



USFN ROMANIA Consolidated Budget and Activity Plan

Proposal for Year 2021





Macroeconomic environment

- The current budget proposal includes the effects generated by Covid-19
- RON will continue a slight depreciation trend against EUR, due to further deterioration of the current account deficit
- We expect overall inflation to reach 2.5% -3% in 2021
- Minimum wage increase starting with mid of January 2021.

Restaurant Sales

- Progressive recovery of sales has been assumed during 2021: starting with H2 normal course of business is assumed, H1 continuing being affected by restrictions imposed by the state and by local authorities due to pandemic situation.
- The delivery is assumed to have a significant weight in total sales of around 25%.

Restaurant Operational Expenses

- Food and Material costs (as percentage of sales) is assumed to be almost flat versus 2020, as we expect to be able to use our buying leverage and growing volumes.
- Cost of labor will be calibrated in order to match the rump-up of the sales throughout of year.

G&A expenses

- The weight of normalized G&A expenses in total sales is lower than 2020, due to inelasticity of these costs in relation with activity volume increase.

Development Plan

- The development plan will focus on the opening of 8 restaurants , with an estimated capex of approximately EUR 6.6mn;
- Stores' remodeling is assumed around EUR 3.4mn, remodeling being part of new Yum! deal negotiated.

All the assumptions mentioned above are taking into consideration only the current evolution of the Covid-19 pandemic, based on information available at this moment. We cannot anticipate accurately the further evolution of the pandemic; however, we are taking all actions to respond promptly to any such evolution and revise our plans accordingly.



Indicator	Budget 2021		Actual 2020		Budget 2021 vs Actual 2020 %
	RON millions	% Sales	RON millions	% Sales	
RON millions (mn)					
Restaurant Sales	836.1	100.0%	527.6	100.0%	58.5%
Other Income	-	-	-	0.0%	-
Food and Material	283.4	33.9%	176.8	33.5%	60.3%
Restaurant Gross Margin	552.7	66.1%	350.8	66.5%	57.5%
Restaurant Operational Expenses *	430.4	51.5%	261.2	49.5%	64.8%
Restaurant Operating Profit	122.2	14.6%	89.6	17.0%	36.4%
G&A expenses *	27.4	3.3%	23.5	4.4%	16.6%
EBITDA (normalized)	94.9	11.3%	66.1	12.5%	43.4%

* Without normalized expenses