

# Operational Excellence Roundtable

**Adam Mularuk, Chief Franchised Brands Officer**

**Piotr Boliński, KFC President** 

**Mateusz Sielecki, Starbucks President** 

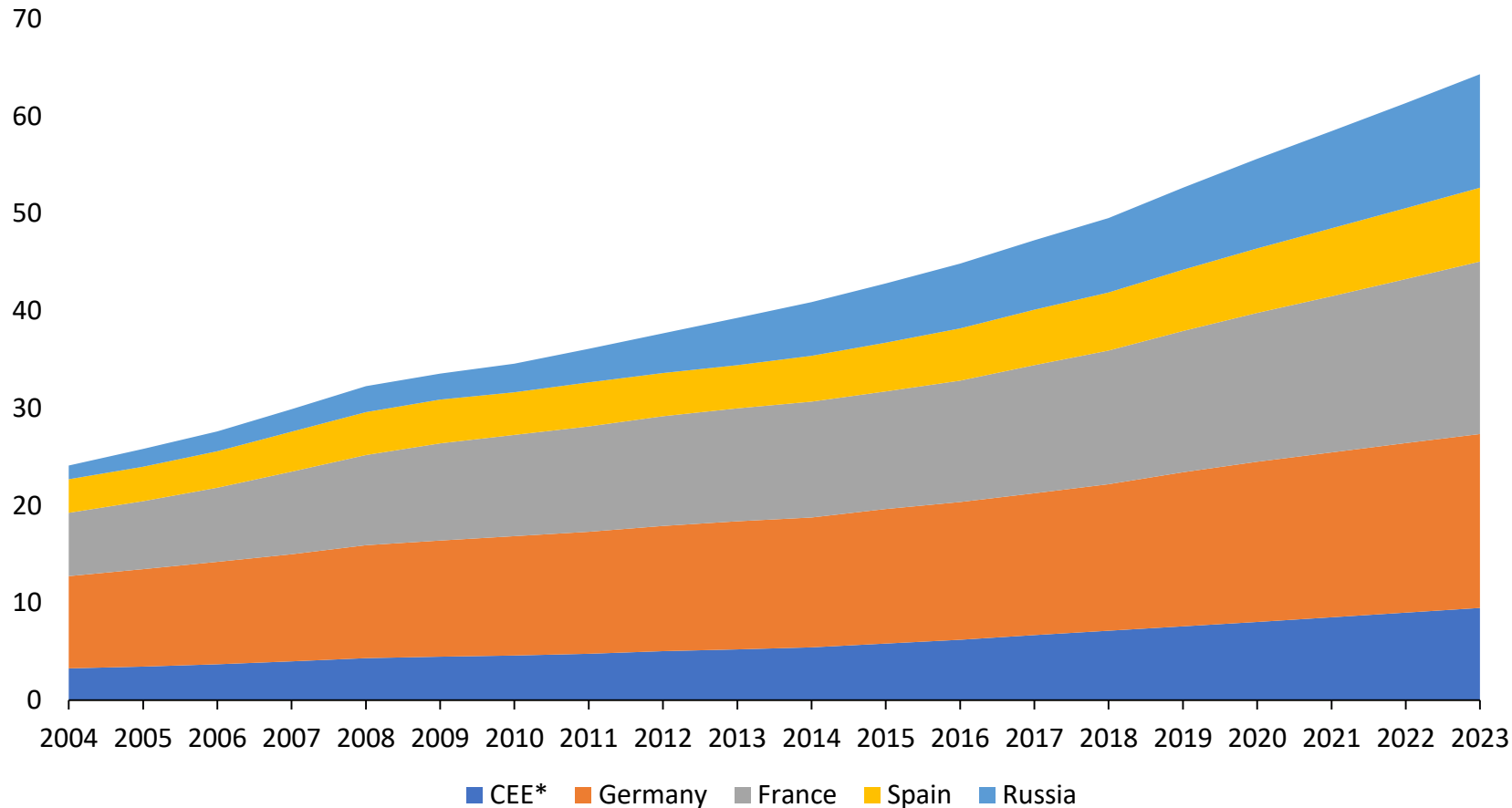
**Alan Laughlin, Burger King President** 

**Maciej Mausch, Pizza Hut** 



# Accelerating growth of QSR segment in Europe

QSR market value: EUR bn, fixed exchange rate



- QSR annual growth is expected to continue in mid-single digit range in our territories in years to come;
- Sector expansion should remain strong in Russia (CAGR of 8.8%), CEE region, France and Spain (5%+ growth).

Source: Euromonitor

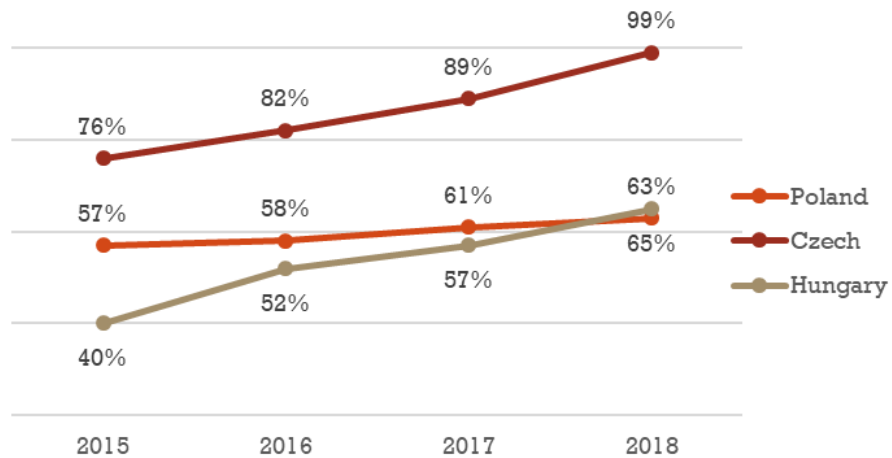
\*Bulgaria, Croatia, Czech Rep., Hungary, Poland, Serbia, Slovenia, Austria

# KFC | Bridging the gap to key competitors

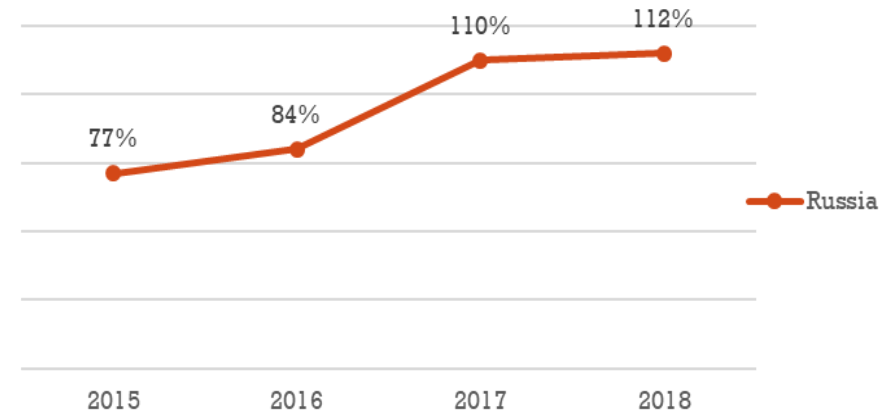


KFC total number of restaurants as a % of total McDonalds restaurants

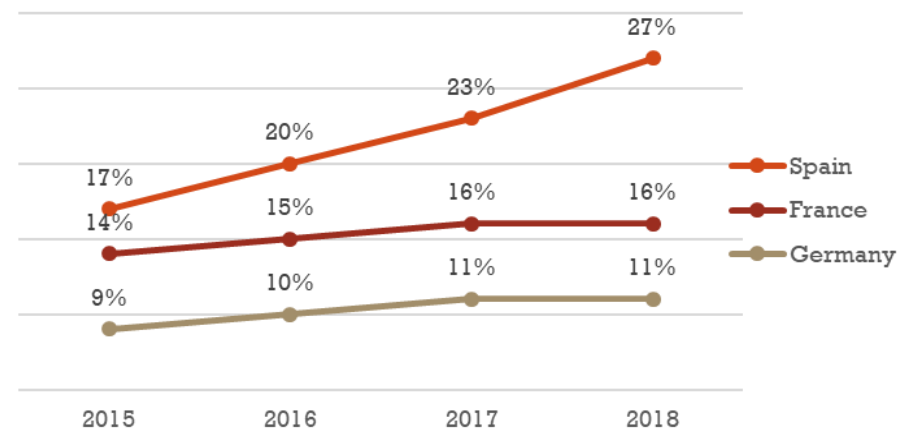
KFC CE



KFC RU



KFC WE

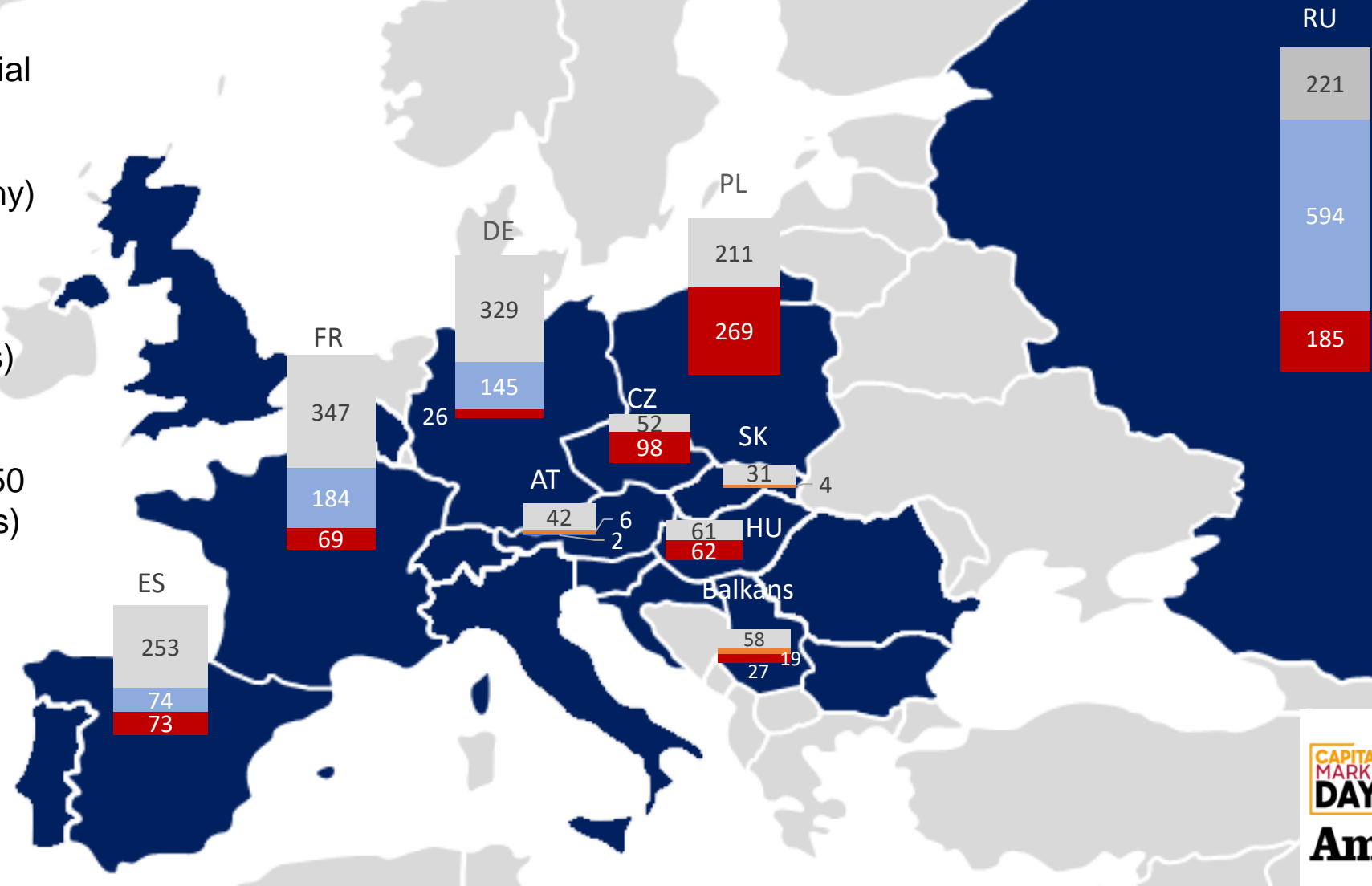
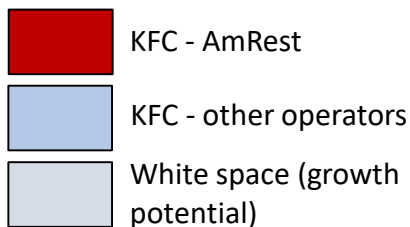


# KFC | White space opportunity



Sizeable organic growth potential for KFC in Europe:

- WE (Spain, France, Germany) at 900+ restaurants
- CEE (incl. Austria, Slovakia and existing Balkan markets) at 450+ restaurants
- Russia at 220 restaurants (50 in existing AmRest territories)



# Starbucks history in AmRest



2008  
opening of  
Czech  
Republic

2009  
opening of  
Poland

2010  
opening of  
Hungary

2014  
acquisition  
of Starbucks  
Romania  
and Bulgaria

2016  
opening of  
Slovakia

2016  
acquisition  
of Starbucks  
Germany

2019  
opening of  
Serbia





## Starbucks DNA:

- Passion for Coffee
  - Human Connection
  - 3<sup>rd</sup> Place
-


STARBUCKS®

— NITRO —

COLD BREW

— COFFEE —

WE PROUDLY SERVE



NOW AT OUR CAFÉ


*Nitrogen-infused for a naturally sweet flavor and velvety texture.*

Barista & Mobile

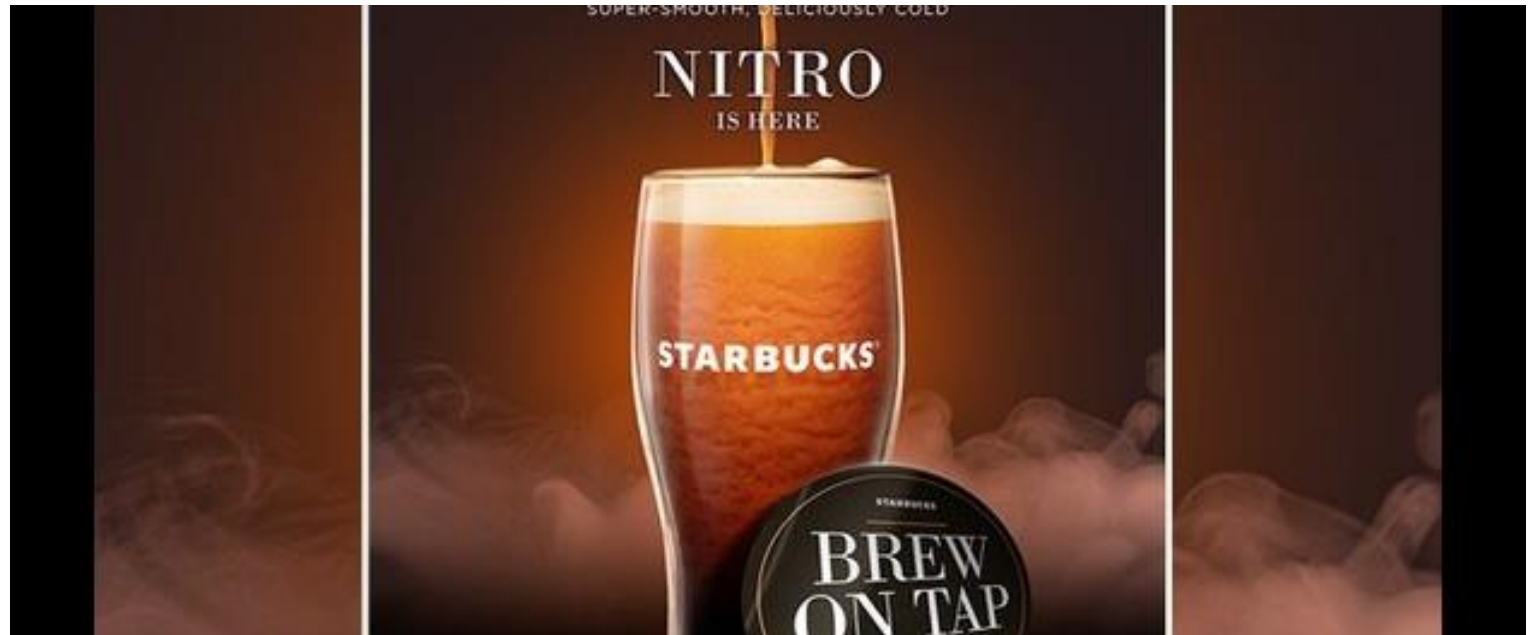
MEMBERS SAVE

AN EXTRA

10%



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# Driving beverage innovation

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# Supporting Sustainable Coffee growth

- 2004 Starbucks launches C.A.F.E. Practices
- Same year, Starbucks opens its first Farmer Support Center in San Jose, Costa Rica
- Today, Starbucks has 9 FSC around the world
- 2012 opening of Yunnan FSC. Since then over 10,000 farmers have been trained in sustainable farming practices
- "It's a testing ground to push the boundaries of agronomy research to breed trees that are resistant to coffee leaf rust, or *roya*, which is ravaging coffee crops in Latin America. The team also analyzes soil, fine tunes pruning techniques, and supports farmers in other ways to increase coffee trees' quality and productivity. Its findings aren't kept in a company vault; they are shared freely with researchers and farmers everywhere."



## STARBUCKS FARMER SUPPORT CENTERS

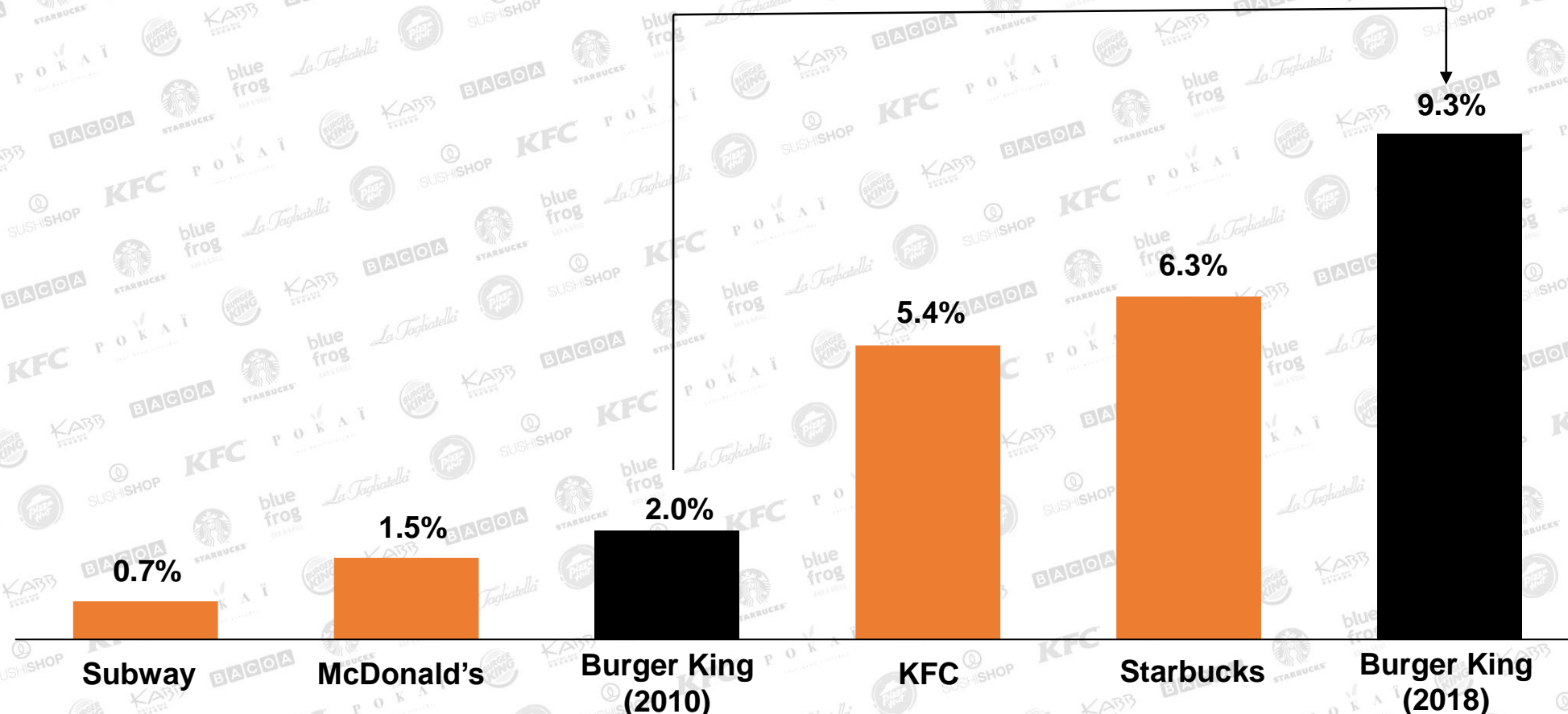




# NRG of Leading EMEA QSR Brands

Burger King has become the fastest growing brand in EMEA adding ~9.3% of new restaurants to the total store count

## QSR Brand Growth in EMEA <sup>(1)</sup> in 2018



# AmRest Store Performance & New Openings

5-year Development Exclusivity in place through 2023 Poland, Czech Republic, Bulgaria, Slovakia & Romania



## Existing Stores

Same Store Sales Index 1H 2019

Poland



Mid-teens digit

Czech Republic



High-single digit

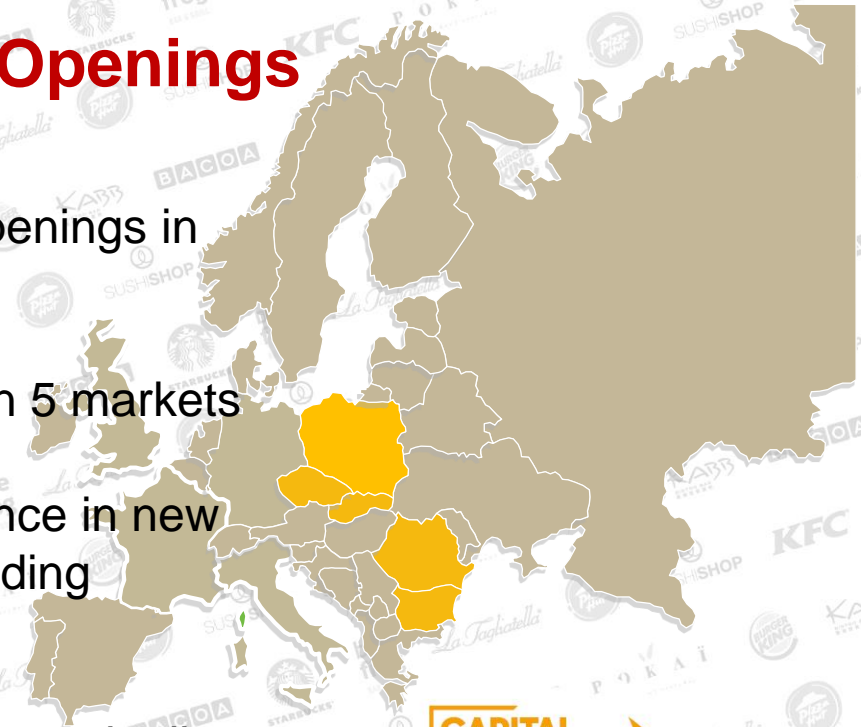
Bulgaria



Mid-twenties digit

## New Openings

- 14 new store openings in past 11 months
- 67 total stores in 5 markets
- Sales performance in new openings exceeding expectations
- Growing new store pipeline in all markets 2019 – 2023



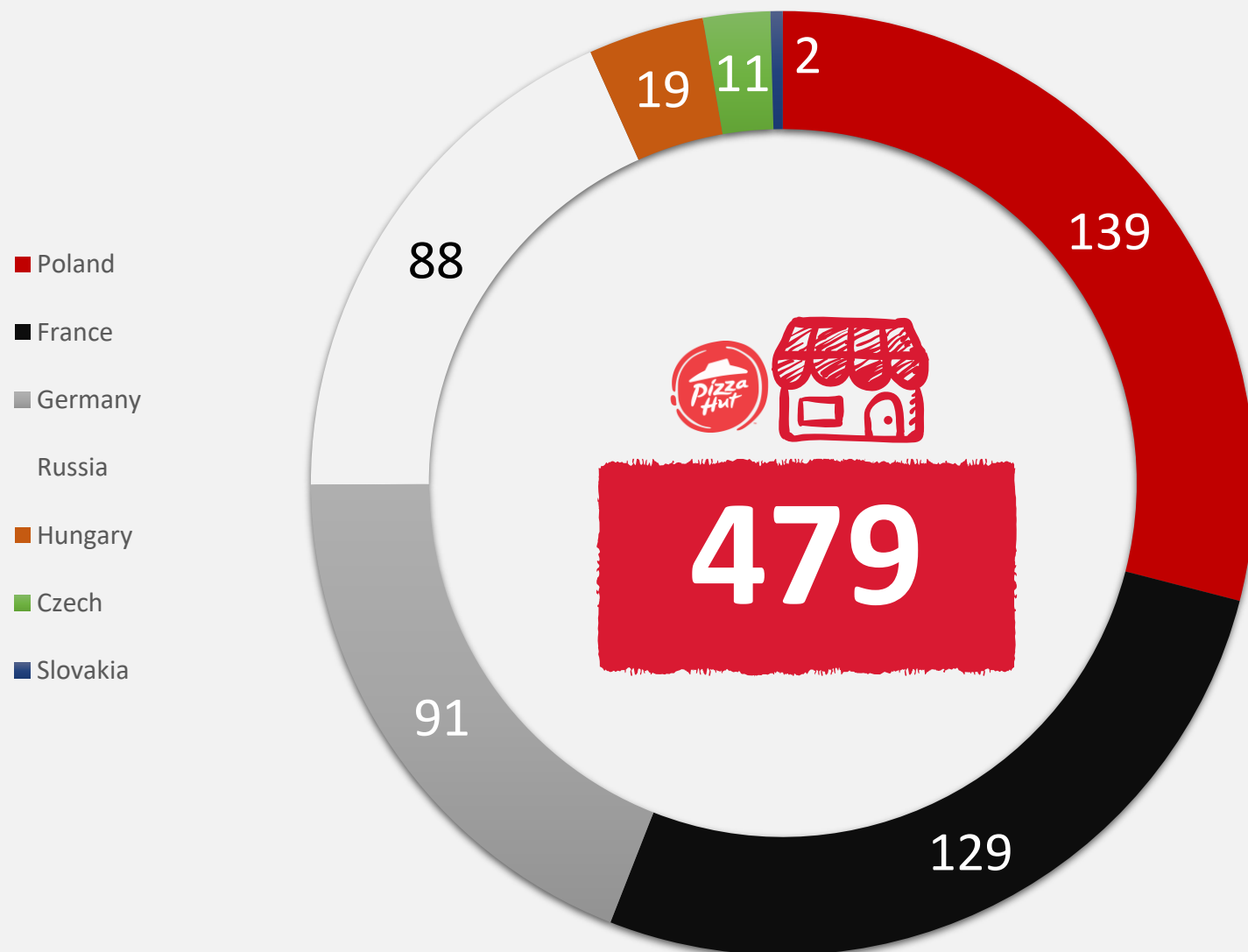


# Burger King Brand: Authenticity of Food & People





AmRest operates 479 Pizza Huts restaurant in 7 countries with a significant room for growth in all markets



+172  
openings  
since 2017 –  
(MFA)



**+400**

Markets' development  
potential by 2024

CE is PH's strongest region with proven business model, solid brand awareness, high quality assets and OPS Excellence...

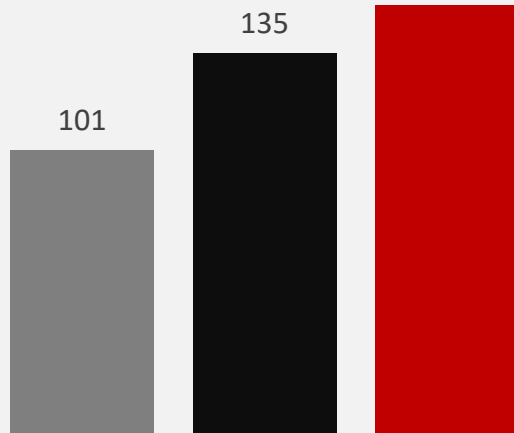


2019 SSS

High-single digit



# UNITS  
■ 2017 ■ 2018 ■ 2019



VS  
70 major competitor

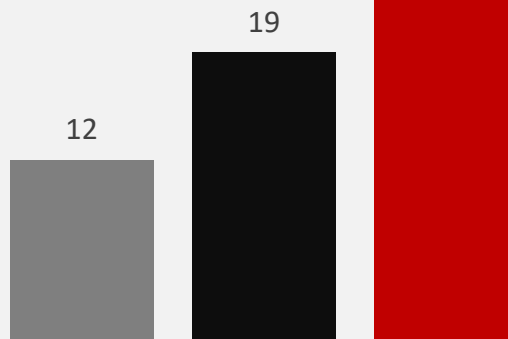


2019 SSS

High-teens



# UNITS  
■ 2017 ■ 2018 ■ 2019



No chain competitor

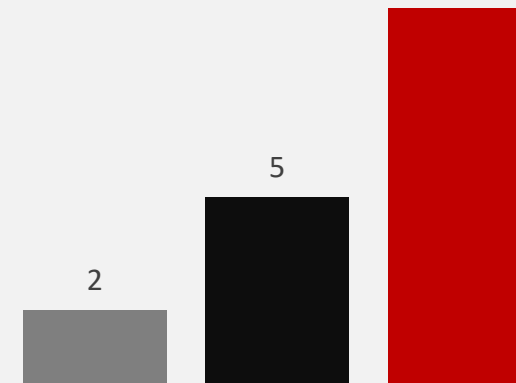


2019 SSS

Mid-single



# UNITS  
■ 2017 ■ 2018 ■ 2019



No chain competitor

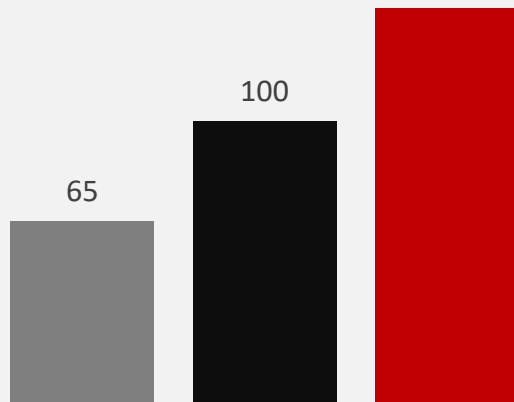
## ...Western Europe improving thanks to focus on OPS Excellence



2019 SSS  
**Low-teens**



# UNITS  
■ 2017 ■ 2018 ■ 2019



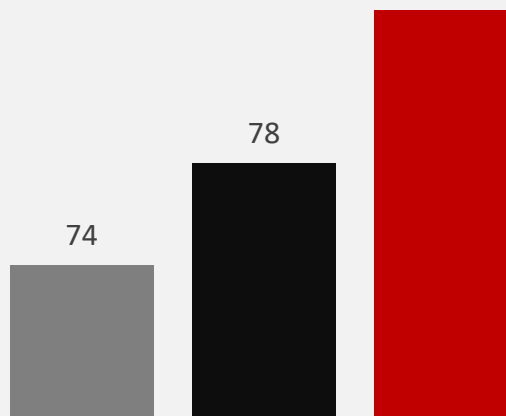
VS  
major competitor ~400



2019 SSS  
**High-single**



# UNITS  
■ 2017 ■ 2018 ■ 2019

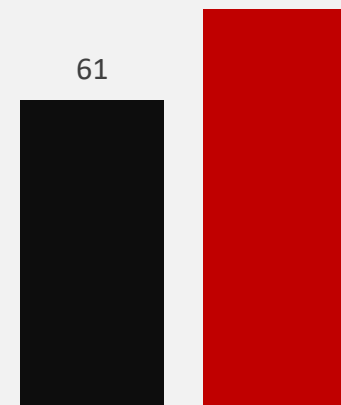


VS  
major competitor ~360



2019

# UNITS  
■ 2018 ■ 2019





# Full range of assets ensuring Customers' convenience



## DINE-IN

Flagship restaurant with waiting service to deliver full brand experience



## FAST CASUAL

Restaurant with cozy seating area allows both home - delivery to our customers but also offers them a dedicated space to enjoy our pizzas



## DELIVERY

Restaurant, where everyone can order take-out pizza or home delivery, located in very dense urban centers



## EXPRESS

Concept located in shopping malls serving Pizza Hut selected iconic flavors in a flash. Always freshly prepared in front of our customers



## ON THE GO

Small format located in communication hubs serving slices of pizza

# Pizza Hut is unique in the pizza world

Top brand in the biggest category



Unbeatable taste



1<sup>st</sup> customer choice\*



**\$145 BILION** — WORLD PIZZA MARKET



**+18% GROWTH** — 5-YEAR FORECAST FOR EASTERN EUROPE



**BEST FIT TO FASTEST GROWING DELIVERY CHANNEL**



UNIQUE & ICONIC **PAN PIZZA** WITH 35YRS OF HISTORY



NEWLY LAUNCHED **SAN FRANCISCO STYLE PIZZA** LOVED BY CUSTOMERS (94% OVERALL TASTE SCORE)



**WPSA HIGHER BY 30% VS MAJOR COMPETITOR** BECAUSE WE ARE:

- FASTEST: 70% U30 IN CE
- TASTIEST: SFD wins vs major competitors' overall taste

\*CEE

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