

LETTER FROM THE CO-CEOs



22 AUGUST 2025

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The global fast food industry, worth over a trillion dollars in revenue each year, is ready for disruption. Consumers have been sold bad food for too long. Food that's over-processed, full of additives and lacking real nutrition. For a long time, there was no real alternative.

This is exactly why we started GYG back in 2005 with the idea that fast food can be done better. Food that's real. Food that's made fresh. Food that's full of flavour and actually good for you. Prepared fast.

It hasn't always been easy, but we have been relentless on the journey.

When we opened our first restaurant in the Sydney suburb of Newtown in 2006, it was doing \$11k a week in sales. We were losing money.

Most would have called it quits. We didn't.

We opened three more restaurants.

The result was four restaurants that were losing money. Now here's the thing – our guests told us "we love your food!" and they kept coming back. We knew we were onto a good thing.

Today that restaurant in Newtown is generating over \$120k a week in sales at a 20% restaurant margin. And it's still growing, almost 20 years after we opened it.

This is what fuels us on our mission at GYG. We are reinventing fast food and changing the way the masses eat, one restaurant at a time. In doing so, we know we can become the best and biggest restaurant company in the world, because we don't compromise. Not on food. Not on our people. And never on what we stand for.

Guests today want it all. Quality food, value, speed, customisation and a great experience. That's what we deliver every single day, through an operating platform built exactly for this. Fresh, clean, delicious food, made-to-order and served fast.

Guests are also becoming more discerning about their food choices and regulators are catching up. While most of the industry are scrambling to adapt, we've been preparing for this moment from day one.

But it's not only about clean food or fast service. It's also about values. People want to back brands that stand for something. And so do we.

We believe in building a better, more sustainable way to feed this generation, and generations that follow. And if we stay true to that we know we'll create value for everyone. Our people, our guests and our shareholders.

That's why we are writing this letter, so you, our shareholders, know who we are, what we stand for and where we are going. We intend to write to you like this at every half and full year results release.

Because if you are reading this and agree with how we think about fast food, we want you on this journey with us.



FY25 highlights

The 2025 financial year – GYG's first full year as a public company – was another record year for the Company. Highlights include:

- \$1.2 billion in network sales, crossing the \$1.0 billion milestone for the first time and representing growth of 23.0% on FY24
- Opened 39 new restaurants, including 32 in Australia, a record year of openings for this market; 4 in Singapore, 1 in Japan and 2 in the US
- Our Australia Segment delivered 9.6% comp sales growth reflecting growth across all channels, dayparts, formats and ownership types
- Strong sales growth translated into very strong earnings growth, with our Australia Segment delivering segment underlying EBITDA of \$66.0 million, growing 44.7% on FY24 and representing 5.7% segment underlying EBITDA as a percentage of network sales. This was an 84 basis point expansion on last year (on a pro forma basis)
- Our US Segment generated \$12.2 million of network sales, representing growth of 13.0% on last year
- Launched *Clean is the New Healthy* in Singapore in August 2024 and the US in March 2025.

Since FY20, we have approximately doubled our network to 256 restaurants globally, delivered Australia Segment network sales CAGR of 30.9%, average Australia Segment comp sales growth of 15.7% and Australia Segment underlying EBITDA CAGR of 56.2%.

While we are proud of our results in FY25 and over the past five years, this is just the beginning.

Be the best and biggest restaurant company in the world

At GYG we act and think differently. We have a mindset and a culture that is focused on the long-term. We make decisions today that will benefit the Company many years in the future. This is what's required if we want to achieve our vision and mission.

Our strong restaurant economics and differentiated offering gives us confidence we can scale to 1,000 restaurants in Australia over time. At 224 restaurants as at 30 June 2025, we're less than 25% penetrated. At our IPO in 2024 we laid out a clear vision, and everything we've achieved in FY25 has only strengthened our conviction that we can get there. Our new restaurants continue to generate outstanding returns on investment. And because of our investment in the right infrastructure – our people, our restaurant pipeline and our processes, we have line of sight to scaling to 40 gross openings per annum in Australia within five years from our IPO.

We believe we can achieve this while also expanding our margins. Today our Australia Segment generates an underlying EBITDA as a percentage of network sales of 5.7%. We think this can get to ~10% over the next five years.

Australia remains our core growth engine, but we are equally excited by the opportunity to continue to grow GYG internationally in a disciplined and deliberate way. Just like in Australia, we focus on one restaurant at a time, ensuring we get the model and economics right before scaling. Our success in Singapore,¹ with a network of 21 restaurants, demonstrates our ability to expand sustainably once

¹ Singapore is operated under a master franchise agreement whereby the master franchisee funds and has ultimate say on network expansion, with significant influence from GYG.



performance metrics are proven. We remain excited about the long-term potential in all our existing markets.

In the US we're relentlessly focused on demonstrating proof of concept. We believe our restaurant AUVs need to be at least US\$3.0 million to have a sustainable model. That's the bar, and while it will take time, we are seeing momentum. Our AUVs are building steadily. We've been here before. The early years of GYG in Australia looked a lot like this, a few restaurants, steady momentum, focused execution, and a belief in what we were building. It took us from 2006 to 2018 for our Australian restaurants to average \$40k per week in sales. It then took seven years for our average weekly sales to reach \$100k, the level they are at today. It took time, but we built something great. The story is unfolding in a familiar and promising way. The message is simple – building a brand takes time and focus, and that's exactly what we are doing. We've made real progress in FY25, and we're even more excited about what we can deliver in FY26 and beyond.

To become the best and biggest restaurant company in the world, we will need a presence in far more markets than we have today. We will get there. But we will do so in a measured way that ensures we are being disciplined with your capital and our time.

Our Edge

Our right to be the best and biggest restaurant company is grounded in what we consider to be 'our edge' – our food, economics and people.

Our Food

Our food is what separates us from all others. It's our brand, our heart and our soul. We're fanatical about it – this is why we are relentless about serving clean, fresh, high-quality food at fast food speed.

Clean food is our ethos. That means no added preservatives, no added colours, no artificial flavours, and no unacceptable additives. Our food menu in Australia, Singapore and the US is now *100% Clean*, a milestone we're proud of, and one that sets GYG apart globally.

But *Clean* alone is not enough. To be the best and biggest restaurant company also means offering food that is:

- Delicious, prepared with real, fresh ingredients in our restaurants each day by our incredible cooks and crew
- Versatile, spanning all dayparts and enabling extended operating hours. Breakfast and after 9pm remain our two fastest-growing dayparts, achieving comp sales growth of 20% and 28% respectively in FY25. The number of 24/7 restaurants has increased from 5 at the start of the financial year to 18 as at 30 June 2025
- Highly customisable, which is important for guests who are increasingly focused on personalisation and variety. In FY25, we built on this by bringing back our popular free salsa stations in our restaurants
- Accessible across multiple channels (in-restaurant, drive thru, delivery or digital) and formats (strip, drive thru or other). We let our guests decide how they want to get their GYG.

Preparing clean, fresh, fast food at scale is hard. It is the culmination of focusing on the detail across every part of our business, including our double-linear kitchen set-up, our bespoke sticker and kitchen delivery systems, our proprietary training protocols, our focused but highly customisable menu, our restaurant technology systems and, most importantly, our culture of guest obsession. This year we expanded our culinary excellence focus in restaurants, continuing to elevate our food quality. We also



redefined our procurement strategy, driving better quality and service to our restaurants. We know this is working as we see it in our restaurant AUVs and comp sales growth.

To serve the best food we must also maintain a disciplined approach to menu innovation. Our menu is built around our core offerings. New menu items undergo rigorous testing and refinement before being rolled out to the restaurants, with an emphasis on utilising existing restaurant inputs. This is why recent additions to our menu like *Street Corn* are powerful – they allow us to provide more variety to our guests using ingredients that we already have on hand.

Our Economics

To be the best and biggest, we need to have the strongest restaurant economics. Today our average drive thru restaurant generates \$6.7 million in annual sales at a 21.5% restaurant margin, while our average strip restaurant generates \$5.0 million in annual sales at a 18.4% restaurant margin. We are proud of our current restaurant economics. But we always strive to do better.

What does do better mean to us? It means maximising the long-term profitability of our restaurants. It means making decisions and trade-offs today to have more profitable restaurants in the future.

This starts at the top with AUVs. When we serve the best food and deliver an exceptional guest experience, we drive higher AUVs and stronger restaurant margins. This gives us the fuel to keep investing back into what matters most, our food and guest experience, creating a powerful cycle of growth. As an example, our top decile of comp restaurants,² representing 17 drive thrus and 1 strip, generated AUVs of over \$9.5 million and restaurant margins over 24% in FY25 while comp sales growth was well above the Group level. Two-thirds of these restaurants are open 24/7 and their mix of sales coming from the breakfast and after 9pm dayparts are higher than the network average. This growth cycle ultimately strengthens our unit economics and drives our competitive edge.

This is why we've continued to invest in our systems, processes and technology. Some highlights to call out in FY25 include:

- A redesigned and upgraded point-of-sale system to simplify crew workflows, improve order accuracy and enhance stability
- A new restaurant platform, Resto365, to centralise back-of-restaurant operations
- Launch of GYG Delivery, our white label delivery service
- Incorporated intelligent upsell into drive thru restaurants
- Refined the digital ordering and loyalty experience through delivering targeted offers, increasing personalisation in guest communications and improving the online ordering experience to make it easier and more efficient.

It is also why we are fanatical about delivering value to our guests. Our pricing philosophy is built around providing maximum value to guests while ensuring that our restaurant economics are sufficiently healthy to support our network. We will make long-term price decisions when required, but it won't be a driver of growth for GYG.

It's not only our front-of-house that we are investing in. In FY25 we added 32 FTEs to Hola Central, our Australia Segment head office, bringing the total to 292. As at 30 June 2025, we have 37 in Real Estate, 43 in Marketing and 35 in Technology, all core to supporting our restaurants and our long-term growth ambitions. Despite this we demonstrated operating leverage in our Australia Segment G&A expense and we expect this to continue.

² Restaurants open for at least 56 weeks.



The trade-offs we face in running GYG to maximise long-term versus current profitability are real. But they are also necessary if we want to achieve our vision and mission. Our promise to our shareholders is we will always be transparent about our Company and willing to challenge ourselves if we are wrong.

Our People

What truly differentiates GYG is our people. In a company that's growing fast, our values remain constant.

- *"It's all about the food"*
- *"Make every guest love us"*
- *"Be real"*
- *"Got your back"*
- *"It's up to us".*

The authenticity of the GYG team and our culture is what makes us unique. We think of GYG as a high performing team. This means that we continually raise the bar and strive to do better while ensuring that we always have each other's backs. It also means that GYG is not for everyone. But for those who have bought into the mission, there can be no more exciting place to work. This is evident to us in the confidence we're hearing from our teams. This year, 93% of all corporate restaurant group and Hola Central employees expressed that they understood the vision we're working towards and 98% believe that GYG will be really successful in the next three years. Our crew leadership, Hola Central team and franchisees are all shareholders in GYG, working toward our generational mission.

To reinvent fast food, we also need to reinvent what it means to be a fast food worker. From a learning and development perspective, we've invested in our pathway programs and successfully deployed our world class *Leadership Essentials* program. This has empowered our restaurant managers to become better trained and more efficient. We continued to invest in talent through our *Leading Shift Excellence* and *NextGen Leaders* programs, preparing the next wave of leaders to drive GYG's future success. With our new people infrastructure in place in FY25, onboarding and inducting over 3,500 new crew members across our corporate restaurants has become more seamless, supported by a combination of online learning and shoulder-to-shoulder training in restaurant.

We believe that our people should share in the value they create. We attract and retain talent with a remuneration philosophy built around alignment and rewarding exceptional performance. Operations coaches and restaurant managers are entitled to a quarterly bonus based on performance. Certain leadership positions in restaurant also receive equity in GYG. In addition to their base salary and annual bonus linked to the Company's performance, every permanent employee working at Hola Central receives the opportunity for equity in GYG, regardless of role.

Our franchisees are critical to our success and this year our median franchisee ROI was 50%. As at 30 June 2025, we have 61 franchisees across 132 franchised restaurants in Australia as well as our master franchisees in South Australia, Singapore and Japan. Our philosophy is simple: transparency, fairness, profitability and brand and values alignment. This last one is especially important. We have a saying at GYG which is "if you share values then you can create meaningful value together" and this is the case for our franchisees. We are one team. For our franchisees this year, we supported their performance by improving sales, operating and labour data reporting.

The best way to experience GYG is to walk into one of our restaurants. From the warm *hola* from our crew, our original Mexican-inspired artwork, our bright GYG-yellow colour scheme, our in-restaurant music selection (which crew members are often seen dancing to!), everything reflects who we are. It's a place where food, purpose and culture come together – our edge.



FY26 priorities

As we move into FY26, our focus remains unchanged – grow sustainably, run excellent operations, and deliver exceptional value to guests. We will continue to invest in our food, in our guest experience and in our people.

We have also provided some guidance on FY26 and a trading update for the Company, which is available in the ASX announcement, FY25 results presentation and annual report released today.

When it comes to our food you can expect an ongoing focus on *Clean* and culinary excellence. In Australia we continue to work with our suppliers to refine ingredients and improve our *Clean* offering. Under our Culinary Excellence program of work, we will make our recipe guide digitised and interactive, along with establishing a “food focus” of the month in our restaurants. From a safety perspective, we’re rolling out our time and temp program, enabling dynamic chicken temping that significantly reduces risk.

You can also expect ongoing menu innovation. Stay tuned.

We are excited about digital and extended trading to drive growth into FY26. Breakfast and after 9pm, at 6.7% and 9.5% of Australia network sales respectively, remain a key opportunity. Our top quartile of breakfast restaurants have double-digit breakfast mix and we see an opportunity for this gap to close over time. You can also expect us to extend operating hours selectively across the network as demand necessitates – we have identified 10 restaurants that we believe can progressively go 24/7 in FY26. We will continue to invest behind our guest app, supporting both in-restaurant pick-up and GYG Delivery. The latter, while small today, represents a substantial opportunity to provide greater value to our guests while generating higher margins for GYG.

This year we are focused on improving the guest experience and improving order accuracy in our restaurants. We are working towards making our order wait times dynamic, allowing us to prioritise orders and “balance the line” more efficiently. Wait times are consistently one of our leading guest complaints, and this will go a long way to alleviate this, as well as providing more visibility in the future into more accurate pick up times via our app. We’re also grouping items on our packing receipts to ensure all items in one order are easier to check when packing. You can also expect continued enhancement of the GYG App, including improvements to our GOMEX loyalty program and more targeted personalisation capabilities.

When it comes to our people, our focus remains the same. We want to attract and retain the best people and grow our next generation of leaders from within. Most importantly, we want to maintain and build upon what makes us unique – the GYG culture.

With a strong team and a clear vision for the future, we are confident in our ability to continue to reinvent fast food and change the way the masses eat.

We thank our incredible people, franchisees, suppliers, and guests for their passion and dedication. Together, we are building a company with lasting impact – one burrito at a time.

Steven Marks
Founder and Co-CEO

Hilton Brett
Co-CEO



For more information

This letter is reproduced in full from the 2025 GYG Full Year Report lodged with the ASX on 22 August 2025. More detailed information regarding GYG's 2025 full-year results can be found in GYG's annual report and results presentation lodged with the ASX.

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Authorised for release by the Board.