



# USFN ROMANIA Consolidated Budget and Activity Plan

## Proposal for Year 2022





## 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 around 10% in 2022;
- Minimum wage increase starting with January 2022.

## Restaurant Sales

- We estimate an increase in total sales of 29% versus previous year. Starting with Q2, gradual recovery is considered, Q1 continuing being affected by restrictions imposed by the state and by local authorities due to pandemic situation.
- The delivery will continue to have a significant weight in total sales of around 26%.

## Restaurant Operational Expenses

- Food and Material cost: inflationary increase in food and material costs has been covered by the increase in prices within the year and, as a result, the weight of food and material costs in net sales is almost in line with the previous year.
- Cost of labor will be calibrated in order to match the ramp-up of the sales throughout of year.

## G&A expenses

- The weight of normalized G&A expenses in total sales is lower than 2021, due to inelasticity of these costs in relation with activity volume increase.

## Development Plan

- The development plan will focus on the opening of 9 restaurants, with an estimated capex of approximately EUR 8.1mn.
- Store remodeling and digital solutions' implementation are assumed around EUR 3.5mn, these being part of Yum! deal negotiated.
- In 2022, the Group will continue to focus on sustainability and, mid this year, a new Sustainability Report for 2020 and 2021 will be published.

*The budget has been approved by Board of Directors and this will be discussed in Annual General Meeting on 28<sup>th</sup> of April 2022.*

*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 2022  |         | Actual 2021  |         | Budget 2022 vs Actual 2021 |
|---------------------------------|--------------|---------|--------------|---------|----------------------------|
|                                 | RON millions | % Sales | RON millions | % Sales |                            |
| Restaurant Sales                | 950.6        | 100.0%  | 735.0        | 100.0%  | 29.3%                      |
| Other Income                    | -            | -       | 1.3          | 0.2%    | -                          |
| Food and Material               | 327.7        | 34.5%   | 250.9        | 34.1%   | 30.6%                      |
| Restaurant Gross Margin         | 622.9        | 65.5%   | 485.4        | 66.0%   | 28.3%                      |
| Restaurant Operational Expenses | 493.9        | 52.0%   | 379.0        | 51.6%   | 30.3%                      |
| Restaurant Operating Profit     | 129.0        | 13.6%   | 106.4        | 14.5%   | 21.2%                      |
| G&A expenses                    | 32.7         | 3.4%    | 26.6         | 3.6%    | 23.0%                      |
| EBITDA (normalized)             | 96.3         | 10.1%   | 79.8         | 10.9%   | 20.6%                      |