation for the industry.

Outlook 3: Automation: Solving the Labor Crisis through Tech

To offset the dual pressures of rising minimum wages and a 48% industry-wide staff shortage, automation has moved from a "luxury" to a "necessity." Self-ordering kiosks and fully integrated digital POS systems are gaining rapid traction, as they not only reduce the need for front-of-house staff but also tend to increase upsell rates through programmed prompts. Beyond kiosks, digital integration allows for better "kitchen orchestration" software that sequences orders from multiple channels (delivery, drive-thru, and walk-in) to ensure peak efficiency. This tech-heavy approach allows brands to maintain high throughput and "high-speed" service levels without a proportional increase in human labor costs.

Investment Thesis

Thesis 1: GYG's Domestic Expansion is Diluting Returns

We think GYG's domestic Australian rollout is becoming increasingly value destructive. While the market continues to view Australia as a long-run compounding growth story driven by store rollout, we believe the quality of incremental stores is deteriorating, same-store sales growth is becoming harder to sustain, and new units are increasingly at risk of generating lower returns than the legacy base. Contrary to the Street's view that GYG can keep scaling its network while preserving store productivity, we think growth is already shifting away from mature-store productivity and toward lower-quality openings, which may flatter revenue growth in the near term but ultimately compress returns and margins.

Growth Is Shifting from Productivity to Openings

A key signal is that store growth has continued to accelerate even as same-store sales growth has materially slowed. Australia store count rose from 183 in 2Q24 to 237 in 2Q26, yet SSSG stepped down from 15.0% in FY23 and 9.8% in FY25 to just 4.0% in Q1'26 and 4.8% in Q2'26 (Fig 8). In our view, this is not a temporary soft patch but evidence that the core demand engine is slowing even as GYG continues to add stores. If store additions were truly reinforcing network productivity, we would expect stronger support for SSSG rather than the clear deceleration now visible. Instead, the burden of topline growth is increasingly being carried by new openings rather than stronger performance from the existing estate.

The Pipeline Is Moving Beyond Prime Catchments

We also believe the quality of GYG's new store pipeline is deteriorating (Fig 9). Earlier stores were more often located in dense, affluent, inner-city or highly trafficked metro catchments such as Surry Hills, Fortitude Valley, and Newtown, where pedestrian density, commuter flows, and higher disposable income supported stronger footfall quality and better average unit volumes. By contrast, newer and upcoming stores such as Clyde North, Fairfield Waters, and Ellenbrook appear increasingly skewed toward lower-density, lower-income outer suburban catchments. These areas are more car-dependent, more exposed to mortgage and cost-of-living pressure, and less supported by habitual office-worker lunch demand. In our view, this makes the next

Figure 10: SSSG Growth Drivers

Period - SSSG	Growth Driver
FY23 – 15.0%	Post-COVID base effect + 8.2% price increases
FY24 – 8.1%	New Menu Offer – Chicken Tenders, Nacho Sundaes
FY25 – 9.8%	Breakfast Novelty Launch
Q126 – 4.0%	**No New Driver**
Q226 – 4.8%	New Menu Offer – BBQ Chicken Double Crunch Taco

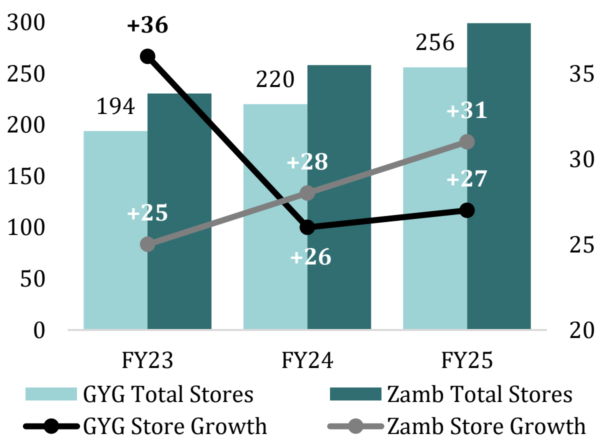
Source(s): Company filings, Internal analysis

Figure 11: GYG Domestic Competitor Analysis

Brand	GUZMAN Y GOMEZ	Zambrero	MAD MEX FRESH MEXICAN	
Cuisine	*Mexican*	*Mexican*	*Mexican*	*Broad*
Core Position	*"Clean is the new healthy"*	*Health-focused, Plate4-Plate mission*	*"Fresh & Bold"*	*Value, Convenience, Familiarity*
Price Point	*A$15-18*	*A$14-17*	*A$14-17*	*A$9-14*
Ingredients	*Fresh, no preservatives*	*Fresh, superfood ingredients*	*Fresh, no artificial flavours*	*Standard*

Source(s): Internal analysis

Figure 12: Zambrero Store Growth



Source(s): Company filings

store cohort inherently less productive than the legacy base, even if total store count continues rising.

SSSG Has Been Engineered, Not Organic

Another reason we think domestic expansion is at risk of underdelivering is that recent SSSG has been supported by levers that appear increasingly inorganic and less repeatable (Fig 10). Management and company disclosures show that recent SSSG growth has been driven by menu launches, campaigns, breakfast expansion, value offers, and 24/7 or extended-hour trading. These levers can support demand for a period, but they do not represent durable, self-sustaining traffic growth. FY24 SSSG growth benefited from menu novelty such as Chicken Tenders and Nacho Sundaes, FY25 was supported by breakfast expansion, and Q2'26 saw some benefit from the BBQ Chicken Double Crunch Taco. However, when there is no fresh catalyst, as in Q1'26, SSSG dropped to 4.0%. We think this suggests that current comp growth is increasingly campaign- and innovation-dependent, rather than driven by broad-based underlying traffic strength. As those levers annualise, SSSG is likely to remain structurally lower.

GYG Competes in a Crowded Convenience Set

At the same time, GYG does not operate in anything close to a white-space category (Fig 11). The company competes in a crowded convenience set that includes not only Mexican peers such as Zambrero and Mad Mex, but also broader QSR incumbents such as McDonald's. GYG appears to be the highest-priced brand in the set, yet its differentiation is not obviously stronger than peers. Zambrero and Mad Mex also compete on freshness and ingredient quality, while McDonald's dominates on value and convenience, leaving GYG caught in the middle with a weaker relative value proposition.

Expansion Is No Longer a Differentiator

In particular, Zambrero is also scaling rapidly and appears to be competing for many of the same consumer occasions and suburban catchments (Fig 12). Zambrero has already built a meaningful presence across many of the smaller suburban and regional catchments that GYG is now targeting for its next phase of domestic growth (Fig 13). Rather than expanding into truly underpenetrated whitespace, GYG is increasingly entering markets where Zambrero is already established with brand awareness, customer familiarity, and an existing store network. This makes future growth less about capturing untapped demand and more about taking share in catchments where a direct competitor may already hold the stronger local position. As a result, the marginal GYG store is more likely to face a tougher ramp-up, lower incrementality, and greater pressure on same-store sales productivity across the broader network.

Rollout Math Implies Future AUV Compression

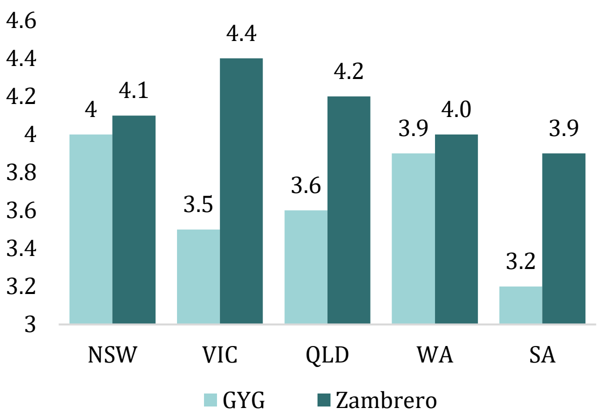
We also believe the long-run saturation math is more problematic than the Street appreciates. Bulls continue to point to 400+ stores by FY30, 600+ by FY35, and ultimately management's 1,000-store long-term aspiration. But the implied density looks difficult to justify. Unlike McDonald's, which serves a very broad consumer occasion set across breakfast, snacks, drinks, lunch, dinner, and family convenience, GYG is a far narrower cuisine concept competing in a more limited Mexican fast-casual segment. Yet the density implied by the long-term rollout

Figure 13: Example Brand Prominence

Guzman y Gomez	Sydney NSW, Melbourne CBD, Brisbane CBD, Gold Coast
Zambrero	Western Australia (Albany, Bunbury, etc), South Australia (Rundle, Seaford), Canberrra

Source(s): Internal analysis

Figure 14: Average Google Store Review



Source(s): Internal analysis

Figure 15: CapEx per new store opening in the United States and Australia (A$ millions)

Source(s): Internal analysis

ambition would push GYG toward a store-per-capita footprint approaching broad-market QSR chains, which we think is unrealistic. In our view, the likely outcome of pursuing that ambition is lower mature AUV, weaker marginal economics, and a rising gap between reported network growth and underlying value creation.

Consumer Sentiment Is Becoming More Mixed

Finally, alternative data (Fig 14) suggest that brand equity may not be strengthening with scale. While we would not anchor the short thesis solely on review data, it is directionally notable that in a 30-location sample across Australia's five main states, Zambrero outperformed GYG on average Google review scores in every state included. This points to more consistently positive consumer sentiment toward a direct competitor, while anecdotal commentary around GYG increasingly references smaller portions, weaker value, and declining food quality. We see this as supporting evidence rather than a primary pillar, but it is consistent with the broader concern that rapid expansion, more dayparts, and greater operating complexity are starting to strain execution quality at the store level.

Overall, we think the market is overestimating the quality and incrementality of GYG's domestic rollout. The Street is valuing GYG as though each new Australian store is another high-return growth asset, but the evidence increasingly suggests the opposite: newer stores are entering weaker catchments, comp growth is slowing, drive-thru economics are becoming less attractive at the margin, and competition is intensifying. In our view, GYG's domestic growth is no longer reinforcing returns - it is increasingly diluting them.

<u>Thesis 2: GYG's International Expansion Is Structurally Flawed</u>

We think Guzman faces significant challenges for its expansion into the United States. Contrary to the expansion "optionality" perceived by the market, we believe that Guzman's expansion is highly unlikely to pan out and will prove to be a capital sink.

US Stores Are More CapEx Intensive Than Australian Stores

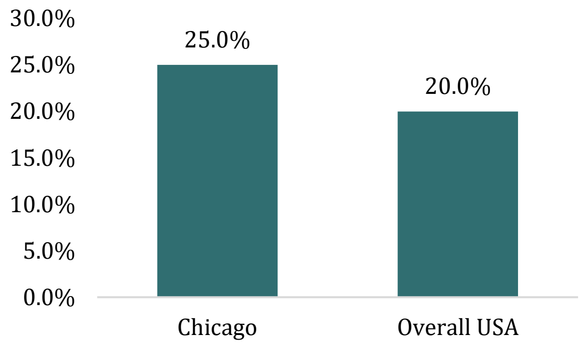
According to management disclosures, GYG spent A$12.2mn on three U.S. restaurants in FY25, equivalent to approximately A$4.1mn per restaurant, compared with A$37mn, or approximately A$2.8mn per restaurant (Fig 15), for 13 new corporate restaurants in Australia. The U.S. expenditure included two urban-strip restaurants (Appendix E) opened in Chicago and a third restaurant scheduled to open after FY25.

While the higher cost per U.S. restaurant partly reflects differences in construction, labour and operating conditions between the two markets, it increases the capital required to establish scale. More importantly, GYG's U.S. segment remains loss-making more than five years after entering the market. This combination of continued investment and an absence of demonstrated profitability raises uncertainty over whether the U.S. expansion can generate adequate returns on capital.

Management's Rationale for Choosing Chicago Is Not Playing Out

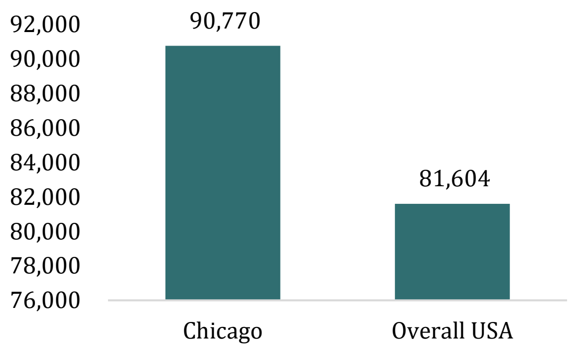
To quote GYG's IPO prospectus: "*Greater Chicago was selected as the initial market for GYG in the US as it has a diverse demographic profile, supports both drive-thru and strip formats and does not have any known*

Figure 16: Proportion of Hispanics in Chicago Metro area vs. overall USA



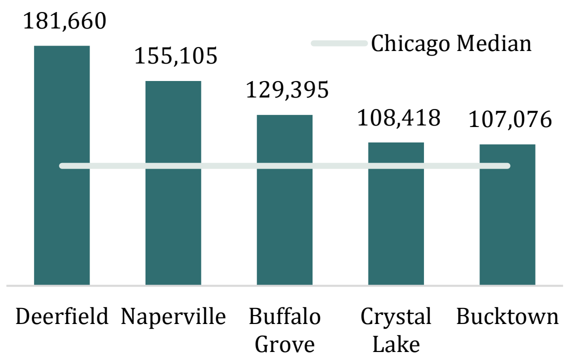
Source(s): Internal analysis

Figure 17: Median household income in Chicago Metro area vs. overall USA (US$)



Source(s): Internal analysis

Figure 18: Median household income of entered neighbourhoods (US$)



Source(s): Internal analysis

idiosyncratic factors that could make it non-representative of the broader US market".

If we analyse the demographics for the Chicago Metro area, we can see that the proportion of Hispanics (Fig 16) and median household income (Fig 17) are similar to the overall U.S., and management's rationale appears to make sense. However, if we take a look at the neighbourhoods that GYG has entered into in Chicago, the story changes. The neighbourhoods generally have a median household income above that of the U.S., which points towards the fact that management is targeting higher income consumers (Fig 18).

These higher income consumers are arguably a better fit financially for GYG's product and pricing, but despite this, GYG has still seen limited success in the country. If Chicago is indeed representative of the broader U.S. market, we think that this implies poor odds of success for Guzman.

Leadership's Judgement of US Expansion Has Been Poor

Management's judgement of the U.S. expansion has been misguided. Looking at Fig 19, we can see that what management forecasted for the U.S. expansion versus what happened in reality is vastly different. FY25 ended with 6 stores, not 7, and segment underlying EBITDA loss was A$13.2mn, materially worse than the A$8.9mn FY25F prospectus expectation. FY25 restaurant margin was negative 57.5%, far worse than the negative 6.8% expectation in the prospectus. This points towards the fact that the U.S. rollout is clearly behind the original economics curve, with a ramp that is materially slower and more expensive than what management underwrote.

Management also appears to have underestimated the operational challenges. FY25 disclosures say GYG increased labour and training to lift guest experience, added above-restaurant support, evolved the US leadership structure, and even relocated seven team members from Australia to Chicago to support US operations. This suggests the model was not plug-and-play, requiring heavier hands-on intervention than the original planned.

Product Positioning in the U.S. Is Poor, And the QSR Industry Is Intensely Competitive

GYG's product positioning in the U.S. is caught in the middle amongst its main competitors (Fig 20). Although GYG tries to offer a differentiated product, it lacks the ubiquity, convenience and consumer habits enjoyed by scaled incumbents. We think that Guzman's value proposition is also not yet sufficiently established to drive consumer switching, which leaves GYG in a weak competitive position.

Furthermore, Porter's Five Forces suggests that the U.S. market is structurally tough for GYG (Fig 21, Appendix F). Competition is intense, consumers have many alternatives along with low switching costs, and GYG's "clean" menu adds supply-chain complexity.

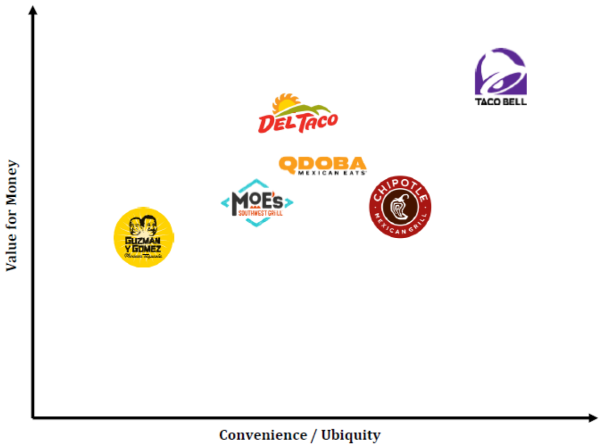
Coupled with the above, Guzman's U.S. and global scale also remain negligible versus incumbents. With just 272 stores globally and only 8 in the U.S./Chicago, GYG is competing from a position of extreme scale disadvantage. Taking this into account, we think that GYG is therefore in an extremely difficult position to scale internationally.

Figure 19: Management's forecasted EBITDA and restaurant margin for the U.S. versus actual results

FY24	Actual	Forecast
EBITDA (A$ mn)	(6.5)	(6.6)
Restaurant margin (%)	(57.5)	(9.6)
FY25	**Actual**	**Forecast**
EBITDA (A$ mn)	(13.2)	(8.9)
Restaurant margin (%)	(69.6)	(6.8)

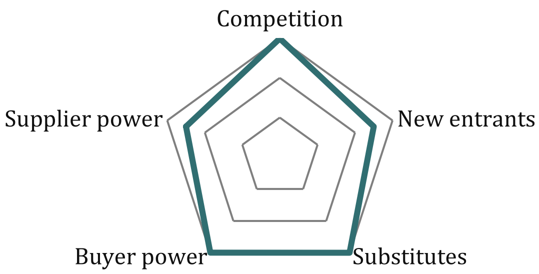
Source(s): Internal analysis

Figure 20: Product positioning in the USA is poor



Source(s): Internal analysis

Figure 21: Porter's Five Forces for USA market



Source(s): Internal analysis

Figure 22: CAPEX by store format (A$)

Source(s): Internal analysis

Doordash Exit Hurts U.S. Delivery Orders in the Short-Term

Guzman announced an exclusive Uber Eats partnership in Australia and is transitioning away from DoorDash in the U.S., with the move likely to occur in 2H26. We think that this is not a positive in the context of U.S. sales.

In Australia, Uber Eats is the dominant delivery platform, but in the US, DoorDash has a 58-68% market share. By exiting DoorDash in the US, GYG is voluntarily removing itself from the platform that reaches the majority of US delivery consumers. The transition creates a near-term sales dislocation risk because DoorDash is the larger aggregator channel, and GYG's U.S. unit economics are still too fragile to absorb much customer leakage.

Thesis 3: Drive-Thru and 24/7 Formats Appear Margin-Accretive in Averages but May Become Margin-Dilutive at the Margin

Street View

Sell-side analysts including JPMorgan Chase and UBS generally assume that the increasing mix of drive-thru restaurants and extended trading hours (24/7) will support higher average unit volumes (AUVs) and restaurant margins for Guzman y Gomez (GYG). This view is largely based on the strong unit economics currently observed in the company's drive-thru locations. Drive-thru stores generate higher sales productivity and stronger restaurant margins compared with strip or mall formats, suggesting that a greater mix of drive-thru restaurants should structurally lift profitability as the network expands.

Variant View

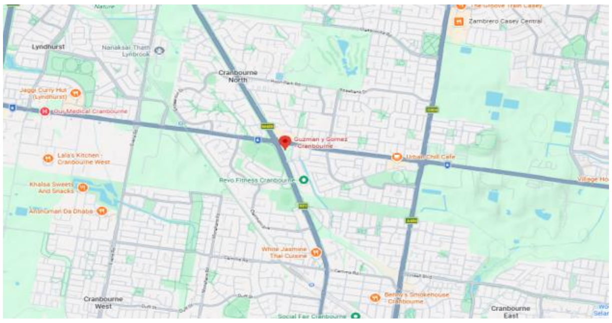
While drive-thru and 24/7 stores appear margin-accretive at the portfolio level today, the incremental economics of these formats may deteriorate as the rollout scales due to higher capital intensity, labour costs, and the dilution effects associated with rapid network expansion. In particular, the profitability of mature drive-thru restaurants may not accurately represent the economics of the next wave of stores, which are likely to experience lower initial sales productivity and higher operating complexity during their ramp-up phase. As the company accelerates store openings, the increasing proportion of immature restaurants in the network may therefore delay the margin expansion trajectory currently embedded in consensus forecasts.

1. The High Cost of the "Drive-Thru First" Strategy

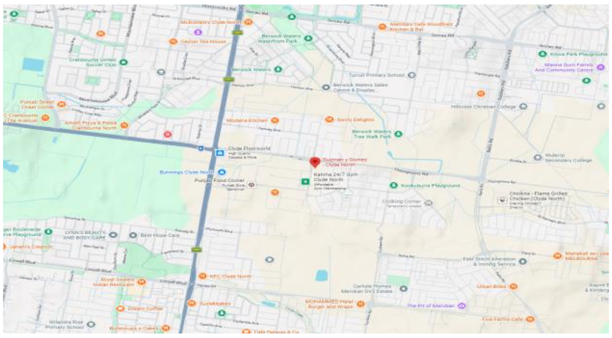
Management has identified the drive-thru format as the primary engine for reaching its 400-store expansion goal, citing higher Average Unit Volumes (AUV). However, this shift represents a fundamental increase in capital intensity. Building a drive-thru location costs approximately A$2.7 million, representing a 50% premium over the A$1.8 million required for traditional inline stores (Fig 22). This increased upfront investment is not currently being met with proportional margin expansion; in fact, recent data shows format-level margin compression, with drive-thru margins dipping by 1.5% in early 2026. As construction costs and land premiums remain elevated, the combination of high CapEx and narrowing operating spreads suggests that the payback period for new corporate stores is extending, potentially slowing the self-funding capacity of the rollout.

Figure 23: GYG's Drive-thru Store Analysis

Q4'18 – GYG Cranbourne



Q1'26 – GYG Clyde North



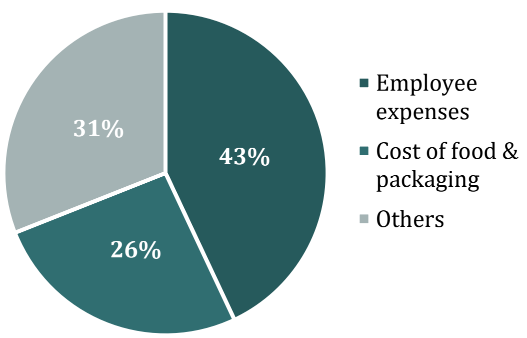
Source(s): Internal analysis

Figure 24: Comparison of Labor Cost

Competitor	Main Sales Source	Base Labor Cost / hr	Overnight Labor Cost / hr
Guzman	Australia	$25-$30	$30 - $45
Chipotle	USA	$15 - $22	$15 - $22
Taco Bell	USA	$15 - $22	$15 - $22
Qdoba	USA	$15 - $22	$15 - $22

Source(s): Fair Work Australia

Figure 25: GYG Cost Breakdown



Source(s): Company Fillings

2. Marginal Drive-Thrus Are Inferior to the Existing Base

Existing drive-thrus may well be strong assets, but the next wave of drive-thrus appears to be moving away from prime arterial intersections and toward more internal suburban locations (Fig 23). The difference matters. Older sites such as Cranbourne sit on high-traffic intersections with strong pass-by visibility and embedded commuter flow, while newer sites like Clyde North appear more reliant on destination demand from surrounding residential catchments. Once a drive-thru depends more on consumers making a deliberate detour rather than capturing habitual pass-by trips, throughput becomes less reliable, demand becomes more discretionary, and store-level returns become more vulnerable. In short, the market is extrapolating the economics of the existing best drive-thrus onto a newer cohort that is unlikely to be as productive.

3. The 24/7 Labor Trap and "Penalty Rate" Exposure

A core pillar of GYG's market share strategy is its 24/7 operating model, designed to capture the late-night and early-morning "food-as-fuel" demographic. While this increases store utilization, it creates a massive structural cost disadvantage in the Australian market due to local labor laws. Under the Australian system, "penalty rates" mandate a 15% to 50% wage loading for overnight and weekend shifts (Fig 24), pushing GYG's overnight labor costs to a range of A$30–$45 per hour. This is more than double the A$15–$22 hourly cost faced by US-based peers like Chipotle or Taco Bell. With employee expenses already making up 43% of total costs, (Fig 25) and Australian hospitality wages projected to rise at a +3.1% CAGR through 2027 (Fig 26), GYG's reliance on a human-intensive overnight model is becoming a growing liability that direct competitors in other regions do not share.

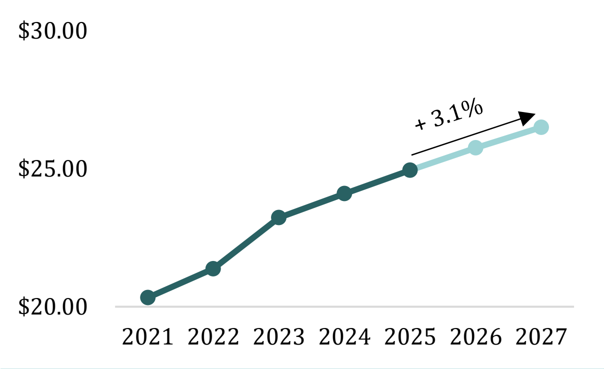
4. Supply Chain Vulnerability and Protein Spikes

As a brand built on "clean label" integrity, GYG is uniquely exposed to the volatility of fresh, non-processed commodities. In 2026, the poultry and beef markets have hit record highs, driven by a combination of US cattle shortages and record-high export prices for Australian feed grain (Fig 27). Unlike traditional fast-food incumbents that can rely on frozen, highly processed inputs or adjust formulations to mask cost increases, GYG's commitment to fresh, never-frozen proteins limits its procurement flexibility. This "inelastic" supply chain means that when protein costs surge, GYG must either absorb the hit to its restaurant margins.

5. Exclusive Logistics and Aggregator Dominance

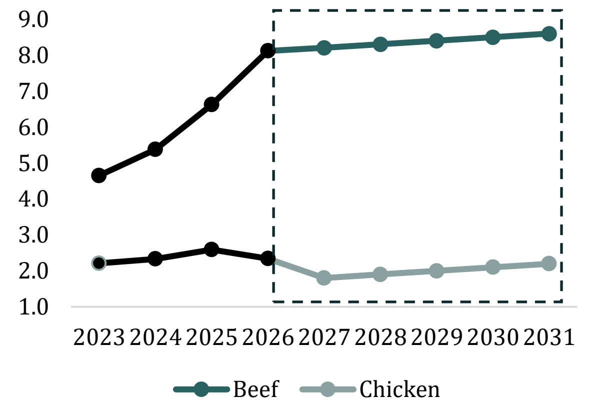
The decision to establish an exclusive third-party delivery partnership with Uber Eats in February 2026 was intended to streamline digital operations, but it has effectively handed significant pricing power to the aggregator. With delivery and owned digital channels now account for 47% of total sales, GYG is highly dependent on a channel where commission rates are notoriously high. In Australia, the "Premium" tier for Uber Eats can command up to 33% per order, a figure higher than both US (30%) and Singapore (32.7%) benchmarks (Fig 28). This "delivery distortion" means that even as revenue rises, a larger portion of each dollar is being diverted to logistics partners, further compressing the net profitability of the "High-Tech Taco" model.

Figure 26: Australian Labour Cost



Source(s): Australian Bureau of Statistics

Figure 27: Australia poultry and beef cost



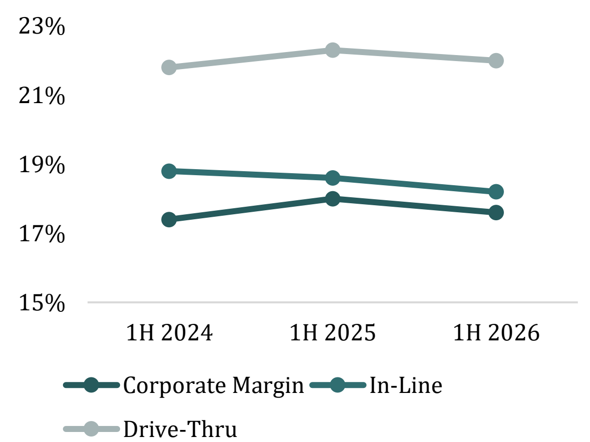
Source(s): Index Mundi

Figure 28: Uber commission structure by country

Plan Tier	USA	Australia	Singapore
Lite	20.0%	**22.0%**	21.8%
Plus	25.0%	**27.5%**	27.3%
Premium	30.0%	**33.0%**	32.7%
Pick Up Fee	7.0%	**11.0%**	10.9%

Source(s): Ubereats

Figure 29: GYG Margin 1H 2024 – 1H2026



Source(s): Company Filings

6. Early Signs of Margin Pressure May Already Be Emerging

Recent results suggest that the economics of rapid expansion may already be affecting margins (Fig 29). **Corporate restaurant margin declined to 17.6% in 1H26**, compared with **18.0%** in the prior period. Management indicated that new restaurant openings, which are currently in their lower-margin ramp phase, contributed to this pressure. This modest decline illustrates how expansion can temporarily dilute profitability.

While drive-thru restaurants and extended trading hours have historically generated strong unit economics, the incremental economics of these strategies may weaken as expansion accelerates. Specifically:

- Newly opened restaurants require multiple years to reach mature sales productivity.
- Rapid expansion increases the proportion of immature stores in the network.
- Overnight trading increases labour costs through penalty rates.
- Delivery growth (~27% mix) introduces structural margin dilution.

Taken together, these factors suggest that the margin expansion trajectory currently assumed by consensus forecasts may prove optimistic. If the Australian segment's EBITDA margin expands more slowly than expected, earnings forecasts may require downward revision.

Valuation

Valuation Price Target: **A$13.93**

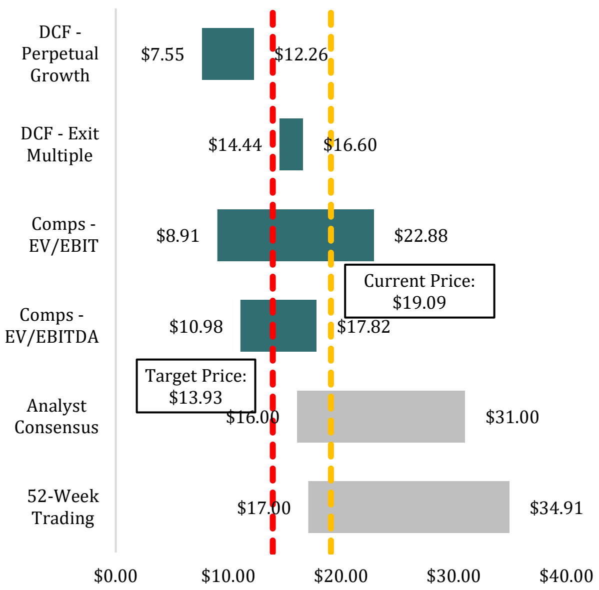
The target price was calculated using a blended average of four derived valuations: (1) Discounted cash flow (DCF) using the perpetual growth method, (2) DCF using the exit multiple method, (3) FY+1 EV/EBITDA, and (4) FY+1 EV/EBIT. An equal weightage was assigned to all intrinsic and relative valuation methods, resulting in a target price of A$13.93, a downside of -27.0%. This downside can be seen against the Street view in the football field (Fig 30).

Revenue and Cost Build

In our Australia build, we assume SSSG continues to normalize from 4.0% at 224 stores to 3.6% at 256 stores, before settling at 2.0% at both 400 and 440 stores. At the same time, store growth remains measured but still broadly consistent with GYG's rollout ambitions, with annual additions of 32 stores initially (10 corporate + 22 franchise), followed by 40 stores in later years (20 corporate + 20 franchise), taking the network from 224 to 440 stores. Productivity per existing store fades, implying a growth profile increasingly driven by footprint expansion rather than underlying demand strength.

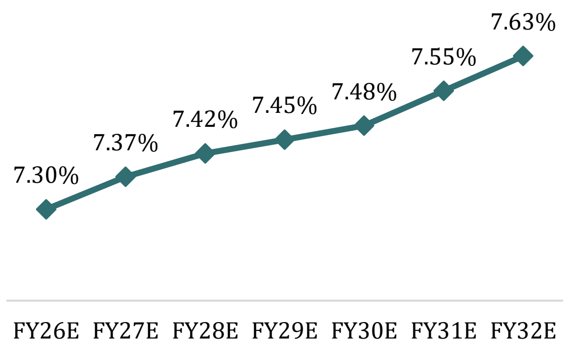
Labour cost was projected at an estimated annual wage inflation rate, scaling it with the number of company-owned stores, adjusting for efficiency gains, which resulted in a moderate inflation rate applied. Since ingredient cost is also one of the largest cost drivers of COGS, ingredient cost is projected to reflect poultry and beef price inflation and supply chain pressures, while partially offsetting with pricing power or economies of scale.

Figure 30: Valuation football field



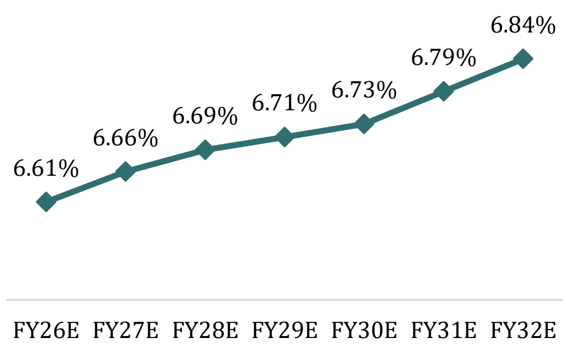
Source(s): Internal analysis

Figure 31: Cost of equity



Source(s): Internal analysis, Damodaran

Figure 32: Cost of debt



Source(s): Internal analysis, Damodaran

For store count in the U.S., growth was projected at the historical rate of 1-2 stores annually, adhering to management's upper limit of 15 total stores in the U.S. before further expansion if the model is successful. Accordingly, no projection for an aggressive step-up in U.S. rollout is incorporated, as this would imply a successful proof of concept and scalable unit economics. Instead, our assumptions reflect our view that Guzman's U.S. business is unlikely to demonstrate the operating success required to support faster expansion. SSSG was forecasted conservatively, tempered from historical rates.

Weighted Average Cost of Capital

Cost of Equity, R_e: The cost of equity was calculated using the Capital Asset Pricing Model. The risk-free rate was varied according to the RBA yield curve (Fig 31). An equity risk premium of 4.29% was used, weighted by country based on Guzman's geographical revenue segments (92.7% Australia, 6.1% Asia, 1.2% U.S.), based on Damodaran's estimates for risks in the aforementioned geographies. Furthermore, a country-risk premium was also included to reflect country-specific risks.

Beta: Beta was derived through a combination of re-levered peer betas for GYG's current capital structure and optimal capital structure, in which the optimal capital structure was benchmarked from the average of peer's debt and equity mix. Additionally, regression betas against the ASX 200 were also used. This resulted in a levered beta of 0.67.

Overall, the weighted-average levered beta calculated for Guzman was 0.67. The various costs of equity at different periods can be seen in Fig 31.

Cost of Debt, R_d: A synthetic rating approach was used to estimate GYG's cost of debt. Based on Damodaran' estimate of default risk for Guzman's interest coverage ratio of 1.3x, a default spread of 5.09% was added to the risk-free rates. The resulting after-tax cost of debts can be seen in Fig 32, accounting for Australia's corporate tax rate of 30%.

The final WACC for all future cash flow periods can be seen in Fig 33.

Terminal Growth Rate and Exit Multiple

Terminal Growth Rate: A terminal growth rate of 2.00% was used, which is a conservative forecast of the average long-term economic growth rate in Australia.

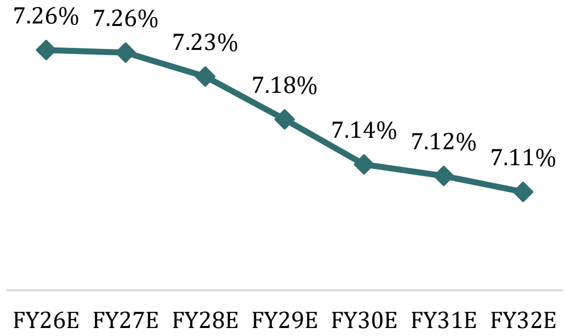
Exit Multiple: The median FY+1 EV/EBITDA multiple based on Guzman's comparable peers was used as an exit multiple, standing at 17.3x.

Relative valuation

1. Peer Selection

Two tiers of comparable companies were selected for our analysis, with 60% weightage placed on tier 1 and 40% on tier 2. Tier 1 peers were selected to reflect companies that are still valued primarily on growth, whereas tier 2 peers consist of more mature restaurant operators. The peer set was structured in this manner to distinguish between growth-oriented peers and more mature operators, showing

Figure 33: WACC



Source(s): Internal analysis, Damodaran

Figure 34: Sensitivity analysis (WACC vs. TGR)

	1.60%	1.80%	2.00%	2.20%	2.40%
8.11%	7.55	7.74	7.95	8.18	8.42
7.61%	8.07	8.30	8.55	8.82	9.10
7.11%	8.68	8.96	9.26	9.58	9.93
6.61%	9.41	9.75	10.12	10.52	10.96
6.11%	10.31	10.73	11.19	11.70	12.26

Source(s): Internal analysis

Figure 35: Sensitivity analysis (WACC vs. exit multiple)

	16.3x	16.8x	17.3x	17.8x	18.3x
8.11%	14.59	14.99	15.38	15.78	16.18
7.61%	14.65	15.05	15.45	15.85	16.24
7.11%	14.71	15.11	15.51	15.91	16.31
6.61%	14.78	15.18	15.58	15.98	16.38
6.11%	14.84	15.24	15.65	16.05	16.46

Source(s): Internal analysis

Figure 36: Trading comparables

Tier 1 (60%)	Median	Guzman
EV/EBITDA	23.7x	20.9x
EV/EBIT	48.1x	40.7x
Tier 2 (40%)		
EV/EBITDA	10.8x	20.9x
EV/EBIT	16.3x	40.7x

Source(s): CapIQ

the valuation ranges that GYG could be assessed against according to our theses (Appendix C).

2. Relative Valuation

Overall, we obtained a median FY+1 EV/EBITDA of 18.6x, and EV/EBIT of 35.4x (Fig 36).

Catalysts

1: H2'26 Results Show Further SSSG Slowdown and Margin Compression

We view H2'26 as the clearest near-term fundamental test of whether GYG's domestic growth model is starting to break down. Australia SSSG growth has already slowed materially into FY26, even as the company continues to add stores at pace, and management has acknowledged that newer restaurants are entering the network with lower, but ramping, AUVs and margins. If H2'26 confirms that same-store sales continue to soften while restaurant-level and segment margins come under pressure, it would strengthen our view that GYG's growth is increasingly being driven by lower-quality unit additions rather than genuine productivity gains. In our view, such an outcome would force the market to reassess the quality of GYG's domestic expansion and the credibility of its long-term margin and rollout assumptions.

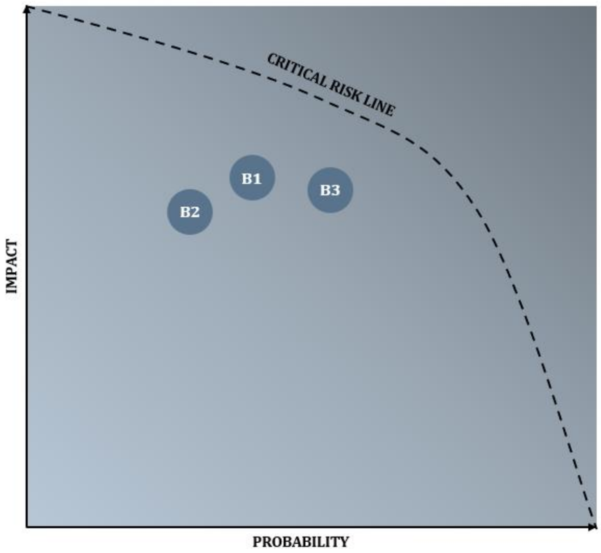
2: Australian Wage Inflation Pressures Labour-Heavy Formats

A further increase in Australian wages, particularly through future minimum wage or award wage adjustments, would be a direct catalyst against GYG's margin-expansion narrative. This matters because the company is increasingly leaning into labour-intensive formats and demand levers such as 24/7 trading, breakfast, and a larger drive-thru estate. These initiatives can support topline growth, but they also raise staffing intensity and reduce flexibility if throughput is weaker than expected. In that context, higher wage costs would disproportionately pressure newer and lower-maturity stores that do not yet benefit from the same labour leverage as the mature base. As a result, wage inflation would likely expose how dependent GYG's margin story is on achieving strong throughput at the exact time the company is scaling into weaker marginal catchments.

3: Zambrero Accelerates Rollout And/Or Raises Capital

A meaningful acceleration in Zambrero's domestic expansion, whether through a fresh capital raise or a more aggressive rollout plan, would directly reinforce our view that GYG's Australian growth runway is becoming far more contested than the market assumes. The key issue is not simply that competition exists, but that Zambrero already appears well-established across many of the smaller suburban and regional catchments that GYG is now targeting for its next phase of growth. If Zambrero continues to deepen its presence in these markets, GYG's new stores are less likely to be entering true whitespace and more likely to be fighting for share in already-occupied trade areas. That would increase the risk of weaker new-store ramp-up, lower incrementality, and further pressure on same-store sales growth across the broader network.

Figure 37: Impact-probability risk assessment



Source(s): Internal analysis

Investment Risks

Refer to Figure 37

Business Risk 1 (B1): The 108-Store Pipeline Proves Higher Quality Than Expected

Risk:
A key assumption in our short thesis is that GYG's next wave of domestic expansion is moving into weaker suburban and regional catchments, where stores are likely to be less incremental and lower return than the existing base. However, there is a risk that management proves more disciplined in site selection than we expect, with the upcoming 108-store pipeline still delivering strong traffic, healthy ramp-up curves, and attractive unit economics despite our concerns around lower-density locations and cannibalisation.

Mitigants:
Our thesis does not require every new store to fail; it only requires the marginal store to be weaker than the existing base. As GYG moves beyond its best early sites, the probability of lower footfall quality, weaker incrementality, and slower ramp-up should still rise. Thus, while some pipeline stores may perform well, we believe the broader directional risk of deteriorating marginal economics remains intact. In addition, the upside from app-led ordering and loyalty may be more constrained than management implies, given that GYG's membership base already appears relatively saturated. At this stage, incremental member growth is less likely to drive materially new traffic and more likely to capture customers already within the system, limiting its ability to offset weaker location quality.

Business Risk 2 (B2): A Strong U.S. Partner Improves International Execution

Risk:
Our international short thesis assumes that GYG's U.S. expansion is structurally flawed and unlikely to generate attractive returns. However, there is a risk that GYG secures a strong strategic investor, master franchisee, or operating partner in the U.S. - potentially a scaled restaurant group with established local infrastructure, supply-chain capabilities, and operational expertise. Such a partnership could materially improve execution, reduce upfront investment burden, and restore investor confidence in the U.S. as a credible second growth engine.

Mitigants:
However, even a high-quality partner does not solve the core demand-side issues in our thesis. GYG would still need to prove that its concept resonates with U.S. consumers, can compete effectively in a highly saturated QSR market, and can deliver repeatable, profitable unit economics. In other words, better execution does not automatically mean better economics. Therefore, while a strategic partnership is a legitimate risk to the short, we would view it as mitigating operational drag rather than fully resolving the structural challenges of the U.S. market.

Business Risk 3 (B3): Menu Price Increases Successfully Offset Cost Inflation

Risk:

A central part of our short thesis is that GYG's margin profile will come under pressure from weaker domestic store productivity, rising labour costs, and the cost drag of formats such as 24/7 trading and drive-thrus. However, there is a risk that management successfully offsets these pressures through menu price increases without meaningfully damaging traffic. If GYG proves it has more pricing power than we expect, margins could hold up better than our short case assumes. Management has explicitly framed price as a reserve lever, implying that it has room to raise menu prices if input costs continue to rise.

Mitigants:

The pricing lever is not costless. GYG's recent bull case has leaned heavily on value perception, limited price pass-through, and strong traffic resilience, meaning more aggressive pricing could undermine one of the brand's key demand supports. In a crowded convenience category where consumers can easily substitute toward cheaper or more familiar alternatives, price increases risk weakening traffic, mix, and same-store sales. As such, while pricing may offset some near-term cost inflation, we do not believe it can fully neutralise the structural margin pressures embedded in the model without creating new demand-side risks.

Disclaimer

Appendix:

Appendix A: Pro-Forma Financial Statements

Income Statement	Historical (30 Jun) FY21A	FY22A	FY23A	FY24A	FY25A	Forecast (30 Jun) FY26E	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E
Total revenue	**130,960**	**184,579**	**276,769**	**364,988**	**468,006**	**597,555**	**690,116**	**785,595**	**941,876**	**1,102,153**	**1,264,855**	**1,433,698**
Revenues	119,531	171,792	259,044	342,214	435,982	559,285	645,918	735,282	881,554	1,031,566	1,183,848	1,341,878
Other Revenue & Income	11,429	12,787	17,725	22,774	32,024	38,270	44,198	50,313	60,322	70,586	81,007	91,820
Cost of food and packaging	(31,796)	(44,194)	(70,428)	(87,580)	(113,948)	(146,945)	(171,404)	(197,069)	(238,635)	(282,036)	(326,907)	(374,251)
Gross Profit	**99,164**	**140,385**	**206,341**	**277,408**	**354,058**	**450,610**	**518,712**	**588,526**	**703,241**	**820,117**	**937,948**	**1,059,447**
% Revenue	*75.7%*	*76.1%*	*74.6%*	*76.0%*	*75.7%*	*75.4%*	*75.2%*	*74.9%*	*74.7%*	*74.4%*	*74.2%*	*73.9%*
OPERATING ITEMS												
Employee benefit expenses	-	-	(113,725)	(153,733)	(184,656)	(238,128)	(277,764)	(319,356)	(386,715)	(457,047)	(529,762)	(606,484)
Administrative expenses	(71,849)	(106,996)	(35,282)	(60,595)	(53,615)	(68,456)	(79,060)	(89,998)	(107,902)	(126,263)	(144,902)	(164,245)
Marketing expenses	(10,725)	(13,987)	(13,718)	(17,938)	(21,287)	(27,179)	(31,390)	(35,732)	(42,841)	(50,131)	(57,531)	(65,211)
Other expenses	(5,957)	(8,275)	(13,995)	(17,868)	(29,381)	(37,514)	(43,325)	(49,319)	(59,130)	(69,192)	(79,406)	(90,006)
Depreciation and amortization	-	-	(25,555)	(31,123)	(39,681)	(35,951)	(45,477)	(55,709)	(44,393)	(45,884)	(51,790)	(59,890)
Occupancy Expense	(2,088)	(1,681)	-	-	-	-	-	-	-	-	-	-
Total Operating Items	(90,619)	(130,939)	(202,275)	(281,257)	(328,620)	(407,228)	(477,016)	(550,114)	(640,981)	(748,517)	(863,392)	(985,836)
Operating Income	**8,545**	**9,446**	**4,066**	**(3,849)**	**25,438**	**43,381**	**41,696**	**38,412**	**62,260**	**71,601**	**74,556**	**73,611**
% Revenue	*6.5%*	*5.1%*	*1.5%*	*-1.1%*	*5.4%*	*7.3%*	*6.0%*	*4.9%*	*6.6%*	*6.5%*	*5.9%*	*5.1%*
EBITDA	18,653	23,906	29,621	27,274	65,119	79,332	87,173	94,121	106,653	117,484	126,346	133,501
% Revenue	*14.2%*	*13.0%*	*10.7%*	*7.5%*	*13.9%*	*13.3%*	*12.6%*	*12.0%*	*11.3%*	*10.7%*	*10.0%*	*9.3%*
NON-OPERATING ITEMS												
Finance income	2,935	3,173	4,593	6,012	22,674	20,618	20,178	19,784	19,786	23,894	28,589	33,897
Finance costs	(5,156)	(6,008)	(8,503)	(13,724)	(18,902)	(16,583)	(16,700)	(16,738)	(18,334)	(31,126)	(37,259)	(44,888)
Earnings Before Taxes	**6,324**	**6,611**	**156**	**(11,561)**	**29,210**	**47,416**	**45,174**	**41,458**	**63,712**	**64,369**	**65,886**	**62,620**
Provision for income tax	(2,336)	(2,700)	(2,423)	(2,187)	(14,734)	(14,225)	(13,552)	(12,437)	(19,114)	(19,311)	(19,766)	(18,786)
Net Income/(Loss)	**3,988**	**3,911**	**(2,267)**	**(13,748)**	**14,476**	**33,191**	**31,622**	**29,020**	**44,599**	**45,058**	**46,120**	**43,834**
% Revenue	*3.0%*	*2.1%*	*-0.8%*	*-3.8%*	*3.1%*	*5.6%*	*4.6%*	*3.7%*	*4.7%*	*4.1%*	*3.6%*	*3.1%*

Balance Sheet	Historical (30 Jun) FY21A	FY22A	FY23A	FY24A	FY25A	Forecast (30 Jun) FY26E	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E
ASSETS												
Current Assets												
Cash and cash equivalents	62,091	54,427	36,504	16,385	39,675	224,781	161,614	92,014	18,838	22,043	25,297	28,674
Funds in term deposits	-	-	-	278,095	242,068	-	-	-	-	-	-	-
Trade and Other Receivables	4,993	16,352	23,947	26,020	24,703	31,541	36,427	41,353	49,716	58,176	66,763	75,469
Finance Lease Receivables	10,731	10,898	10,772	11,999	12,497	13,282	14,188	15,220	16,457	17,905	19,566	21,449
Inventories	1,652	1,987	2,153	2,825	3,761	4,850	5,657	6,487	7,876	9,309	10,790	12,319
Prepayments and Other Assets	-	-	-	3,302	4,510	5,582	6,447	7,339	8,799	10,296	11,816	13,393
Prepayments and security deposits	-	-	3,560	-	-	-	-	-	-	-	-	-
Other Assets	2,056	2,799	-	-	-	-	-	-	-	-	-	-
Total Current Assets	**81,523**	**86,463**	**76,936**	**338,626**	**327,214**	**280,036**	**224,333**	**162,413**	**101,685**	**117,728**	**134,232**	**151,304**
Non-Current Assets												
Right of Use Assets	46,032	49,127	98,939	93,796	125,430	145,093	165,182	185,086	207,597	231,628	255,971	279,612
Property, Plant and Equipment	21,516	36,563	69,486	87,630	130,056	161,085	188,827	211,759	256,008	307,244	359,332	427,167
Deferred Tax Assets	5,554	2,732	4,243	16,276	19,709	19,709	19,709	19,709	19,709	19,709	19,709	19,709
Trade and Other Receivables	389	594	1,140	479	137	137	137	137	137	137	137	137
Finance Lease Receivables	48,873	57,540	58,561	114,404	162,347	208,016	260,759	320,800	392,784	477,018	573,687	683,260
Intangible Assets	6,494	15,410	15,202	10,586	18,305	30,609	35,350	40,241	48,246	56,456	64,790	73,439
Total Non-Current Assets	**128,858**	**161,966**	**247,571**	**323,171**	**455,984**	**564,649**	**669,964**	**777,732**	**924,481**	**1,092,193**	**1,273,626**	**1,483,324**
Total Assets	**210,381**	**248,429**	**324,507**	**661,797**	**783,198**	**844,685**	**894,297**	**940,145**	**1,026,166**	**1,209,921**	**1,407,858**	**1,634,628**
LIABILITIES												
Current Liabilities												
Trade and Other Payables	17,097	28,008	32,635	39,387	40,439	52,149	60,829	69,747	84,689	100,092	116,016	132,455
Borrowings	491	3,358	-	-	-	-	-	-	-	-	-	-
Lease Liabilities	15,388	16,811	20,165	22,201	23,652	30,661	30,878	30,947	31,101	31,212	31,127	30,706
Income Tax Payable	-	-	3,636	10,138	8,916	11,944	13,794	15,703	18,826	22,030	25,282	28,657
Contract Liabilities	1,293	1,352	1,681	2,054	2,267	4,033	4,657	5,302	6,356	7,438	8,536	9,676
Provisions	5,455	3,524	8,349	10,507	10,766	17,055	19,696	22,421	26,882	31,456	36,100	40,919
Total Current Liabilities	**39,724**	**53,053**	**66,466**	**84,287**	**86,040**	**115,842**	**129,856**	**144,120**	**167,855**	**192,227**	**217,061**	**242,412**
Non-Current Liabilities												
Borrowings	3,356	-	3,000	-	-	-	-	-	13,079	123,155	247,770	406,196
Lease Liabilities	96,709	109,763	161,552	217,297	307,659	303,754	305,906	306,589	308,117	309,208	308,370	304,201
Contract Liabilities	2,080	1,900	2,177	2,429	2,936	3,749	4,329	4,928	5,909	6,914	7,935	8,994
Provisions	2,189	2,614	3,347	3,805	6,439	8,026	9,269	10,551	12,650	14,803	16,988	19,256
Total Non-Current Liabilities	**104,334**	**114,277**	**170,076**	**223,531**	**317,034**	**315,528**	**319,505**	**322,068**	**339,755**	**454,080**	**581,063**	**738,647**
Total Liabilities	**144,058**	**167,330**	**236,542**	**307,818**	**403,074**	**431,370**	**449,360**	**466,188**	**507,610**	**646,307**	**798,124**	**981,060**
SHAREHOLDERS' EQUITY												
Equity Attributable to the Parent	66,323	81,099	87,965	353,979	380,124	413,315	444,937	473,957	518,556	563,614	609,734	653,568
Common Stock - Par Value	90,255	99,163	104,046	372,708	374,988							
Accumulated Losses	(28,501)	(24,590)	(26,857)	(36,147)	(21,671)							
Currency Translation Reserve	-	-	-	475	70							
Reserves	4,569	6,526	10,776	-	-							
Share Based Payment Reserve	-	-	-	16,943	26,737							
Total Shareholders' Equity	**66,323**	**81,099**	**87,965**	**353,979**	**380,124**	**413,315**	**444,937**	**473,957**	**518,556**	**563,614**	**609,734**	**653,568**
Total Liabilities & Shareholders' Equity	**210,381**	**248,429**	**324,507**	**661,797**	**783,198**	**844,685**	**894,297**	**940,145**	**1,026,166**	**1,209,921**	**1,407,858**	**1,634,628**
Balance Check	*OK*	*OK*	*OK*	*OK*	*OK*	*OK*	*OK*	*OK*	*OK*	*OK*	*OK*	*OK*

Statement of Cash Flows	Historical (30 Jun) FY21A	FY22A	FY23A	FY24A	FY25A	Forecast (30 Jun) FY26E	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E
CASH FLOWS FROM OPERATING ACTIVITIES												
Net income						33,191	31,622	29,020	44,599	45,058	46,120	43,834
Adjustments:												
Depreciation of property, plant and equipment						35,951	45,477	55,709	44,393	45,884	51,790	59,890
Depreciation of right-of-use assets						20,728	26,558	33,196	41,154	50,466	61,153	73,267
Changes in Operating Working Capital:												
(Increase)/Decrease in Inventories						(1,089)	(807)	(829)	(1,390)	(1,432)	(1,481)	(1,529)
(Increase)/Decrease in Trade And Other Receivables						(6,838)	(4,886)	(4,926)	(8,362)	(8,460)	(8,588)	(8,705)
Increase/(Decrease) in Trade And Other Payables						11,710	8,680	8,917	14,943	15,402	15,924	16,439
Changes in Other Operating Items:												
(Increase)/Decrease in finance lease receivables, current						(785)	(906)	(1,032)	(1,237)	(1,448)	(1,661)	(1,883)
(Increase)/Decrease in prepayments and other assets						(1,072)	(865)	(892)	(1,460)	(1,497)	(1,520)	(1,577)
(Increase)/Decrease in prepayments and security deposits						-	-	-	-	-	-	-
(Increase)/Decrease in other assets, current						-	-	-	-	-	-	-
(Increase)/Decrease in deferred tax assets						-	-	-	-	-	-	-
(Increase)/Decrease in finance lease receivables, non-current						(45,669)	(52,743)	(60,040)	(71,984)	(84,234)	(96,669)	(109,573)
(Increase)/Decrease in trade and other receivables, non-current						-	-	-	-	-	-	-
Increase/(Decrease) in income tax payable						3,028	1,850	1,908	3,124	3,204	3,252	3,375
Increase/(Decrease) in contract liabilities, current						1,766	625	644	1,055	1,082	1,098	1,139
Increase/(Decrease) in provisions, current						6,289	2,642	2,725	4,460	4,574	4,644	4,819
Increase/(Decrease) in contract liabilities, non-current						813	581	599	980	1,005	1,021	1,059
Increase/(Decrease) in provisions, non-current						1,587	1,243	1,282	2,099	2,153	2,185	2,268
Cash Flow from Operating Activities	**23,066**	**19,644**	**34,947**	**36,765**	**57,327**	**59,608**	**59,070**	**66,282**	**72,373**	**71,757**	**77,268**	**82,823**
CASH FLOWS FROM INVESTING ACTIVITIES												
Purchases of property, plant and equipment						(66,979)	(73,219)	(78,641)	(88,641)	(97,120)	(103,878)	(127,726)
(Increase)/Decrease in funds in term deposits						242,068	-	-	-	-	-	-
(Increase)/Decrease in intangible assets						(12,304)	(4,741)	(4,891)	(8,005)	(8,210)	(8,334)	(8,649)
Net Cash Flow from Investing Activities	**(17,556)**	**(31,698)**	**(48,403)**	**(311,818)**	**(34,551)**	**162,785**	**(77,960)**	**(83,532)**	**(96,647)**	**(105,330)**	**(112,212)**	**(136,374)**
CASH FLOWS FROM FINANCING ACTIVITIES												
Debt Payments						-	-	-	-	-	-	-
Debt Financing						-	-	-	13,079	110,076	124,616	158,426
Equity Financing						-	-	-	-	-	-	-
Finance Lease Repayments						(37,286)	(44,278)	(52,349)	(61,982)	(73,297)	(86,418)	(101,497)
Dividends Paid						-	-	-	-	-	-	-
Net Cash Flow from Financing Activities	**32,222**	**4,390**	**(4,467)**	**254,934**	**679**	**(37,286)**	**(44,278)**	**(52,349)**	**(48,903)**	**36,778**	**38,197**	**56,929**
CHANGES IN CASH AND CASH EQUIVALENTS												
Net (decrease)/increase in cash and cash equivalents	37,732	(7,664)	(17,923)	(20,119)	23,455	185,106	(63,168)	(69,599)	(73,177)	3,206	3,254	3,377
Cash and cash equivalents at beginning of the year	24,359	62,091	54,427	36,504	16,385	39,675	224,781	161,614	92,014	18,838	22,043	25,297
Exchange differences on cash and cash equivalents	-	-	-	-	(165)	-	-	-	-	-	-	-
Cash and cash equivalents at end of the year	**62,091**	**54,427**	**36,504**	**16,385**	**39,675**	**224,781**	**161,614**	**92,014**	**18,838**	**22,043**	**25,297**	**28,674**

Appendix B: WACC

Cost of Equity

Beta Computations

Market Value of Debt:	
Interest Expense	18,902
Current Cost of Debt	6.61%
Weighted Average Maturity	8.0 Years
Total Debt	-
Market Value of Debt	**114,604**

Comparable Company Unlevered Beta

Comparable Company	**Levered Beta**	**Debt**	**Equity Value**	**% Debt**	**% Equity**	**Tax Rate**	**Unlevered Beta**
Chipotle Mexican Grill, Inc. (NYSE:CMG)	0.90	7,200.50	4,015.50	64.2%	35.8%	25.0%	0.38
CAVA Group, Inc. (NYSE:CAVA)	1.70	661.40	1,106.00	37.4%	62.6%	25.0%	1.17
Shake Shack Inc. (NYSE:SHAK)	1.30	1,279.80	785.50	62.0%	38.0%	25.0%	0.59
Wingstop Inc. (NasdaqGS:WING)	1.10	1,802.20	1,045.20	63.3%	36.7%	25.0%	0.48
Nathan's Famous, Inc. (NasdaqGS:NATH)	0.60	79.30	23.40	77.2%	22.8%	25.0%	0.17
McDonald's Corporation (NYSE:MCD)	0.30	77,781.80	2,540.70	96.8%	3.2%	25.0%	0.01
Jack in the Box Inc. (NasdaqGS:JACK)	1.00	4,430.00	1,331.00	76.9%	23.1%	25.0%	0.29
Papa John's International, Inc. (NasdaqGS:PZZA)	1.00	1,329.50	613.80	68.4%	31.6%	25.0%	0.38
Yum! Brands, Inc. (NYSE:YUM)	0.30	18,709.90	10,391.20	64.3%	35.7%	25.0%	0.13
Restaurant Brands International Inc. (NYSE:QSR)	0.30	22,242.20	7,318.60	75.2%	24.8%	25.0%	0.09
Domino's Pizza, Inc. (NasdaqGS:DPZ)	0.70	7,161.50	5,534.20	56.4%	43.6%	25.0%	0.36
El Pollo Loco Holdings, Inc. (NasdaqGS:LOCO)	1.10	373.10	369.80	50.2%	49.8%	25.0%	0.63
Domino's Pizza Enterprises Limited (ASX:DMP)	0.80	1,482.60	663.10	69.1%	30.9%	30.0%	0.31
Retail Food Group Limited (ASX:RFG)	(0.40)	125.90	195.00	39.2%	60.8%	30.0% -	0.28
Collins Foods Limited (ASX:CKF)	0.50	892.20	405.30	68.8%	31.2%	30.0%	0.20
Portillo's Inc. (NasdaqGS:PTLO)	1.00	950.90	705.40	57.4%	42.6%	25.0%	0.50
The Wendy's Company (NasdaqGS:WEN)	0.40	5,880.10	166.50	97.2%	2.8%	25.0%	0.01
Average	**0.74**	**8,963.70**	**2,188.84**	**66.1%**	**33.9%**	**25.9%**	**0.32**

Levered Betas

	Unlevered Beta	**Debt**	**Equity Value**	**% Debt**	**% Equity**	**Tax Rate**	**Levered Beta**
Current capital structure - peer beta	0.32	114,604	1,958,634	5.5%	94.5%	30.0%	0.33
Target capital structure - peer beta	0.32	1,370,971	702,268	66.1%	33.9%	30.0%	0.75
Regression beta - simple returns							0.80
Regression beta - log returns							0.81

Damodaran Equity & Country Risk Premiums

Country/Region	**Revenue**	**% Revenue**	**ERP**	**CRP**
Australia	632.1	92.7%	4.23%	0.00%
Asia (Singapore and Japan)	41.5	6.1%	5.14%	0.91%
United States	8.2	1.2%	4.46%	0.23%
Total	**681.8**	**100.0%**	**4.29%**	**0.06%**

Derivation of Cost of Equity

Risk-Free Rate	4.21%
Levered Beta	0.67
Equity Risk Premium	4.29%
Cost of Equity	**7.09%**
Country Risk Premium	0.06%
Cost of Equity (Adjusted for Country Risk)	**7.15%**

	FY26E	*FY27E*	*FY28E*	*FY29E*	*FY30E*	*FY31E*	*FY32E*
Risk-Free Rate	4.35%	4.42%	4.47%	4.50%	4.53%	4.61%	4.68%
Levered Beta	0.67	0.67	0.67	0.67	0.67	0.67	0.67
Equity Risk Premium	4.29%	4.29%	4.29%	4.29%	4.29%	4.29%	4.29%
Cost of Equity	**7.24%**	**7.31%**	**7.36%**	**7.39%**	**7.42%**	**7.49%**	**7.57%**
Country Risk Premium	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%
Cost of Equity	**7.30%**	**7.37%**	**7.42%**	**7.45%**	**7.48%**	**7.55%**	**7.63%**

	FY26E	*FY27E*	*FY28E*	*FY29E*	*FY30E*	*FY31E*	*FY32E*
Risk-Free Rate	4.35%	4.42%	4.47%	4.50%	4.53%	4.61%	4.68%
Default Risk Spread	5.09%	5.09%	5.09%	5.09%	5.09%	5.09%	5.09%
Pre-Tax Cost of Debt	9.44%	9.51%	9.56%	9.59%	9.62%	9.70%	9.77%
Tax Rate	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
After-Tax Cost of Debt	**6.61%**	**6.66%**	**6.69%**	**6.71%**	**6.73%**	**6.79%**	**6.84%**

	FY26E	*FY27E*	*FY28E*	*FY29E*	*FY30E*	*FY31E*	*FY32E*
% Debt	5.53%	15.63%	25.73%	35.83%	45.93%	56.03%	66.13%
% Equity	94.47%	84.37%	74.27%	64.17%	54.07%	43.97%	33.87%
After-Tax Cost of Debt	6.61%	6.66%	6.69%	6.71%	6.73%	6.79%	6.84%
Cost of Equity	7.30%	7.37%	7.42%	7.45%	7.48%	7.55%	7.63%
WACC	**7.26%**	**7.26%**	**7.23%**	**7.18%**	**7.14%**	**7.12%**	**7.11%**

Appendix C: Comparable companies

	Trading Multiples							
	EV/Revenue		EV/EBITDA		EV/EBIT		P/E	
	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM
Guzman y Gomez Ltd	4.1x	3.5x	38.6x	20.9x	67.5x	40.7x	112.3x	70.7x
Tier 1 Comps								
Chipotle Mexican Grill, Inc. (NYSE:CMG)	4.2x	3.9x	21.0x	21.6x	24.7x	26.1x	30.9x	30.9x
CAVA Group, Inc. (NYSE:CAVA)	8.1x	6.6x	71.7x	52.4x	159.4x	143.5x	150.7x	159.0x
Shake Shack Inc. (NYSE:SHAK)	3.1x	2.7x	25.4x	18.3x	65.3x	63.0x	87.6x	70.0x
Wingstop Inc. (NasdaqGS:WING)	10.4x	9.0x	33.3x	25.9x	37.7x	33.2x	36.1x	47.8x
Average	**6.4x**	**5.5x**	**37.8x**	**29.5x**	**71.8x**	**66.4x**	**76.3x**	**76.9x**
Median	**6.2x**	**5.2x**	**29.4x**	**23.7x**	**51.5x**	**48.1x**	**61.8x**	**58.9x**
25th Percentile	**3.9x**	**3.6x**	**24.3x**	**20.8x**	**34.4x**	**31.4x**	**34.8x**	**43.6x**
75th Percentile	**8.7x**	**7.2x**	**42.9x**	**32.5x**	**88.9x**	**83.1x**	**103.4x**	**92.2x**
Min	**3.1x**	**2.7x**	**21.0x**	**18.3x**	**24.7x**	**26.1x**	**30.9x**	**30.9x**
Max	**10.4x**	**9.0x**	**71.7x**	**52.4x**	**159.4x**	**143.5x**	**150.7x**	**159.0x**
Tier 2 Comps								
Nathan's Famous, Inc. (NasdaqGS:NATH)	2.8x	-	13.5x	-	13.9x	-	19.3x	-
McDonald's Corporation (NYSE:MCD)	10.8x	10.1x	19.8x	18.3x	23.3x	21.3x	27.7x	25.1x
Jack in the Box Inc. (NasdaqGS:JACK)	2.0x	2.5x	11.7x	12.2x	16.1x	16.3x	2.7x	3.7x
Papa John's International, Inc. (NasdaqGS:PZZA)	1.0x	1.0x	9.8x	9.6x	18.1x	17.1x	36.3x	21.4x
Yum! Brands, Inc. (NYSE:YUM)	6.9x	6.2x	19.5x	18.2x	21.0x	19.6x	28.8x	24.0x
Restaurant Brands International Inc. (NYSE:QSR)	4.4x	4.2x	14.8x	13.0x	16.6x	15.1x	28.0x	18.1x
Domino's Pizza, Inc. (NasdaqGS:DPZ)	3.8x	3.6x	18.7x	16.7x	19.8x	18.3x	23.7x	21.0x
El Pollo Loco Holdings, Inc. (NasdaqGS:LOCO)	1.2x	1.2x	9.8x	9.0x	13.3x	13.3x	12.4x	11.7x
Domino's Pizza Enterprises Limited (ASX:DMP)	1.3x	1.4x	14.6x	8.5x	18.7x	14.3x	30.3x	14.3x
Retail Food Group Limited (ASX:RFG)	1.3x	1.6x	28.9x	6.6x	61.0x	9.3x	3.3x	6.9x
Collins Foods Limited (ASX:CKF)	-	-	-	-	-	-	94.8x	16.6x
Portillo's Inc. (NasdaqGS:PTLO)	1.4x	1.3x	12.9x	10.8x	20.2x	24.3x	18.7x	27.3x
The Wendy's Company (NasdaqGS:WEN)	2.4x	2.4x	10.6x	11.2x	15.4x	18.1x	8.5x	12.4x
Average	**3.0x**	**2.7x**	**14.2x**	**10.3x**	**19.8x**	**14.4x**	**25.7x**	**15.6x**
Median	**2.0x**	**1.6x**	**13.5x**	**10.8x**	**18.1x**	**16.3x**	**23.7x**	**16.6x**
25th Percentile	**1.3x**	**1.2x**	**10.6x**	**8.5x**	**15.4x**	**13.3x**	**12.4x**	**11.7x**
75th Percentile	**3.8x**	**3.6x**	**18.7x**	**13.0x**	**20.2x**	**18.3x**	**28.8x**	**21.4x**
Min	**–**	**–**	**–**	**–**	**–**	**–**	**2.7x**	**–**
Max	**10.8x**	**10.1x**	**28.9x**	**18.3x**	**61.0x**	**24.3x**	**94.8x**	**27.3x**

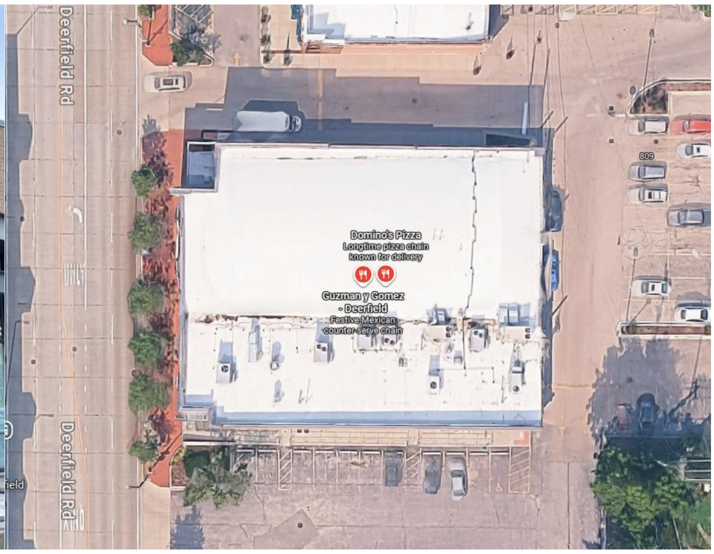
Appendix D: Discounted Cash Flows

Unlevered Free Cash Flow			*FY25A*	*FY26E*	*FY27E*	*FY28E*	*FY29E*	*FY30E*	*FY31E*	*FY32E*
Inputs/Assumptions										
Time Periods										
Valuation Date / Fiscal Year-End			09/03/2026	30/06/2026	30/06/2027	30/06/2028	30/06/2029	30/06/2030	30/06/2031	30/06/2032
Date for NPV Calculation			09/03/2026	04/05/2026	29/12/2026	30/12/2027	29/12/2028	29/12/2029	29/12/2030	30/12/2031
Year Fraction				0.31	1.00	1.00	1.00	1.00	1.00	1.00
Tax Rate	30%									
WACC	7.12%	**WACC**		7.26%	7.26%	7.23%	7.18%	7.14%	7.12%	7.11%
Terminal Growth Rate	2.00%	**PV factor**		107.26%	107.26%	107.23%	107.18%	107.14%	107.12%	107.11%
		Discount rate		1.07	1.15	1.23	1.32	1.42	1.52	1.63
Cash Flows										
EBIT			25,438	43,381	41,696	38,412	62,260	71,601	74,556	73,611
Unlevered Taxes			(7,631)	(13,014)	(12,509)	(11,524)	(18,678)	(21,480)	(22,367)	(22,083)
NOPAT			**17,807**	**30,367**	**29,187**	**26,888**	**43,582**	**50,120**	**52,189**	**51,528**
(+) Depreciation			39,681	56,678	72,036	88,905	85,547	96,350	112,943	133,157
(-) CapEx			(61,326)	(66,979)	(73,219)	(78,641)	(88,641)	(97,120)	(103,878)	(127,726)
(-) Changes in working capital			1,719	3,783	2,987	3,161	5,190	5,510	5,855	6,205
Unlevered Free Cash Flow			**(2,119)**	**23,849**	**30,991**	**40,314**	**45,678**	**54,860**	**67,110**	**63,164**
Valuation Unlevered Free Cash Flow			**-**	**7,353**	**30,991**	**40,314**	**45,678**	**54,860**	**67,110**	**63,164**
Terminal Value (Perpetual Growth)			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,261,839**
Terminal Value (Exit Multiple)			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,305,350**
PV of FCFF				6,855.74	26,939.18	32,680.02	34,547.03	38,727.86	44,225.50	38,863.24

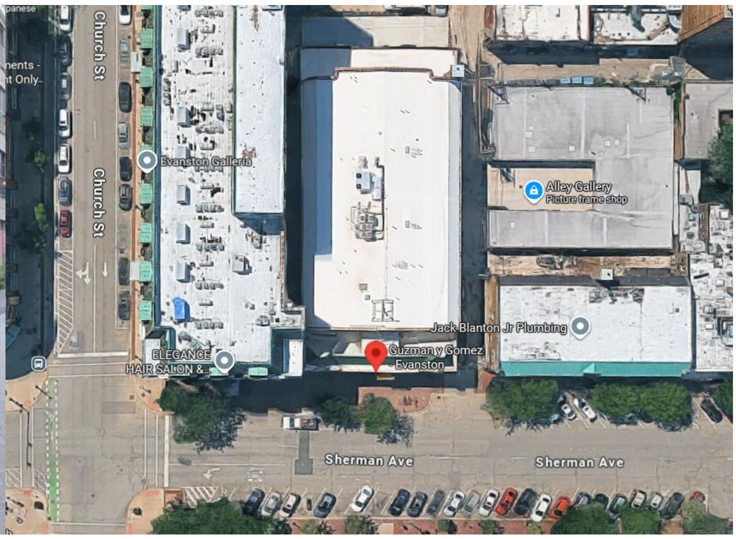
Perpetual Growth Method	
PV of FCFF	222,839
PV of terminal value	776,384
Enterprise value	**999,222**
(-) Net Debt	49,568
(-) Minority Interest	-
Equity Value	**949,654**
Shares Outstanding	102,600
Equity Value Per Share (A$)	**9.26**

Exit Multiple Method	
EV/EBITDA Multiple	18.6x
PV of FCFF	222,839
PV of terminal value	1,524,655
Enterprise value	**1,747,494**
(-) Net Debt	49,568
(-) Minority Interest	-
Equity Value	**1,697,926**
Shares Outstanding	102,600
Equity Value Per Share (A$)	**16.55**

Appendix E: Deerfield and Evanston Stores Opened in 2026=5



Guzman y Gomez Deerfield outlet, 636 Deerfield Road, Deerfield, IL 60015



Guzman y Gomez Evanston outlet, 1710 Sherman Avenue, Evanston, IL 60201

Appendix F: Porter's Five Forces for USA market

Threat of new entrants	**Moderate-High** Small concepts can enter easily, and GYG is not yet scaled enough to deter them. While building a large chain is much harder than opening a few stores, which means barriers rise at scale, these barriers protect incumbents more now and not GYG. The Mexican QSR category is already crowded with large incumbents. Chipotle had more than 4,000 stores at the end of 2025, Taco Bell had 9,030 units globally with 86% in the US, and Qdoba has 835 US locations. This means that any new entrant is not entering empty white space, but rather a market where scale players already have an established presence. This established presence manifests in the form of brand awareness, supply chains, site selection advantages, and digital ecosystems. The presence of large existing players therefore does temper the threat of new entrants slightly. In this regard, GYG is also the new entrant and not the incumbent.
Bargaining power of suppliers	**Moderate-High** GYG's clean, tightly specified menu likely narrows the supplier pool. Many inputs are proprietary or concentrated, and GYG lacks scale to negotiate. The main reason is that GYG's own supply chain is not very interchangeable. In its prospectus, GYG said it had approximately 50 suppliers, with the top 5 accounting for about 60% of food and packaging purchases and the top 10 accounting for about 85%. The company also discloses that many ingredients are specifically manufactured for GYG or are only available from a single supplier, which points towards supplier concentration specifically for GYG.
Bargaining power of buyers	**High** Consumers can easily compare price, convenience, and taste across alternatives. GYG is also too small in Chicago to command strong loyalty or pricing power. US consumers have many alternatives and almost no switching costs. In Mexican QSR alone, GYG is competing in a category with very large established players.
Threat of substitutes	**High** Consumers can easily switch not just to rival Mexican chains, but to any convenient meal solution or to eating at home. The main point is that GYG is not just competing with other Mexican QSR brands. It is competing for a meal occasion. Competition is driven by factors like value, convenience, digital capabilities, accessibility, speed and location, and GYG is also exposed to weaker consumer conditions that can push people toward lower-cost alternatives and reduce spending on food away from home.
Industry rivalry	**High** GYG is entering a crowded US fast-Mexican market where established chains already have scale, brand awareness, site density, digital ecosystems, and operating leverage, while GYG is still in an early proof-of-concept phase. GYG may eventually differentiate on food quality and guest experience, but today's structure the market means rivalry is likely one of the strongest forces acting on the US business.

Appendix G: Revenue Build

Revenue	FY21A	FY22A	FY23A	FY24A	FY25A	FY26E	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E
Total revenue	130,960	184,579	276,769	364,988	468,006	**597,555**	**690,116**	**785,595**	**941,876**	**1,102,153**	**1,264,855**	**1,433,698**
		40.9%	*49.9%*	*31.9%*	*28.2%*	*27.7%*	*15.5%*	*13.8%*	*19.9%*	*17.0%*	*14.8%*	*13.3%*
Revenues	119,531	171,792	259,044	342,214	435,982	559,285	645,918	735,282	881,554	1,031,566	1,183,848	1,341,878
Revenues - corporate						478,934	550,661	624,532	755,729	890,378	1,027,125	1,168,986
Revenues - franchise						80,351	95,257	110,750	125,825	141,189	156,723	172,892
Other Revenue & Income	11,429	12,787	17,725	22,774	32,024	38,270	44,198	50,313	60,322	70,586	81,007	91,820
Store counts:												
Corporate restaurants – Australia			55	64	81	91	101	111	131	151	171	191
Corporate restaurants – United States			3	4	6	8	9	10	11	12	13	14
Number of franchised restaurants – Australia			116	130	143	165	187	209	229	249	269	289
Number of franchised restaurants – Singapore			16	17	21	24	27	30	33	36	39	42
Number of franchised restaurants – Japan			4	5	5	8	11	14	17	20	23	26
Total			**194**	**220**	**256**	**296**	**335**	**374**	**421**	**468**	**515**	**562**
Network sales:												
Australia - corporate			212,000	278,900	359,700	462,342	531,622	602,954	731,519	863,438	997,357	1,136,287
Australia - franchise			490,900	615,800	734,600	838,312	984,290	1,135,292	1,278,762	1,423,815	1,568,941	1,719,303
Australia - total			702,900	894,700	1,094,300	1,300,654	1,515,912	1,738,246	2,010,281	2,287,253	2,566,298	2,855,590
Asia - franchise			50,100	54,300	73,900	94,592	116,821	140,677	166,255	193,654	222,978	254,339
USA - corporate			6,000	10,800	12,200	16,592	19,039	21,578	24,210	26,940	29,768	32,699
						28.5%	*15.0%*	*13.4%*	*21.3%*	*18.0%*	*15.5%*	*13.9%*
Median annual unit value (AUV):						*14.1%*						
Australia			4,111	4,612	4,885	5,081	5,264	5,432	5,584	5,718	5,832	5,949
Asia			2,505	2,468	2,842	2,956	3,074	3,197	3,325	3,458	3,596	3,740
USA			2,000	2,700	2,033	2,074	2,115	2,158	2,201	2,245	2,290	2,336
Franchise royalty rates:												
Implied royalty rates			7.60%	7.80%	8.30%	8.61%	8.65%	8.68%	8.71%	8.73%	8.75%	8.76%
Royalty rate proxy:												
Proportion of drive-thru new stores					85%							
Proportion of strip new stores					15%							
Royalty rate - drive-thru					10.5%							
Royalty rate - strip					8.7%							
Rebase					87.0%							
Drive-thru stores					126	158	190	222	261	300	339	378
Strip stores					73	79	85	91	98	105	112	119
% Drive-thru					63.32%	66.67%	69.09%	70.93%	72.70%	74.07%	75.17%	76.06%
% Strip					36.68%	33.33%	30.91%	29.07%	27.30%	25.93%	24.83%	23.94%
New stores						38	38	38	46	46	46	46
Store revenues by segment												
Australia												
Corporate stores												
Store count			55	64	81	91	101	111	131	151	171	191
Median annual unit value (AUV):						5,081	5,264	5,432	5,584	5,718	5,832	5,949
Revenue			**212,000**	**278,900**	**359,700**	**462,342**	**531,622**	**602,954**	**731,519**	**863,438**	**997,357**	**1,136,287**
				31.6%	*29.0%*	*28.5%*	*15.0%*	*13.4%*	*21.3%*	*18.0%*	*15.5%*	*13.9%*
Franchise stores												
Store count			116	130	143	165	187	209	229	249	269	289
Median annual unit value (AUV):						5,081	5,264	5,432	5,584	5,718	5,832	5,949
Revenue			**490,900**	**615,800**	**734,600**	**838,312**	**984,290**	**1,135,292**	**1,278,762**	**1,423,815**	**1,568,941**	**1,719,303**
Royalty rate						8.61%	8.65%	8.68%	8.71%	8.73%	8.75%	8.76%
Revenues from franchisees						**72,204**	**85,151**	**98,540**	**111,348**	**124,285**	**137,221**	**150,612**
Singapore												
Franchise stores												
Store count			16	17	21	24	27	30	33	36	39	42
Median annual unit value (AUV):						2,956	3,074	3,197	3,325	3,458	3,596	3,740
Revenue						**70,944**	**83,004**	**95,916**	**109,728**	**124,492**	**140,261**	**157,092**
Royalty rate						8.61%	8.65%	8.68%	8.71%	8.73%	8.75%	8.76%
Revenues from franchisees						**6,110**	**7,181**	**8,325**	**9,555**	**10,867**	**12,267**	**13,761**
Japan												
Store count			4	5	5	8	11	14	17	20	23	26
Median annual unit value (AUV):						2,956	3,074	3,197	3,325	3,458	3,596	3,740
Revenue						**23,648**	**33,817**	**44,761**	**56,527**	**69,162**	**82,718**	**97,247**
Royalty rate						8.61%	8.65%	8.68%	8.71%	8.73%	8.75%	8.76%
Revenues from franchisees						**2,037**	**2,925**	**3,885**	**4,922**	**6,037**	**7,235**	**8,519**
United States												
Corporate stores												
Store count			3	4	6	8	9	10	11	12	13	14
Median annual unit value (AUV):						2,074	2,115	2,158	2,201	2,245	2,290	2,336
Revenue						**16,592**	**19,039**	**21,578**	**24,210**	**26,940**	**29,768**	**32,699**

Store additions and AUV													
Australia													
							224	256	288	320	360	400	440
SSSG							4.00%	3.60%	3.20%	2.80%	2.40%	2.00%	2.00%
Store additions - corporate							10	10	10	20	20	20	20
Store additions - franchise							22	22	22	20	20	20	20
Median annual unit value (AUV):				4,111	4,612	4,885	5,081	5,264	5,432	5,584	5,718	5,832	5,949
Corporate stores													
Store count, beginning							81	91	101	111	131	151	171
(+) Additions							10	10	10	20	20	20	20
Store count, end				**55**	**64**	**81**	**91**	**101**	**111**	**131**	**151**	**171**	**191**
Franchise stores													
Store count, beginning							143	165	187	209	229	249	269
(+) Additions							22	22	22	20	20	20	20
Store count, end				**116**	**130**	**143**	**165**	**187**	**209**	**229**	**249**	**269**	**289**
Royalty rate				7.60%	7.80%	8.30%	8.61%	8.65%	8.68%	8.71%	8.73%	8.75%	8.76%
Singapore													
SSSG	4%												
Store additions - franchise	3												
Growth in franchise royalty rate	2%												
Median annual unit value (AUV):				2,505	2,468	2,842	2,956	3,074	3,197	3,325	3,458	3,596	3,740
Franchise stores													
Store count, beginning							21	24	27	30	33	36	39
(+) Additions							3	3	3	3	3	3	3
Store count, end				**16**	**17**	**21**	**24**	**27**	**30**	**33**	**36**	**39**	**42**
Royalty rate				7.60%	7.80%	8.30%	8.61%	8.65%	8.68%	8.71%	8.73%	8.75%	8.76%
Japan													
SSSG	4%												
Store additions - franchise	3												
Growth in franchise royalty rate	2%												
Median annual unit value (AUV):				2,505	2,468	2,842	2,956	3,074	3,197	3,325	3,458	3,596	3,740
Franchise stores													
Store count, beginning							5	8	11	14	17	20	23
(+) Additions							3	3	3	3	3	3	3
Store count, end				**4**	**5**	**5**	**8**	**11**	**14**	**17**	**20**	**23**	**26**
Royalty rate				7.60%	7.80%	8.30%	8.61%	8.65%	8.68%	8.71%	8.73%	8.75%	8.76%
United States													
SSSG	2%												
Store additions - corporate	1												
Median annual unit value (AUV):				2,000	2,700	2,033	2,074	2,115	2,158	2,201	2,245	2,290	2,336
Corporate stores													
Store count, beginning							6	8	9	10	11	12	13
(+) Additions							2	1	1	1	1	1	1
Store count, end				**3**	**4**	**6**	**8**	**9**	**10**	**11**	**12**	**13**	**14**
Franchise stores													
Store count, beginning							-	-	-	-	-	-	-
(+) Additions							-	-	-	-	-	-	-
Store count, end				**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Other revenues													
Other Revenue & Income	*AUD '000*	**11,429**	**12,787**	**17,725**	**22,774**	**32,024**	**38,270**	**44,198**	**50,313**	**60,322**	**70,586**	**81,007**	**91,820**
%Revenue		*8.7%*	*6.9%*	*6.4%*	*6.2%*	*6.8%*	*6.8%*	*6.8%*	*6.8%*	*6.8%*	*6.8%*	*6.8%*	*6.8%*
Bull Case	*(2.0%)*						*6.8%*	*6.8%*	*6.8%*	*6.8%*	*6.8%*	*6.8%*	*6.8%*
Base Case	*-*						*6.8%*	*6.8%*	*6.8%*	*6.8%*	*6.8%*	*6.8%*	*6.8%*
Bear Case	*2.0%*						*6.8%*	*6.8%*	*6.8%*	*6.8%*	*6.8%*	*6.8%*	*6.8%*