

# Financial Outlook

December 6, 2023



# Over the past decade, we've meaningfully evolved our business model

80%

franchised in **2013**

95%

franchised **today**

# And our business has grown **significantly**



\*Consolidated operating margin was 43% for the year ended 2019. Excluding the impact of impairment and strategic gains, operating margin was 43.4% for the year ended 2019. Refer to the Company's filings with the Securities and Exchange Commission for additional detail.

\*\*The Company expects operating margin for the year ended 2023 to be about 46%. Excluding charges primarily related to restructuring costs associated with Accelerating the Organization, adjusted operating margin is expected to be about 47% for the year ended 2023. Refer to the Company's filings with the Securities and Exchange Commission for additional detail.



# There are three critical areas of **investment** for the next few years

**New  
Restaurant  
Openings**

**Tech  
+  
Digital**

**GBS**



# 50K Restaurants by 2027

We expect to accelerate net new unit growth to just over 4 percent growth in 2024 and up to 5 percent growth in 2027

**ant Openings   New Restaurant Openings   New Restaurant Openings   New Restaurant O**

**~900 Restaurant Openings in the U.S.**

**~1,900 Restaurant Openings in IOM**

**~7,000 Restaurant Openings in IDL**

\*Total Expected Gross Openings 2024-2027

**2027 Run Rate of ~1,000  
Gross Openings across the  
U.S. and IOM combined**

# Capital Expenditures

We expect capital expenditures to gradually increase over time as we accelerate new restaurant openings in the U.S. and IOM segments

ant Openings   New Restaurant Openings   New Restaurant Openings   New Restaurant O



**2024**

**About \$2.5B**

**Beyond 2024**

**Sequential increases of ~\$300M-\$500M each year through 2027**

# Sales from Expansion

We anticipate new unit development to be a more meaningful driver of growth moving forward

ant Openings   New Restaurant Openings   New Restaurant Openings   New Restaurant O

## 2024

Nearly 2% Systemwide Sales Growth

## Beyond 2024

~2.5% Systemwide Sales Growth





**Our overall financial strength put us in the ideal position to invest in areas that will drive long-term growth**

**Tech  
+  
Digital**

**2024 G&A  
~2.2% of  
Systemwide  
Sales**

**GBS**



# We've achieved leverage in our adjusted **operating margin** and expect greater operating margin expansion



**2024**  
**Mid-to-High 40% Range**  
**Beyond 2024**  
**Operating Margin  
Expansion**

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# Free Cash Flow

We expect to maintain our strong free cash flow conversion



**Free Cash Flow Dollars**

**Grow sequentially each year**

**Free Cash Flow Conversion %**

**In the 90% range**





# And our **capital allocation** priorities remain consistent

**Investing** in the business  
to drive growth



Returning all remaining  
free cash flow over time  
through **dividends** and  
**share buybacks**



# Forward-looking statements

This presentation contains certain forward-looking statements, which reflect management's expectations regarding future events and operating performance and speak only as of the date hereof. Generally speaking, any statement in this presentation not based upon historical fact is a forward-looking statement. These forward-looking statements involve a number of risks and uncertainties. Factors that could cause actual results to differ materially from expectations are detailed in the Company's filings with the Securities and Exchange Commission, including the Company's Form 10-Q for the quarter ended September 30, 2023. The Company undertakes no obligation to update such forward-looking statements, except as may otherwise be required by law.



**Thank  You**