



# Q2 2021 Results

August 6, 2021



# Disclaimers

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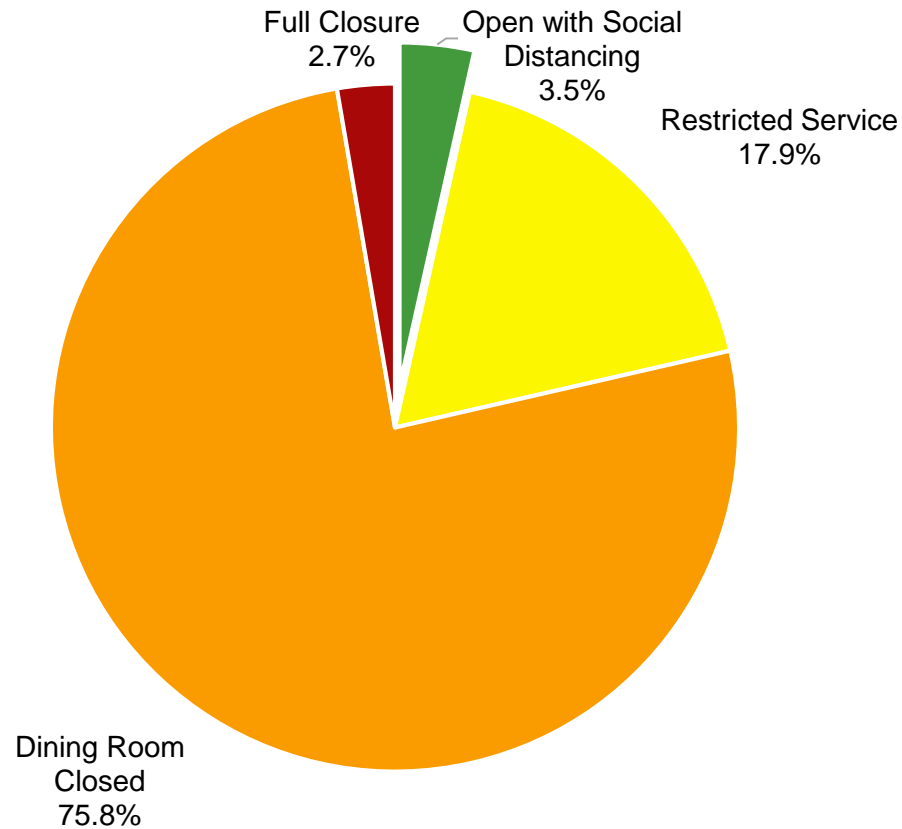
This presentation contains “forward-looking information” within the meaning of applicable securities laws. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “targets”, “expects”, “estimates”, “intends”, “anticipates”, “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might”, “will” or “achieve”.

Forward-looking information is necessarily based on a number of assumptions and estimates that, while considered reasonable by the Company as of the date such statements are made, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results to be materially different from those expressed or implied by such forward-looking information. With respect to other forward-looking information, these factors and assumptions include: potential volatility of Subordinate Voting Share price; payment of dividends; financial reporting and other public company requirements; forward-looking information; significant ownership by the Principal Shareholders; dilution; limited voting rights of the Subordinate Voting Shares; quarterly operating results may fluctuate; securities analysts’ research or reports could impact price of Subordinate Voting Shares; the restaurant industry; competition with other franchisors; quality control and health concerns; security breaches of confidential guest information; public safety issues; damage to the Company’s reputation; availability and quality of raw materials; reliance on suppliers; growth of the Company; franchisees; franchise fees and other revenue; franchisee relations; revenue reporting risks; opening new restaurants; potential inability to consummate acquisitions; integration of acquisitions and brand expansion; retail licensing opportunities; seasonality and weather; regulations governing alcoholic beverages; laws concerning employees; dependence on key personnel; attracting and retaining quality employees; unionization activities may disrupt the Company operations; reliance on information technology; intellectual property; lawsuits; regulation; and Company’s insurance may not provide adequate levels of coverage. These factors and assumptions are not intended to represent a complete list of the factors and assumptions that could affect the Company. These factors and assumptions, however, should be considered carefully.

Although the Company has attempted to identify important factors and assumptions that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors and assumptions that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information contained herein, except as required by applicable securities laws.

# Impact of Operating Restrictions

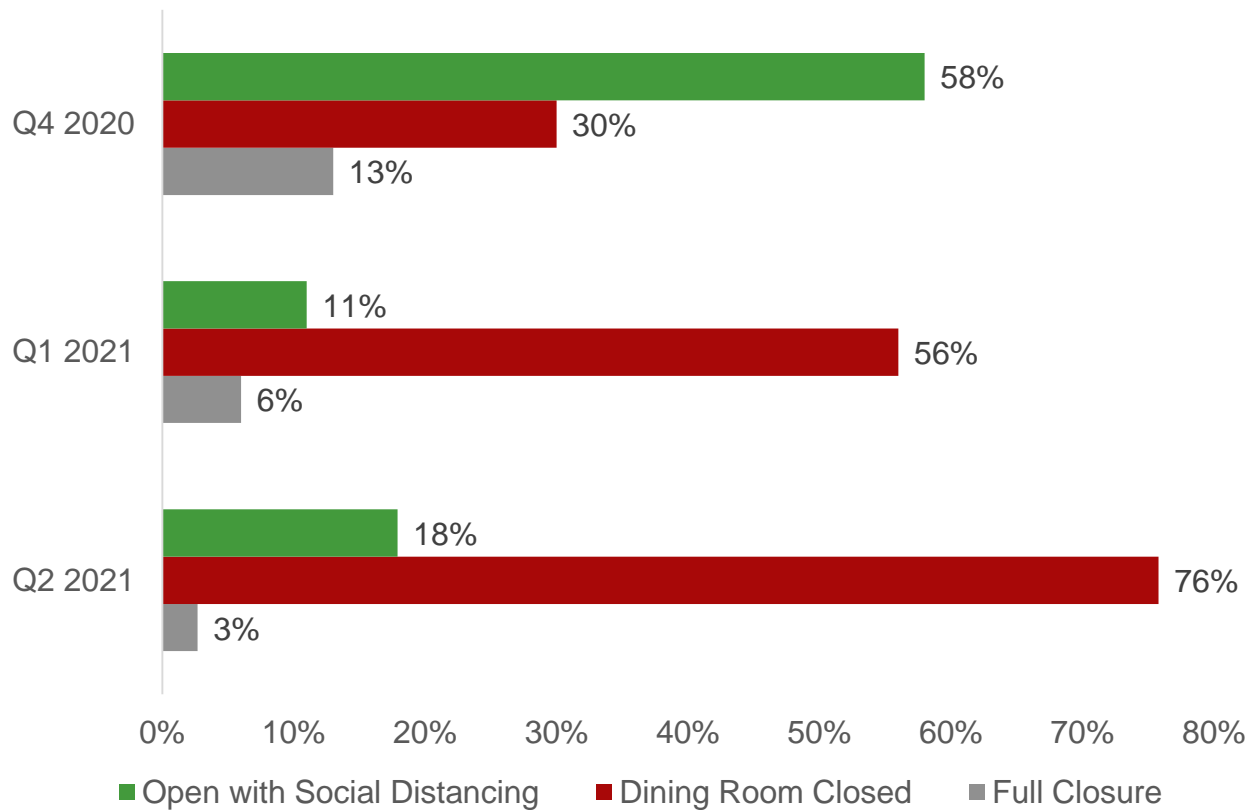
## Q2 Operating Weeks



Note: Operating weeks is equal to the sum of the number of weeks in the quarter for each operating restaurant location. For Q2, 2021, there were a total of 16,669 operating weeks.

# Impact of Operating Restrictions

Full Restaurant closures combined with Dining Room only closures increased from 43% of operating weeks in Q4 2020, to 62% in Q1 2021 and 79% in Q2 2021



Note: Operating weeks is equal to the sum of the number of weeks in the quarter for each operating restaurant location. For Q2, 2021, there were a total of 16,669 operating weeks.

# Reopening Timeline

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**Q2 Start**  
March 29

BC Dine-In  
Opens  
May 25

Alberta Patios  
Open  
June 1

Ontario Patios  
Open  
June 11

Alberta Dine-In  
Opens  
June 10

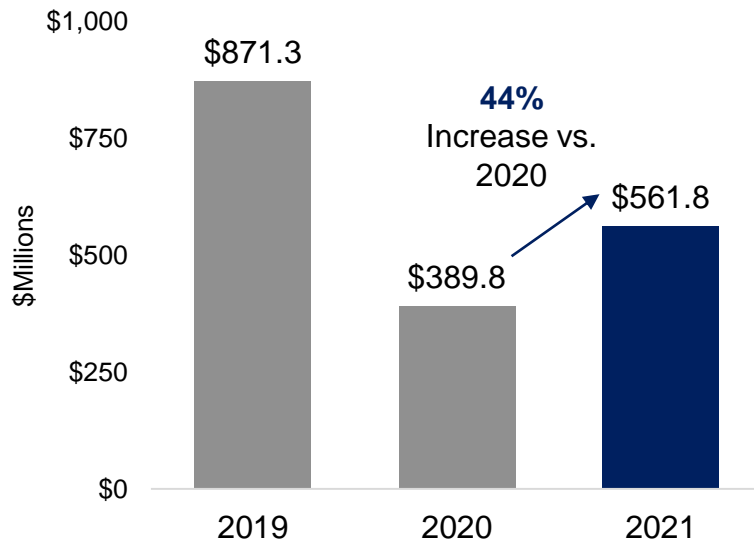
**Q2 End**  
**June 27**

Ontario Dine-In  
Opens  
July 16

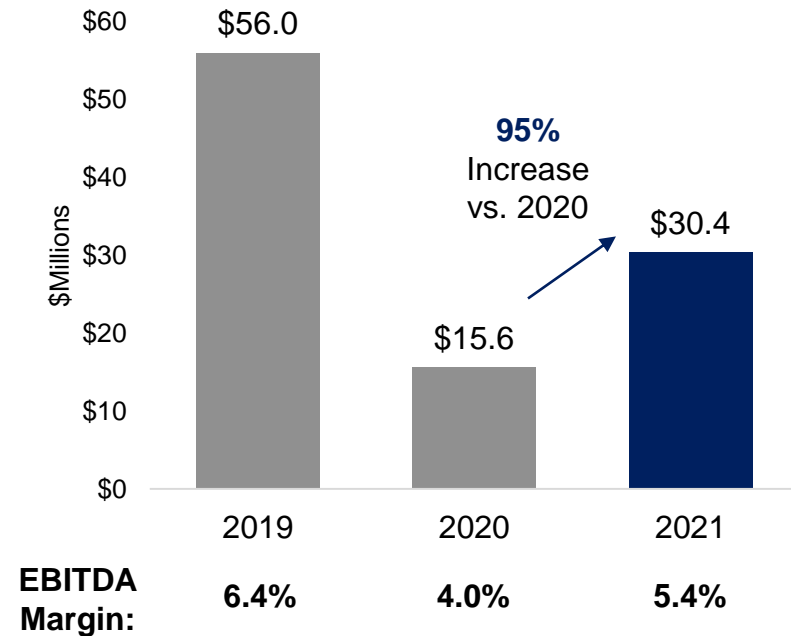
Quebec Moves  
Into  
Green Zone

# Q2 System Sales and Operating EBITDA

## System Sales



## Operating EBITDA



# Recipe's Buying Power Lessens Global Food Inflation Impact

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milestones

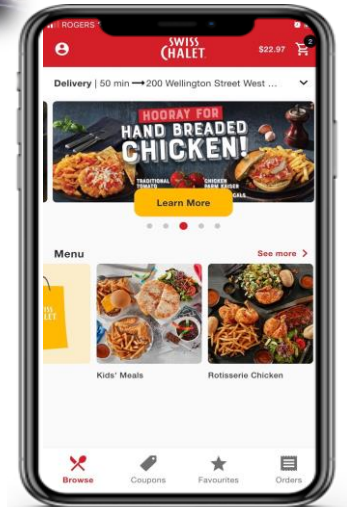
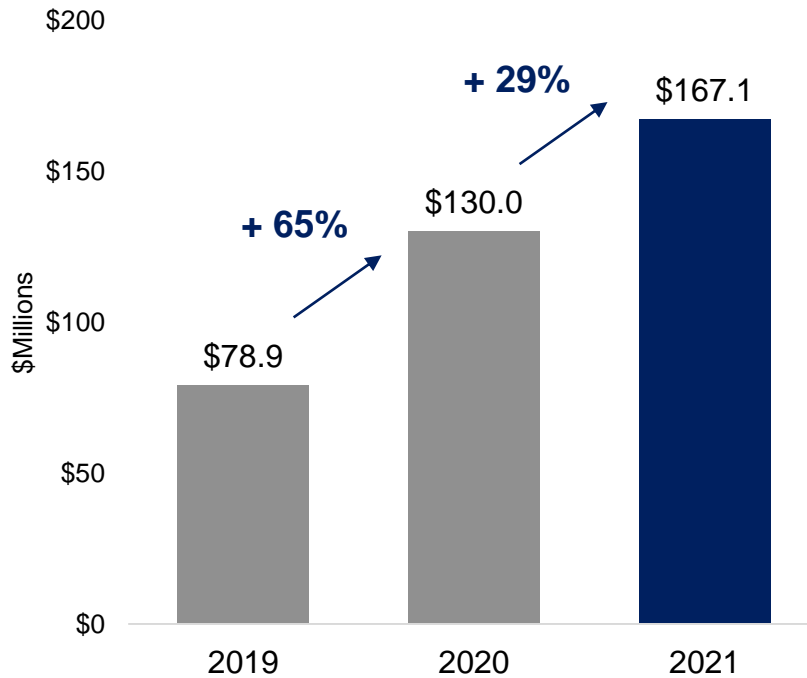


# E-Commerce Sales Up 112% vs. Q2 2019

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## Q2 E-Commerce Sales







## FINANCIAL REVIEW

# RECIPE

## RESTAURANT BRANDS

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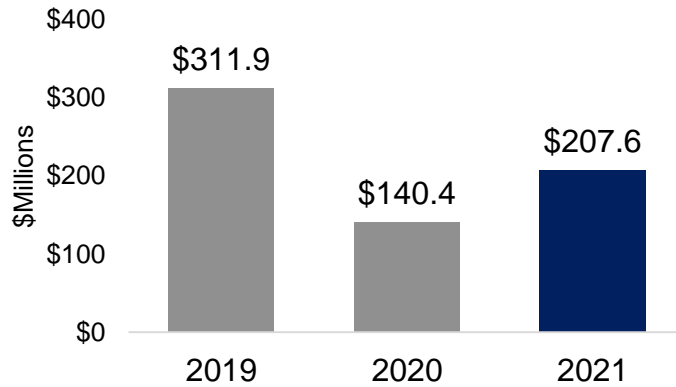


# Q2 Financial Results

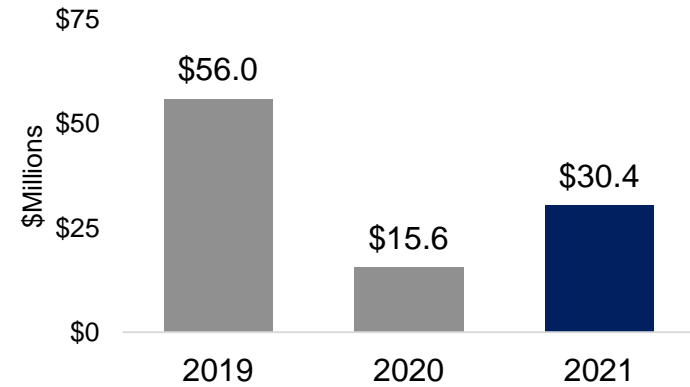
**RECIPE**  
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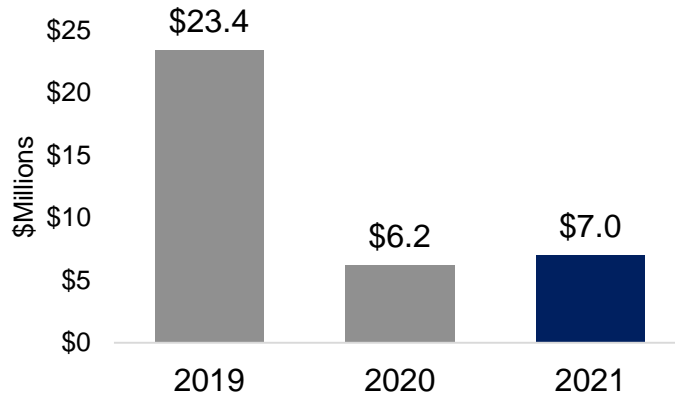
## Gross Revenue



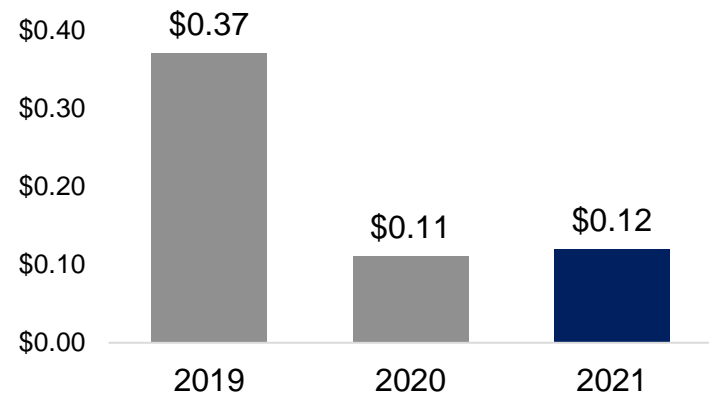
## Operating EBITDA



## Adjusted Net Earnings



## Adjusted Diluted EPS

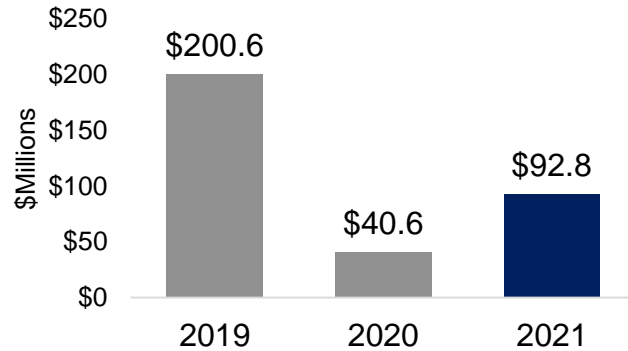


# Q2 Corporate and Franchise Segments

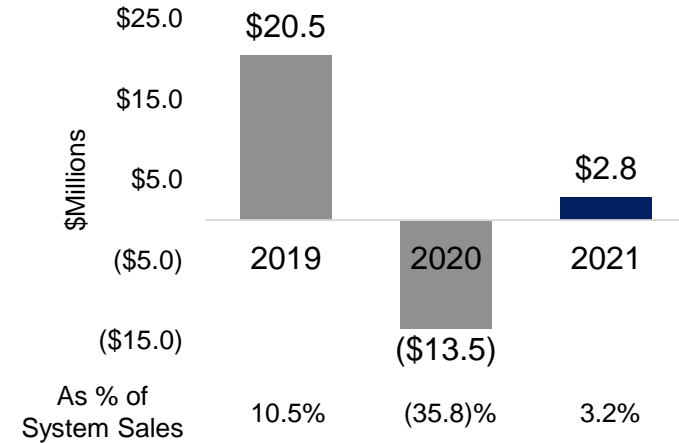
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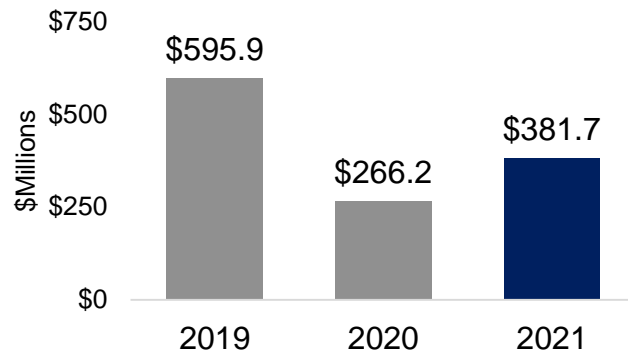
## Corporate System Sales



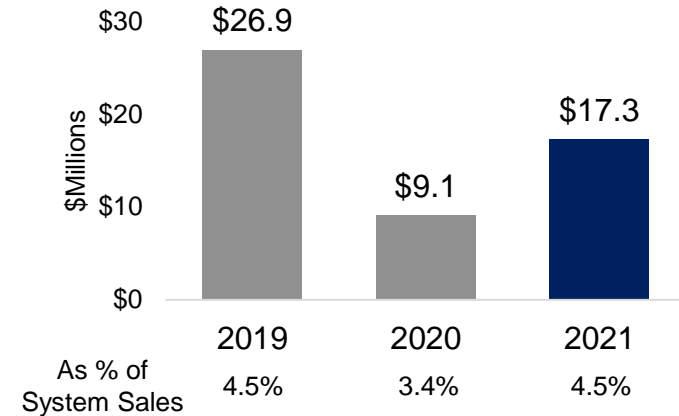
## Corporate Contribution



## Franchise System Sales



## Franchise Contribution

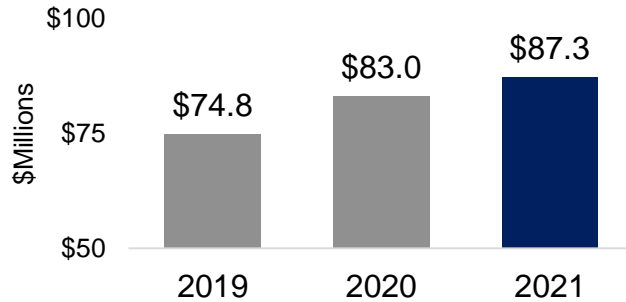


# Q2 Retail & Catering and Central

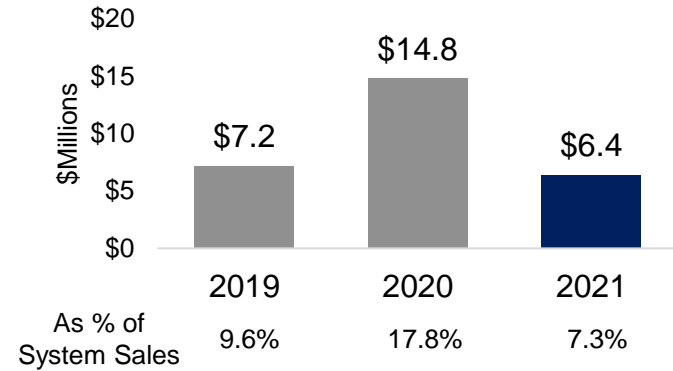
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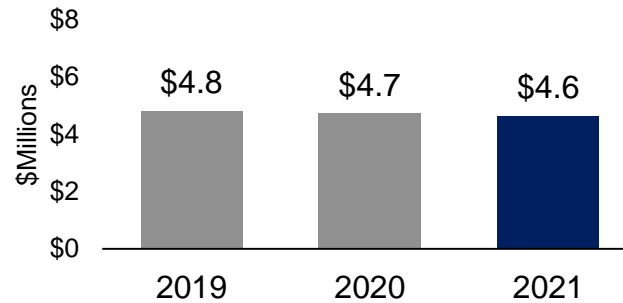
## Retail & Catering System Sales



## Retail & Catering Contribution



## Central Contribution before Royalty Expense



# 2021 Restaurant Unit Count

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	Corporate	Franchise	Joint Venture	Total
<b>Number of Units at Beginning of 2021</b>	<b>210</b>	<b>1,085</b>	<b>46</b>	<b>1,341</b>
Acquisitions	26	-	(26)	-
New Openings	4	7	-	11
Closures	(4)	(20)	(1)	(25)
Corporate Buybacks	5	-	(5)	-
Restaurants Re-Franchised	(2)	7	(5)	-
<b>Number of Units at End of Q2 2021</b>	<b>239</b>	<b>1,079</b>	<b>9</b>	<b>1,327</b>
<b>Net Change Since Beginning of 2021</b>	<b>29</b>	<b>(6)</b>	<b>(37)</b>	<b>(14)</b>

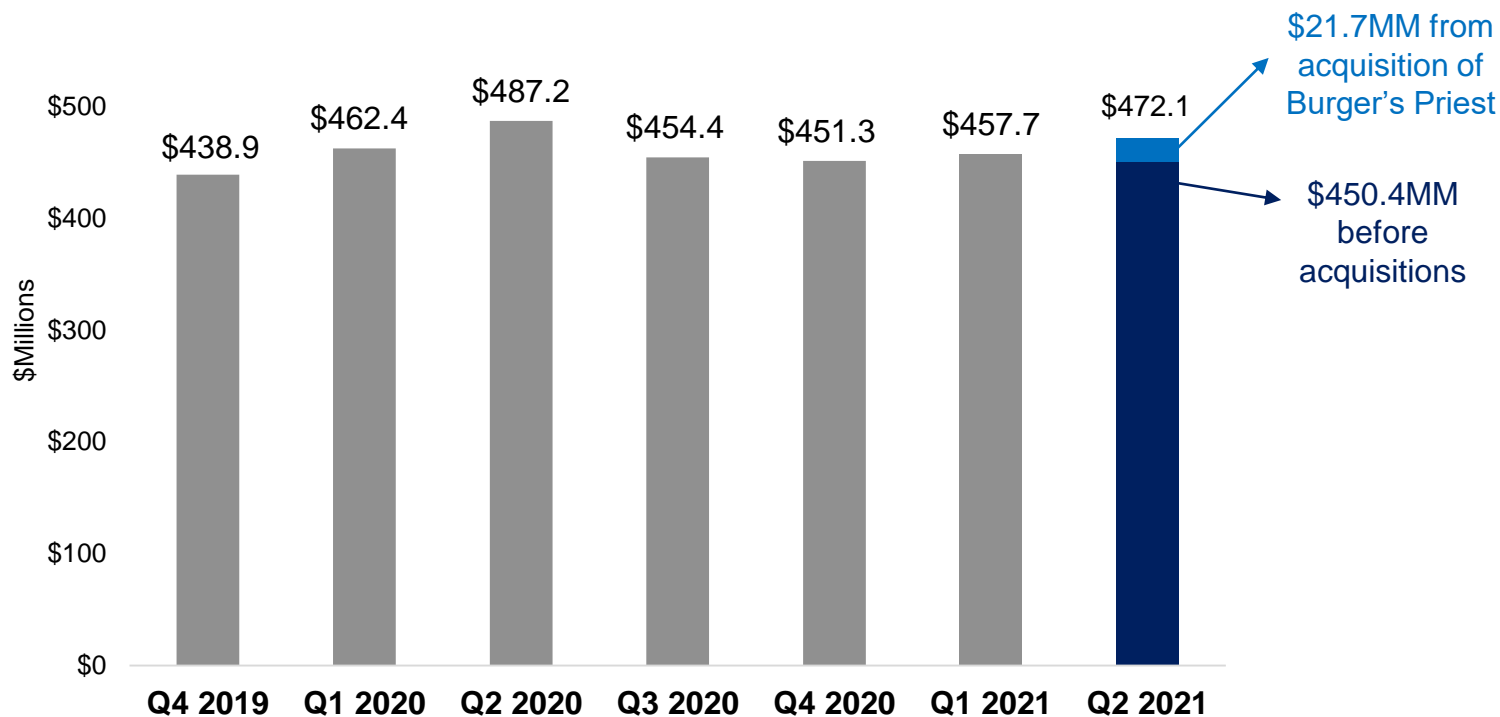
43 New restaurant openings and 89 closures since the end of 2019

# Stable Leverage

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## Total Net Debt





## CLOSING REMARKS

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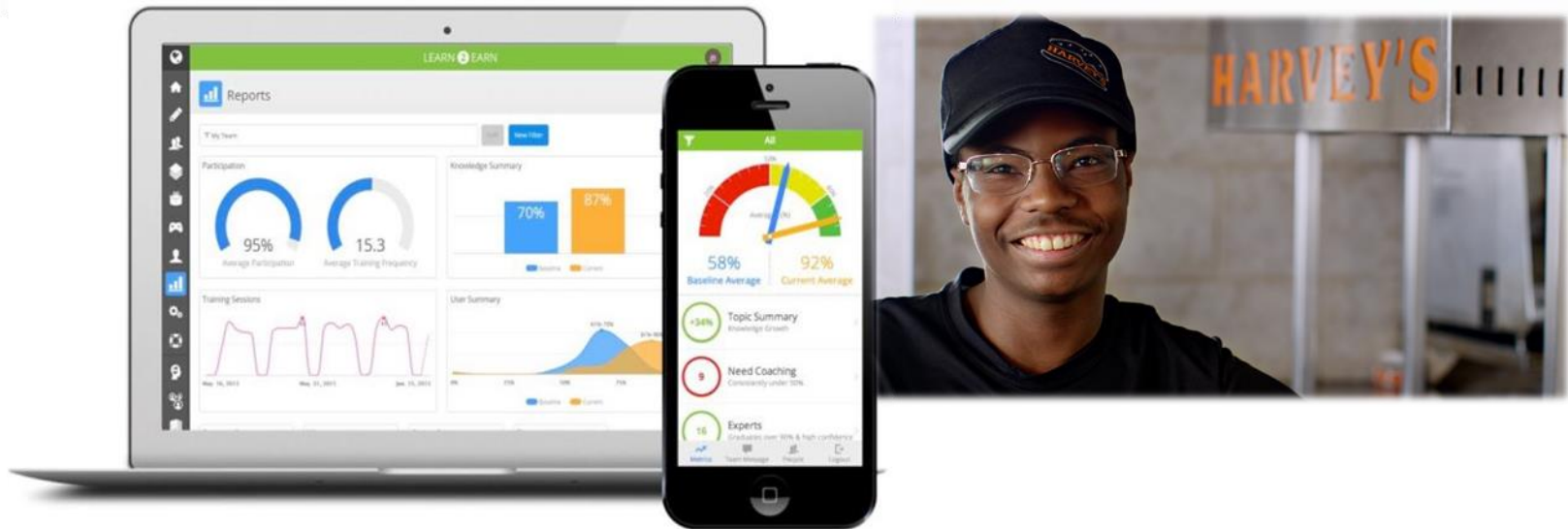
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# Strong Employee Branding

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**RECIPE** UNIVERSITY  
**RUGAME?**  
**RULEADING?**  
**RUTRANSFORMING?**





# 4<sup>th</sup> Ultimate Kitchens Open - Hamilton

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# Focus on Our Four Pillars

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## FOOD



## SERVICE



## VALUE



## AMBIENCE



# Inaugural Corporate, Social, Responsibility Report

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## OUR RECIPE FOR SUSTAINABILITY

2020 CORPORATE SOCIAL RESPONSIBILITY REPORT

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Q & A

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