



# Q1 2022 Results

May 5, 2022



# Notices

---

## Forward-Looking Statements

Certain statements in this presentation may constitute “forward-looking” statements within the meaning of applicable Canadian securities legislation which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company or the industry in which they operate, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. When used in this presentation, such statements use words such as “may”, “will”, “expect”, “believe”, “plan” and other similar terminology. These statements reflect management’s current expectations regarding future events and operating performance and speak only as of the date of this presentation. These forward-looking statements involve a number of risks and uncertainties, including those related to: (a) the Company’s ability to maintain profitability and manage its growth including SRS Growth, System Sales Growth, increases in net income, Adjusted EBITDA, Adjusted EBITDA Margin on System Sales and Free Cash Flow; (b) competition in the industry in which the Company operates; (c) the general state of the economy; (d) integration of acquisitions by the Company; and (e) risk of future legal proceedings against the Company. These risk factors and others are discussed in detail under the heading “Risk Factors” in the Company’s Annual Information Form dated March 22, 2022. New risk factors may arise from time to time and it is not possible for management of the Company to predict all of those risk factors or the extent to which any factor or combination of factors may cause actual results, performance or achievements of the Company to be materially different from those contained in forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Although the forward-looking statements contained in this presentation are based upon what management believes to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this presentation.

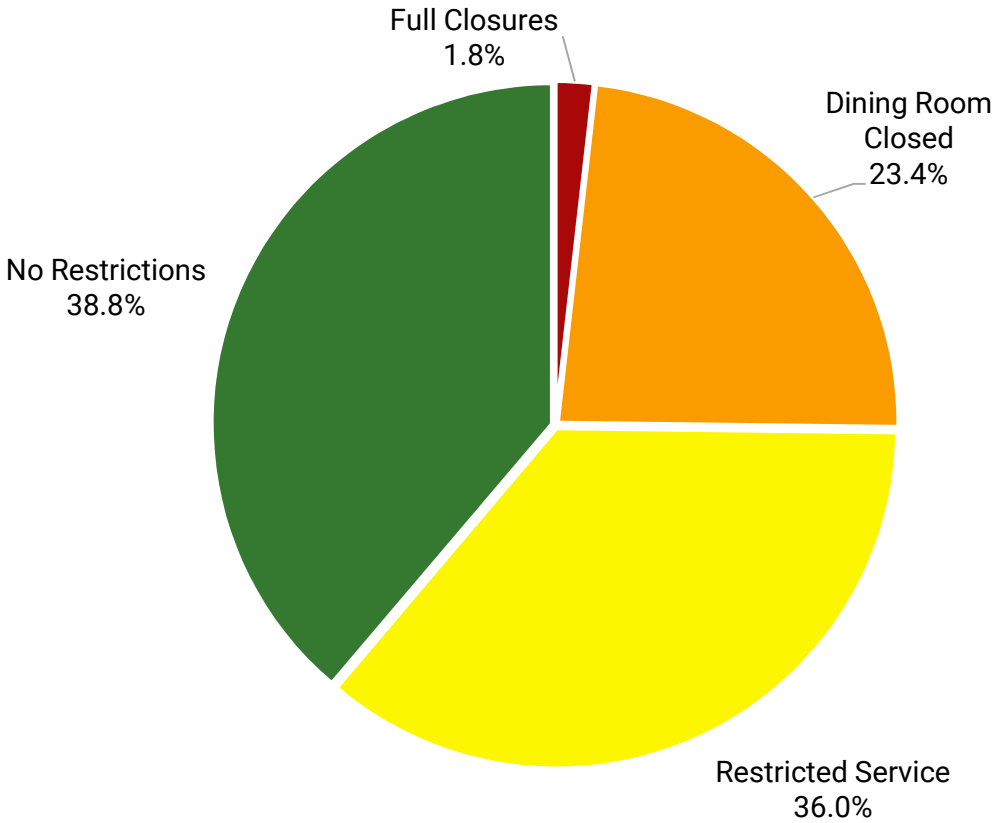
## Non-GAAP Measures

This presentation makes reference to certain measures that are not calculated in accordance with IFRS. These measures are provided as additional information to complement IFRS measures by providing further understanding of the Company’s results of operations from management’s perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of the Company’s financial information reported under IFRS. The Company uses the following non-GAAP measures to provide investors with supplemental measures on its operating performance and thus highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures: “System Sales”, “System Sales Growth”, “E-Commerce System Sales”, “SRS Growth”, “Adjusted EBITDA”, “Adjusted EBITDA Margin on System Sales”, “Net Debt” and “Free Cash Flow”. Definitions and reconciliation of these terms can be found in the Company’s quarterly MD&A.



# Impact of Operating Restrictions

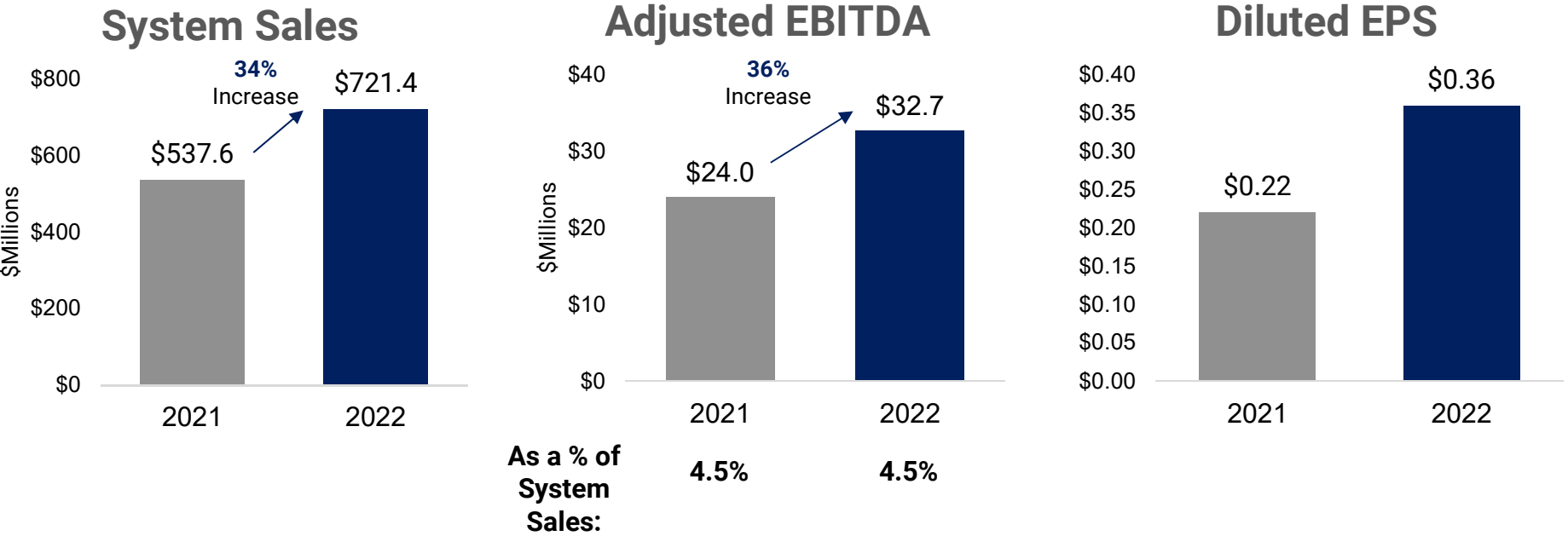
61.2% of restaurant operating weeks in Q1 2021 were impacted by government-mandated dining room closures and other operating restrictions



Note: Operating weeks is equal to the sum of the number of weeks in the quarter for each operating restaurant location. For Q1 2022, there were a total of 16,011 operating weeks.



# Q1 Highlights



Q1 Same Restaurant Sales (SRS) Growth of 39% vs. 2021



# Key Priorities

- 1 Return sales and margins to pre-pandemic levels
- 2 30 New locations and renovate 40 existing locations
- 3 Continued development of “Hospitality First” Tech stack
- 4 Achieve CSR targets

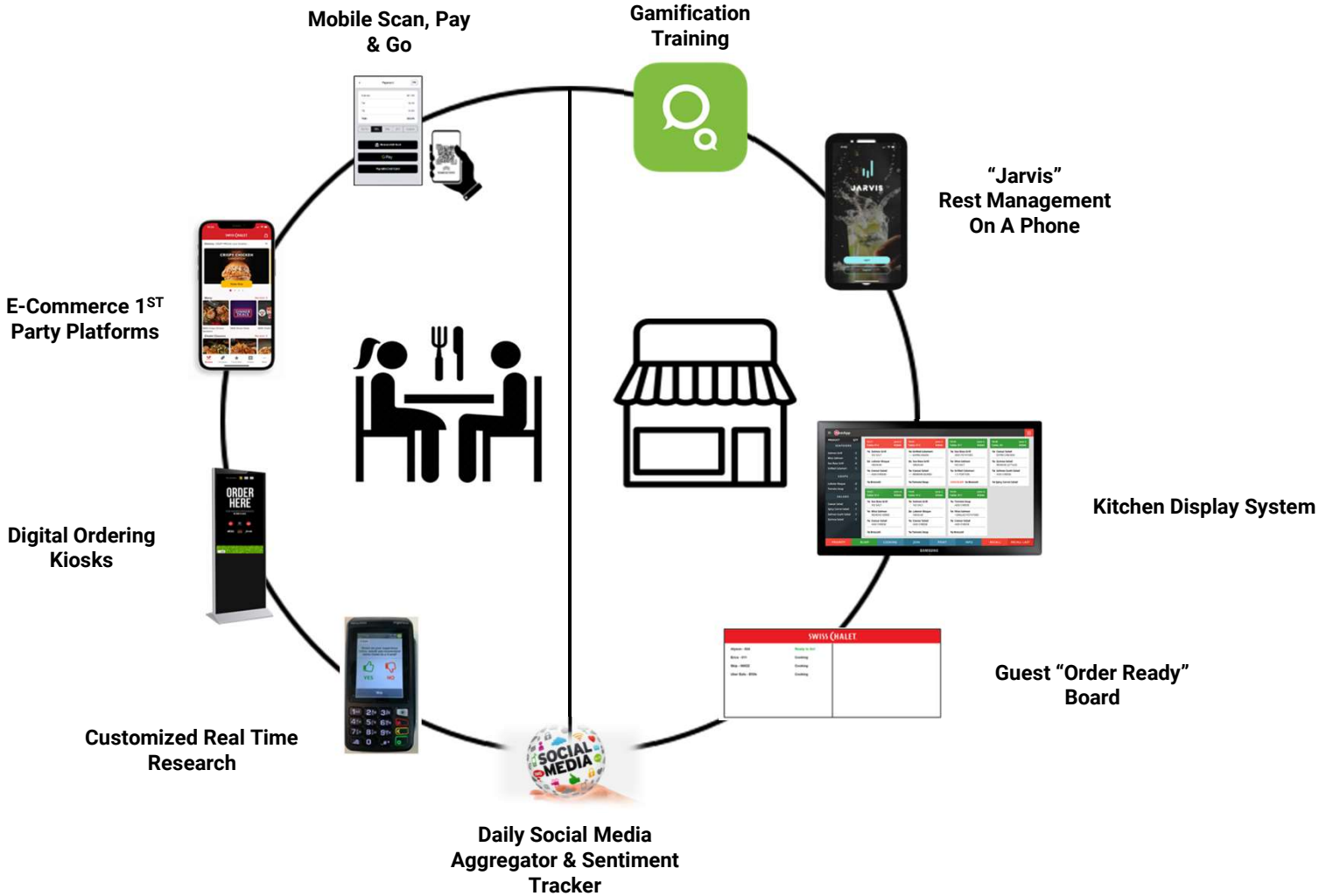
# Significant Opportunities for Growth



THE BURGER'S PRIEST



# Recipe's "Hospitality First" Tech Stack







## FINANCIAL REVIEW

**RECIPE**  
RESTAURANT BRANDS

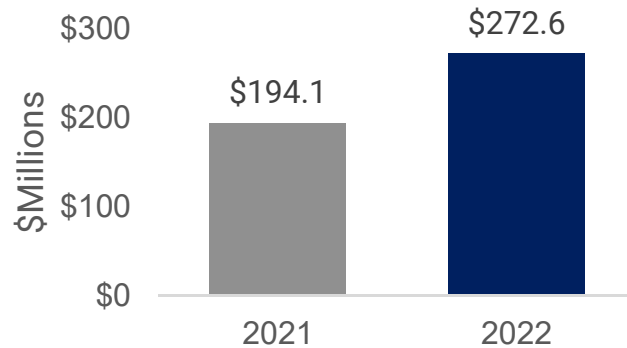
EST. 1883



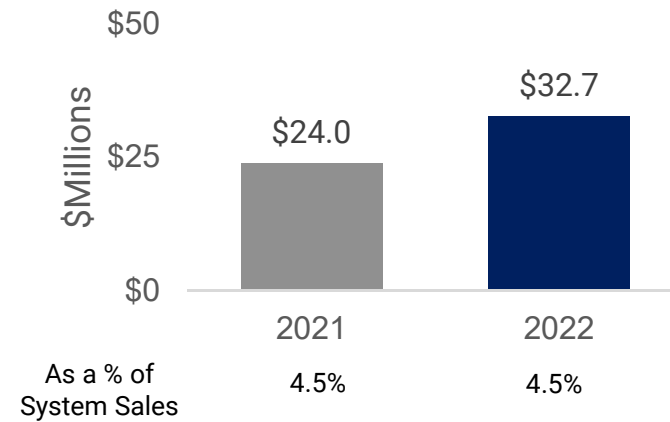
# Q1 Financial Results



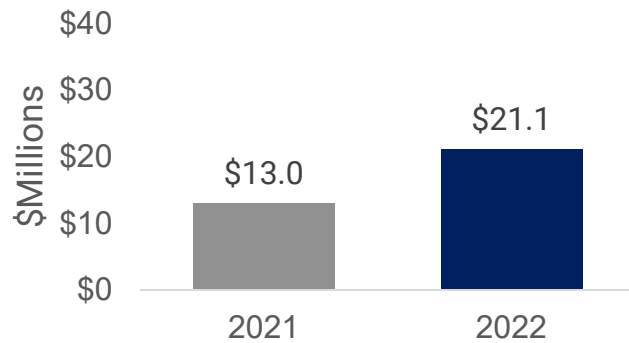
## Gross Revenue



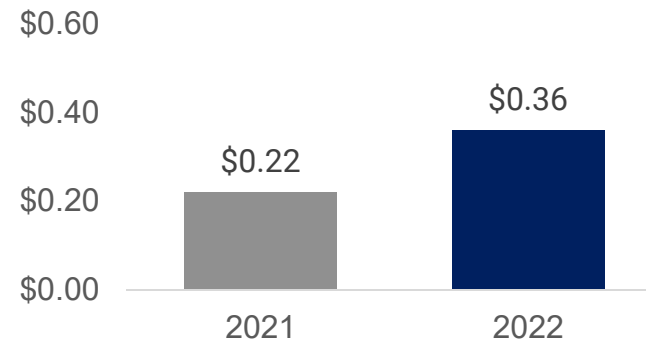
## Adjusted EBITDA



## Net Earnings



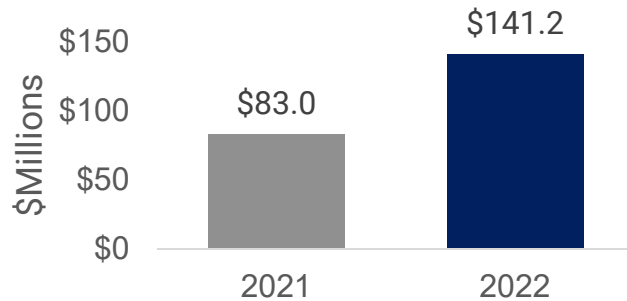
## Diluted EPS



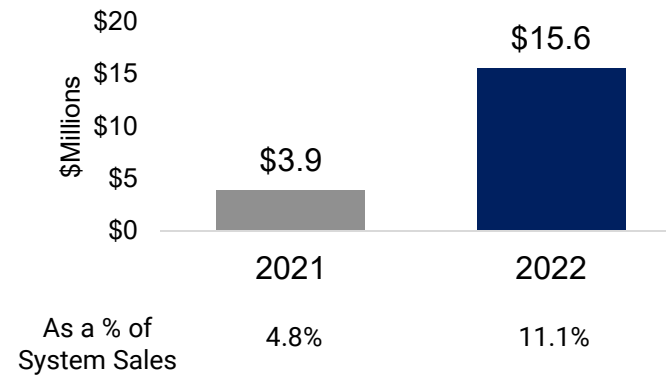
# Q1 Corporate and Franchise Segments



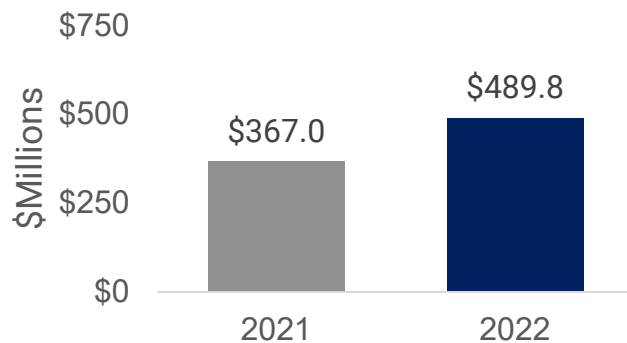
### Corporate System Sales



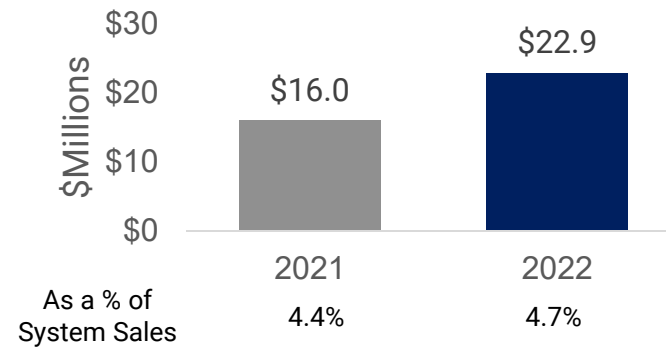
### Corporate Adjusted EBITDA



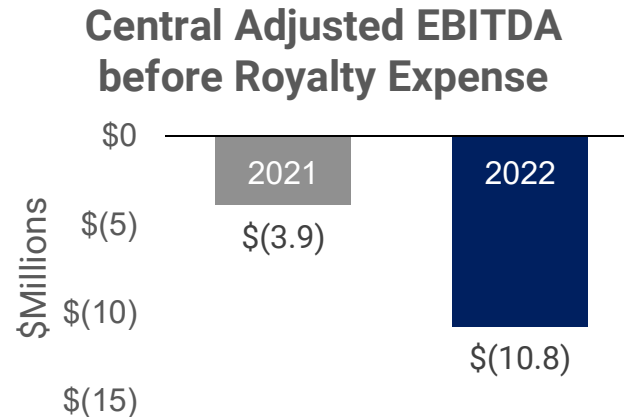
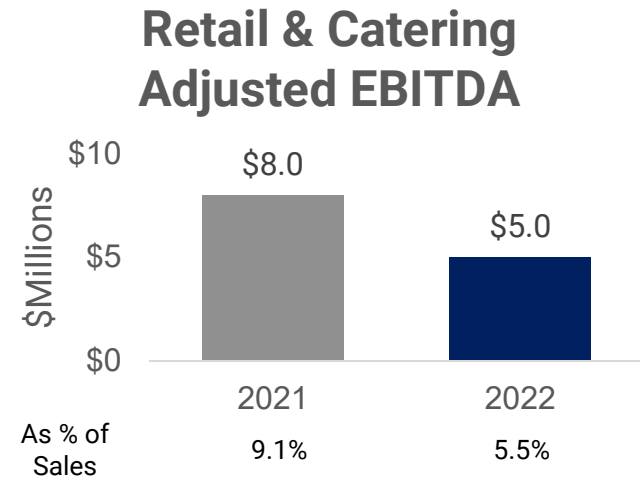
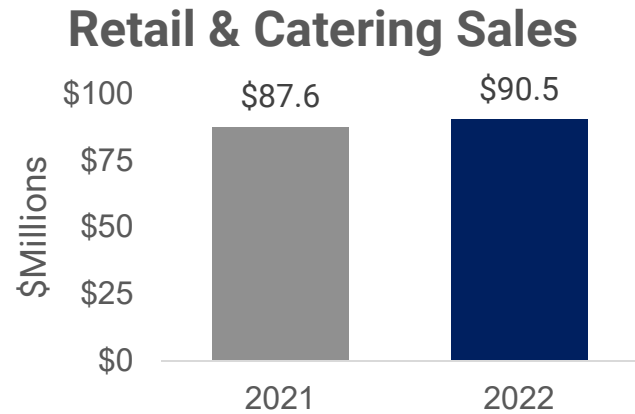
### Franchise System Sales



### Franchise Adjusted EBITDA



# Q1 Retail & Catering and Central Segments



# Restaurant Unit Count



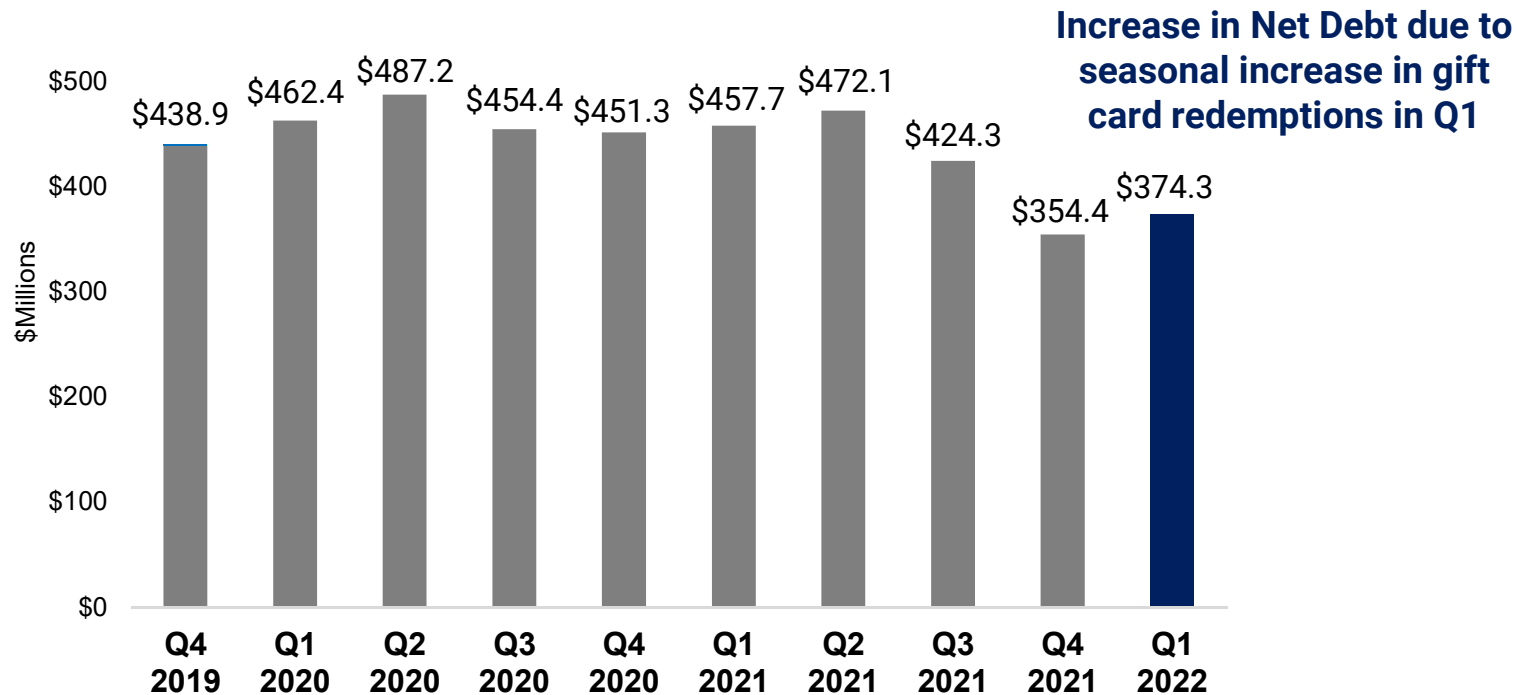
	Corporate	Franchise	Joint Venture	Total
<b>Number of Units at Beginning of 2022</b>	<b>219</b>	<b>1,036</b>	<b>6</b>	<b>1,261</b>
New openings	-	2	-	2
Closures	(1)	(10)	(1)	(12)
Corporate buybacks	3	(3)	-	-
Restaurants Re-Franchised	-	-	-	-
<b>Number of Units at End of Q1 2022</b>	<b>221</b>	<b>1,025</b>	<b>5</b>	<b>1,251</b>
Net Change since Beginning of 2022	2	(11)	(1)	(10)
Net Change since Beginning of 2021	11	(60)	(41)	(90)



# Stable Leverage



## Total Net Debt

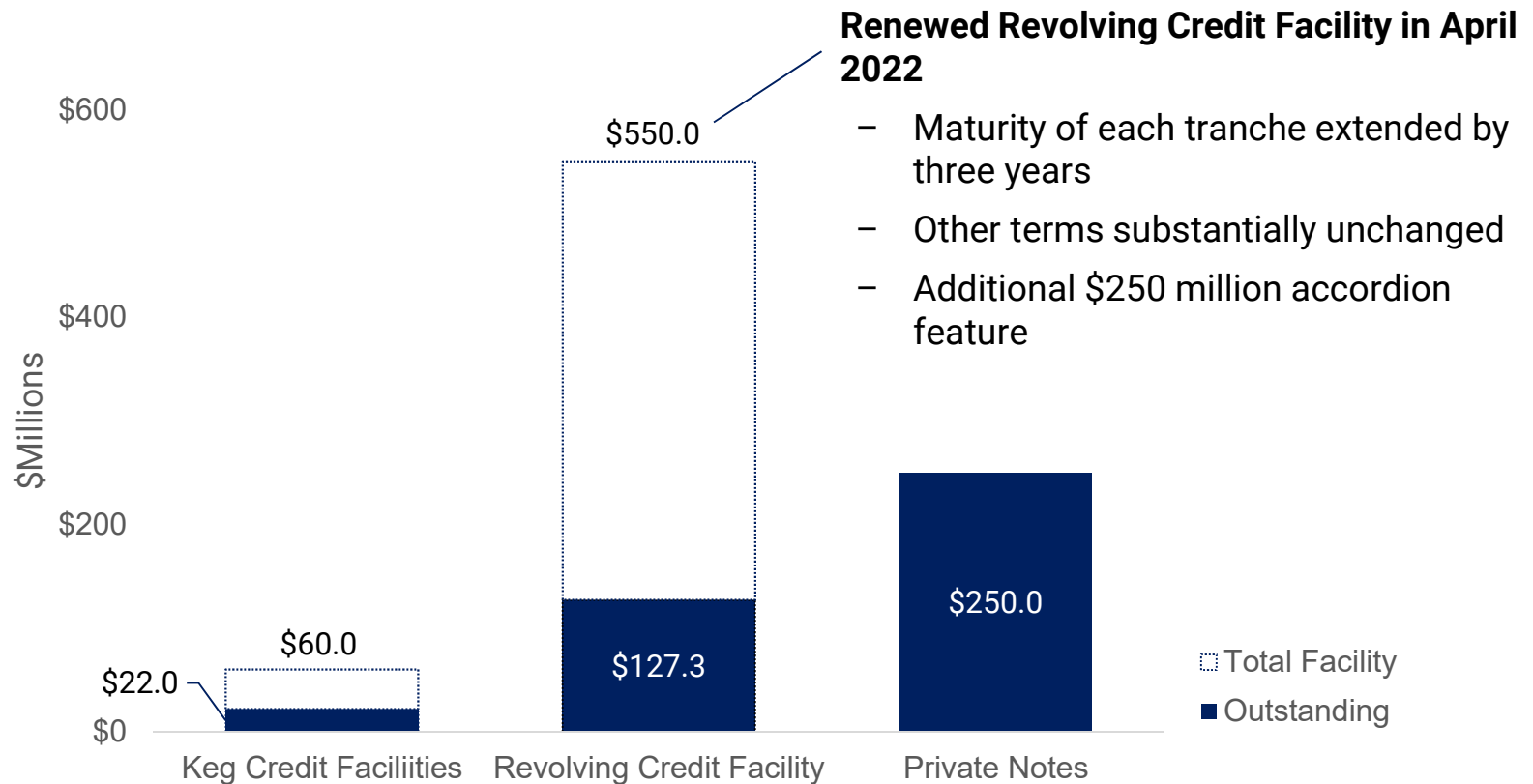


Total Liquidity of \$485.7M at the end of Q1 2022





# Recipe Credit Facility Extension and Capacity



Interest Rate:	Floating	Floating	Fixed 4.72%
Maturity:	2024	2025 \$150MM 2027 \$400MM	2029





## CLOSING REMARKS

**RECIPE**  
RESTAURANT BRANDS

EST. 1883

# 2022 Outlook

- 1 Strong Demand as Guests Return to Dining Rooms
- 2 Managing Through an Inflationary Environment







Q & A

**RECIPE**  
RESTAURANT BRANDS

EST. 1883