



Restaurant Brands International Inc. Reports Full Year and Fourth Quarter 2022 Results

Global fourth quarter system-wide sales grow nearly 12% and over 13% for 2022

Consolidated comparable sales up nearly 8% in Q4, led by 11% growth at Tim Hortons Canada and Burger King International

Digital sales grow over 30% year-over-year to over \$13.5 billion in 2022, representing over a third of system-wide sales

Restaurant growth accelerates to 1,266 net new units with Popeyes delivering its strongest development year since joining RBI

RBI returns nearly \$1.3 billion of capital to shareholders in 2022 while investing for growth and reducing net leverage

RBI Board of Directors appoints Joshua Kobza to become CEO on March 1, 2023

Toronto, Ontario – February 14, 2023 – Restaurant Brands International Inc. (“RBI”) (TSX/NYSE: QSR, TSX: QSP) today reported financial results for the full year and fourth quarter ended December 31, 2022.

José Cil, Chief Executive Officer of RBI commented, “We rounded out an exciting 2022 with another strong quarter, including nearly 8% consolidated comparable sales and 4% net restaurant growth, reflecting the strength of four iconic, global brands.

Tim Hortons Canada capped off an impressive year with comparable sales of 11% in the fourth quarter, benefiting from strong sales momentum as the team executes against its strategic priorities. At Burger King US, we saw sequential improvement in comparable sales in the first quarter of our *Reclaim the Flame* plan, while driving further underlying improvements in operations across the system. On the Burger King International front, we once again delivered double-digit comparable sales with strong digital capabilities helping drive results.

Popeyes delivered its strongest year of restaurant growth since we acquired the brand in 2017, reaching nearly 4,100 restaurants worldwide. Meanwhile Firehouse Subs wrapped up its first full year in the RBI family, making important progress to position the brand to accelerate development and digital growth in the years ahead,” continued Cil.

“We are focused on being guest-led in everything we do, setting our franchisees up for long-term success and as a result, setting ourselves, and our shareholders, up for long-term value creation. I’d like to thank our employees, franchisees, and team members for all their hard work and dedication throughout 2022,” concluded Cil.

2022 Highlights:

- System-wide Sales Growth of 13.4%
- Net Restaurant Growth of 4.3%
- Diluted EPS of \$3.25 versus \$2.69 in prior year
- Adjusted Diluted EPS of \$3.14 versus \$2.82 in prior year
- Net Income of \$1,482 million versus \$1,253 million in prior year
- Adjusted EBITDA of \$2,378 million increased 7.5% organically versus the prior year
- Net Cash Provided by Operating Activities of \$1,490 million and Free Cash Flow of \$1,390 million

RBI Board of Directors Appoints Joshua Kobza as CEO

RBI’s Board of Directors announced today in a separate press release that it has appointed Joshua Kobza as the company’s CEO effective March 1, 2023, as part of its ongoing succession planning process. Mr. Kobza will undertake his new role reporting to, and working together with, Patrick Doyle, a well-known industry veteran and Executive Chairman of RBI. José Cil will remain with the company for one year as an advisor and assist in the transition.

Consolidated Operational Highlights

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
	<i>(unaudited)</i>		<i>(unaudited)</i>	
System-wide Sales Growth				
TH	12.3 %	14.0 %	13.7 %	12.5 %
BK	11.8 %	15.4 %	14.3 %	15.9 %
PLK	11.2 %	7.2 %	9.4 %	7.3 %
Consolidated (a)	11.8 %	13.8 %	13.4 %	13.8 %
FHS (b)	3.9 %	18.1 %	4.2 %	25.1 %
System-wide Sales (in US\$ millions)				
TH	\$ 1,825	\$ 1,736	\$ 7,164	\$ 6,526
BK	\$ 6,552	\$ 6,182	\$ 25,482	\$ 23,450
PLK	\$ 1,533	\$ 1,397	\$ 5,951	\$ 5,519
FHS	\$ 301	N/A	\$ 1,154	N/A
Consolidated (a)	\$ 10,211	\$ 9,315	\$ 39,751	\$ 35,495
FHS (b)	N/A	\$ 273	N/A	\$ 1,091
Net Restaurant Growth				
TH	5.8 %	6.9 %	5.8 %	6.9 %
BK	2.8 %	3.3 %	2.8 %	3.3 %
PLK	10.4 %	7.4 %	10.4 %	7.4 %
FHS	2.4 %	N/A	2.4 %	N/A
Consolidated (a)	4.3 %	4.5 %	4.3 %	4.5 %
FHS (b)	N/A	1.6 %	N/A	1.6 %
System Restaurant Count at Period End				
TH	5,600	5,291	5,600	5,291
BK	19,789	19,247	19,789	19,247
PLK	4,091	3,705	4,091	3,705
FHS	1,242	1,213	1,242	1,213
Consolidated	30,722	29,456	30,722	29,456
Comparable Sales				
TH	9.4 %	10.3 %	10.0 %	10.6 %
BK	8.4 %	11.3 %	9.7 %	9.3 %
PLK	3.8 %	(0.4)%	1.4 %	(0.4)%
Consolidated (a)	7.9 %	9.3 %	8.5 %	7.9 %
FHS (b)	0.4 %	14.7 %	0.6 %	20.9 %

(a) Consolidated system-wide sales growth and consolidated comparable sales do not include the results of Firehouse Subs for all of the periods presented. Consolidated system-wide sales and consolidated net restaurant growth do not include the results of Firehouse Subs for 2021.

(b) For 2022, FHS system-wide sales growth, system-wide sales, comparable sales and net restaurant growth are for the period from December 27, 2021 through December 31, 2022. Firehouse Subs figures for 2021 are shown for informational purposes only, consistent with its 2021 fiscal calendar.

Note: System-wide sales growth and comparable sales are calculated on a constant currency basis and include sales at franchise restaurants and company-owned restaurants. System-wide sales are driven by sales at franchise restaurants, as approximately 100% of current restaurants are franchised. We do not record franchise sales as revenues; however, our royalty revenues and advertising fund contributions are calculated based on a percentage of franchise sales. Additionally, if a restaurant is closed for a significant portion of a month, the restaurant is excluded from the monthly comparable sales calculation.

Consolidated Financial Highlights

<i>(in US\$ millions, except per share data)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
	<i>(unaudited)</i>		<i>(unaudited)</i>	
Total Revenues	\$ 1,689	\$ 1,546	\$ 6,505	\$ 5,739
Net Income	\$ 336	\$ 262	\$ 1,482	\$ 1,253
Diluted Earnings per Share	\$ 0.74	\$ 0.57	\$ 3.25	\$ 2.69
TH Adjusted EBITDA ⁽¹⁾	\$ 263	\$ 259	\$ 1,073	\$ 997
BK Adjusted EBITDA ⁽¹⁾	\$ 246	\$ 266	\$ 1,007	\$ 1,021
PLK Adjusted EBITDA ⁽¹⁾	\$ 63	\$ 57	\$ 242	\$ 228
FHS Adjusted EBITDA ⁽¹⁾	\$ 16	\$ 2	\$ 56	\$ 2
Adjusted EBITDA ⁽²⁾	\$ 588	\$ 584	\$ 2,378	\$ 2,248
Adjusted Net Income ⁽²⁾	\$ 326	\$ 340	\$ 1,430	\$ 1,308
Adjusted Diluted Earnings per Share ⁽²⁾	\$ 0.72	\$ 0.74	\$ 3.14	\$ 2.82
	As of December 31,			
	2022	2021		
	<i>(unaudited)</i>			
Net cash provided by operating activities	\$ 1,490	\$ 1,726		
Net cash used for investing activities	\$ (64)	\$ (1,103)		
Net cash used for financing activities	\$ (1,307)	\$ (1,093)		
Free Cash Flow ⁽²⁾	\$ 1,390	\$ 1,620		
Net Debt	\$ 12,210	\$ 12,396		
Net Income Net Leverage ⁽³⁾	8.2x	9.9x		
Adjusted EBITDA Net Leverage ⁽²⁾	5.1x	5.5x		

(1) TH Adjusted EBITDA, BK Adjusted EBITDA, PLK Adjusted EBITDA, and FHS Adjusted EBITDA are our measures of segment profitability.

(2) Adjusted EBITDA, Adjusted Net Income, Adjusted Diluted Earnings per Share, Free Cash Flow, and Adjusted EBITDA Net Leverage are non-GAAP financial measures. Please refer to "Non-GAAP Financial Measures" for further detail.

(3) Net Income Net Leverage is defined as net debt (total debt less cash and cash equivalents) divided by Net Income (compliant with SEC guidance regarding non-GAAP financial measures).

Commencing upon the acquisition of Firehouse Subs in December 2021, we have four operating segments: Tim Hortons (TH), Burger King (BK), Popeyes Louisiana Kitchen (PLK) and Firehouse Subs (FHS). RBI financial results for the full year and fourth quarter of 2021 include the financial results of FHS from the acquisition date of December 15, 2021 through December 26, 2021, the 2021 fiscal year end for FHS. RBI financial results for the full year of 2022 include the financial results of FHS from December 27, 2021 to December 31, 2022.

The year-over-year increases in Total Revenues on an as reported and on an organic basis for the full year and fourth quarter were primarily driven by an increase in system-wide sales at Tim Hortons, Burger King and Popeyes. On an as reported basis the increases were also driven by the inclusion of Firehouse Subs, partially offset by unfavorable FX movements.

The increase in Net Income for the full year was primarily driven by an income tax benefit in the current year compared to an income tax expense in the prior year, increases in organic Adjusted EBITDA in our TH, BK and PLK segments, the inclusion of FHS Adjusted EBITDA for a full year, partially offset by unfavorable FX movements, an increase in share-based compensation and non-cash incentive compensation expense, an increase in loss from equity method investments, an increase in Corporate restructuring and tax advisory fees, an increase in interest expense, net, an increase in other operating expenses (income), net, and an increase in expenses in connection with the FHS acquisition and integration.

The increase in Net Income for the fourth quarter was primarily driven by an income tax benefit in the current year compared to an income tax expense in the prior year, increases in organic Adjusted EBITDA in our TH and PLK segments, an increase in Adjusted EBITDA in our FHS segment reflecting a full quarter of results, partially offset by an increase in other operating expenses (income), net, a decrease in organic Adjusted EBITDA in our BK segment, an increase in Corporate restructuring and tax advisory fees, an increase in interest expense, net, an increase in loss from equity method investments, an increase in share-based compensation and non-cash incentive compensation expense and unfavorable FX movements.

The year-over-year changes in Adjusted EBITDA on an as reported basis for the full year and fourth quarter were primarily driven by increases in TH, FHS and PLK Adjusted EBITDA, partially offset by a decrease in BK Adjusted EBITDA and unfavorable FX movements. The year-over-year change in Adjusted EBITDA on an organic basis for the full year was primarily driven by increases in TH, BK and PLK Adjusted EBITDA. The year-over-year change in Adjusted EBITDA on an organic basis for the fourth quarter was primarily driven by increases in TH and PLK Adjusted EBITDA, partially offset by a decrease in BK Adjusted EBITDA.

The year-over-year increase in Adjusted Net Income for the full year was primarily driven by the increase in organic Adjusted EBITDA in our TH, BK and PLK segments, an increase in Adjusted EBITDA in our FHS segment reflecting a full year, and a decrease in adjusted tax expense, partially offset by unfavorable FX movements, an increase in share-based compensation and non-cash incentive compensation expense and an increase in interest expense, net.

The year-over-year decrease in Adjusted Net Income for the fourth quarter was primarily driven by unfavorable FX movements, an increase in interest expense, net, an increase in share-based compensation and non-cash incentive compensation expense, and a decrease in Adjusted EBITDA in our BK segment, partially offset by increases in Adjusted EBITDA in our TH and PLK segments, an increase in Adjusted EBITDA in our FHS segment reflecting a full quarter of contribution, and a decrease in adjusted income tax expense.

Burger King US Reclaim the Flame

In September 2022, Burger King shared the details of its “Reclaim the Flame” plan to accelerate sales growth and drive franchisee profitability. As part of the plan, we will enhance ongoing franchisee investments by investing \$400 million over the next two years, comprising \$150 million in advertising and digital investments (“Fuel the Flame”) and \$250 million in high-quality remodels and relocations, restaurant technology, kitchen equipment, and building enhancements (“Royal Reset”).

As of December 31, 2022, we have funded a total of \$13 million toward the Fuel the Flame investment and \$17 million toward our Royal Reset investment. The Fuel the Flame investment resulted in a 5% negative impact on Burger King organic Adjusted EBITDA growth and a 2% negative impact on organic RBI consolidated Adjusted EBITDA growth for the fourth quarter ended December 31, 2022.

War in Ukraine

During the first quarter of 2022, we shared a number of actions that we have taken as a result of the events related to Russia's military invasion of Ukraine. Burger King is our only brand with restaurants in Russia, all of which are operated under a master franchise arrangement. We suspended all corporate support for the Russian market, including operations, marketing, and supply chain support in addition to refusing approvals for new investment and expansion. During the fourth quarter, the non-recurrence of 2021 profits from these restaurants had an estimated \$11 million, or 2%, negative impact on our year-over-year organic adjusted EBITDA growth, and an estimated \$46 million, or 2%, negative impact on our full year organic adjusted EBITDA growth.

While for 2022 we include results from our franchised restaurants in Russia in our key performance indicators, we did not generate any new profits from restaurants in Russia in 2022 and do not expect to generate any new profits in 2023. Consequently, beginning in the first quarter of 2023, we intend to report our key performance indicators excluding the results from our franchised restaurants in Russia for all periods presented. Below are the RBI consolidated and BK segment operational highlights excluding the results from Russia for the three and twelve months ended December 31, 2022 and 2021. Refer to page 24 for the RBI consolidated and BK segment quarterly operational highlights excluding the results from Russia for 2021.

Consolidated Operational Highlights (excluding Russia)	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
	<i>(unaudited)</i>		<i>(unaudited)</i>	
System-wide Sales Growth				
BK	11.1 %	14.8 %	13.5 %	15.1 %
Consolidated (a)	11.4 %	13.4 %	12.9 %	13.3 %
System-wide Sales (in US\$ millions)				
BK	\$ 6,275	\$ 5,996	\$ 24,402	\$ 22,726
Consolidated (a)	\$ 9,934	\$ 9,130	\$ 38,671	\$ 34,771
Net Restaurant Growth				
BK	2.9 %	3.2 %	2.9 %	3.2 %
Consolidated (a)	4.4 %	4.4 %	4.4 %	4.4 %
System Restaurant Count at Period End				
BK	18,969	18,427	18,969	18,427
Consolidated	29,902	28,636	29,902	28,636
Comparable Sales				
BK	7.8 %	10.9 %	9.0 %	8.7 %
Consolidated (a)	7.5 %	9.0 %	7.9 %	7.6 %

(a) Consolidated system-wide sales growth and consolidated comparable sales do not include the results of Firehouse Subs for all of the periods presented. Consolidated system-wide sales and consolidated net restaurant growth do not include the results of Firehouse Subs for 2021.

COVID-19 and Macro Economic Environment

The global crisis resulting from the spread of coronavirus ("COVID-19") impacted our global restaurant operations for the three and twelve months ended December 31, 2022 and 2021, though in 2022 the impact was more modest than in the prior year period. During the three and twelve months ended December 31, 2022, 2021 and 2020, substantially all restaurants remained open, some with limited operations, such as reduced, if any, dine-in capacity, and/or restrictions on hours of operation. Certain markets periodically required temporary closures while implementing government mandated lockdown orders. For example, while most regions eased restrictions, increases in cases and new variants caused certain markets, including China, to reimpose temporary restrictions as a result of government mandates in 2022.

During 2022, there were increases in commodity, labor, and energy costs partially due to the macroeconomic impact of both COVID-19 and the War in Ukraine. Further significant increases in inflation could affect the global, Canadian and U.S. economies, resulting in foreign exchange pressures and rising interest rates which could have an adverse impact on our business and results of operations if we and our franchisees are not able to adjust prices sufficiently to offset the effect of cost increases without negatively impacting consumer demand.

Reclassification of Technology Revenues and Expenses

During the first quarter of 2022 we made a change to the way we report revenues and expenses related to technology initiatives to provide clarity and consistency across our brands and with our industry peers. We had previously included revenue from technology fees in Franchise and property revenues, while the associated technology expenses were included in General and administrative expenses. Starting in the first quarter of 2022, revenue from technology fees is reported in Advertising revenues and other services, while the associated technology expenses are reported in Advertising expenses and other services.

Additionally, prior year amounts in the condensed consolidated statements of operations and accompanying BK segment results have been reclassified in order to be comparable with the current year classifications. These reclassifications did not arise as a result of any changes to accounting policies and relate entirely to presentation with no effect on previously reported net income and segment income. Refer to page 25 for the RBI consolidated and BK segment quarterly results for 2021 adjusted for these reclassifications.

TH Segment Results

(in US\$ millions)	Three Months Ended December 31,				Twelve Months Ended December 31,			
	2022		2021		2022		2021	
	<i>(unaudited)</i>				<i>(unaudited)</i>			
System-wide Sales Growth	12.3 %		14.0 %		13.7 %		12.5 %	
System-wide Sales	\$	1,825	\$	1,736	\$	7,164	\$	6,526
Comparable Sales	9.4 %		10.3 %		10.0 %		10.6 %	
Net Restaurant Growth	5.8 %		6.9 %		5.8 %		6.9 %	
System Restaurant Count at Period End	5,600		5,291		5,600		5,291	
Sales	\$	694	\$	628	\$	2,631	\$	2,249
Franchise and Property Revenues	\$	231	\$	225	\$	925	\$	864
Advertising Revenues and Other Services	\$	68	\$	63	\$	267	\$	229
Total Revenues	\$	993	\$	916	\$	3,823	\$	3,342
Cost of Sales	\$	573	\$	499	\$	2,131	\$	1,765
Franchise and Property Expenses	\$	81	\$	86	\$	333	\$	337
Advertising Expenses and Other Services	\$	69	\$	80	\$	280	\$	278
Segment G&A	\$	35	\$	32	\$	127	\$	109
Segment Depreciation and Amortization	\$	26	\$	32	\$	109	\$	126
Adjusted EBITDA ⁽¹⁾⁽⁴⁾	\$	263	\$	259	\$	1,073	\$	997

(4) TH Adjusted EBITDA includes \$2 million and \$8 million of cash distributions received from equity method investments for the three months ended December 31, 2022 and 2021, respectively. TH Adjusted EBITDA includes \$13 million and \$17 million of cash distributions received from equity method investments for the twelve months ended December 31, 2022 and 2021, respectively.

For the full year and fourth quarter, the increase in system-wide sales was primarily driven by comparable sales of 10.0% and 9.4%, respectively, including Canada comparable sales of 11.6% and 11.0% for the full year and fourth quarter, respectively, and net restaurant growth of 5.8%.

The year-over-year increase in Total Revenues for the full year and fourth quarter on an as reported and on an organic basis was primarily driven by the increase in system-wide sales as well as increases in commodity prices passed on to franchisees and an increase in sales to retailers. The increase in Total Revenues on an as reported basis was partially offset by unfavorable FX movements.

The year-over-year increase in Adjusted EBITDA for the full year and fourth quarter on an as reported and on an organic basis was primarily driven by the increase in system-wide sales and by advertising revenues exceeding advertising expenses in the current year period but not in the prior year period, partially offset by an increase in Segment G&A and lower cash distributions received from equity method investments. The increase in Adjusted EBITDA on an as reported basis was partially offset by unfavorable FX movements.

BK Segment Results

<i>(in US\$ millions)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
	<i>(unaudited)</i>		<i>(unaudited)</i>	
System-wide Sales Growth	11.8 %	15.4 %	14.3 %	15.9 %
System-wide Sales	\$ 6,552	\$ 6,182	\$ 25,482	\$ 23,450
Comparable Sales	8.4 %	11.3 %	9.7 %	9.3 %
Net Restaurant Growth	2.8 %	3.3 %	2.8 %	3.3 %
System Restaurant Count at Period End	19,789	19,247	19,789	19,247
Sales	\$ 18	\$ 15	\$ 70	\$ 64
Franchise and Property Revenues	\$ 340	\$ 348	\$ 1,342	\$ 1,292
Advertising Revenues and Other Services	\$ 132	\$ 117	\$ 485	\$ 457
Total Revenues	\$ 490	\$ 480	\$ 1,897	\$ 1,813
Cost of Sales	\$ 19	\$ 17	\$ 74	\$ 66
Franchise and Property Expenses	\$ 42	\$ 42	\$ 167	\$ 142
Advertising Expenses and Other Services	\$ 150	\$ 122	\$ 522	\$ 473
Segment G&A	\$ 47	\$ 48	\$ 177	\$ 162
Segment Depreciation and Amortization	\$ 12	\$ 12	\$ 47	\$ 48
Adjusted EBITDA ⁽¹⁾⁽⁵⁾	\$ 246	\$ 266	\$ 1,007	\$ 1,021

(5) BK Adjusted EBITDA includes \$1 million and \$4 million of cash distributions received from equity method investments for the three months ended December 31, 2022 and 2021, respectively. BK Adjusted EBITDA includes \$1 million and \$4 million of cash distributions received from equity method investments for the twelve months ended December 31, 2022 and 2021, respectively.

For the full year and fourth quarter, the increase in system-wide sales was driven by comparable sales of 9.7% and 8.4%, respectively, including rest of the world comparable sales of 15.9% for the full year and 11.0% for the fourth quarter and US comparable sales of 2.2% for the full year and 5.0% for the fourth quarter, and net restaurant growth of 2.8%.

The year-over-year increase in Total Revenues for the full year and fourth quarter on an as reported and on an organic basis was primarily driven by the increase in system-wide sales. The increase in Total Revenues for the full year and fourth quarter on an as reported basis was partially offset by unfavorable FX movements.

The year-over-year changes in Adjusted EBITDA for the full year and fourth quarter on an as reported and on an organic basis were primarily driven by the increases in system-wide sales, partially offset by advertising expenses and other services exceeding advertising revenues and other services in the current year periods to a greater extent than in the prior year periods, bad debt expenses in the current year periods compared to bad debt recoveries in the prior year periods and lower cash distributions received from equity method investments compared to the prior year period. In addition, Adjusted EBITDA for the full year was impacted by higher Segment G&A largely as a result of hiring across a number of key areas including operations and franchising. The decreases in Adjusted EBITDA for the full year and fourth quarter on an as reported basis were also impacted by unfavorable FX movements.

PLK Segment Results

<i>(in US\$ millions)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
	<i>(unaudited)</i>		<i>(unaudited)</i>	
System-wide Sales Growth	11.2 %	7.2 %	9.4 %	7.3 %
System-wide Sales	\$ 1,533	\$ 1,397	\$ 5,951	\$ 5,519
Comparable Sales	3.8 %	(0.4)%	1.4 %	(0.4)%
Net Restaurant Growth	10.4 %	7.4 %	10.4 %	7.4 %
System Restaurant Count at Period End	4,091	3,705	4,091	3,705
Sales	\$ 20	\$ 16	\$ 78	\$ 64
Franchise and Property Revenues	\$ 79	\$ 71	\$ 309	\$ 283
Advertising Revenues and Other Services	\$ 71	\$ 58	\$ 260	\$ 232
Total Revenues	\$ 170	\$ 145	\$ 647	\$ 579
Cost of Sales	\$ 18	\$ 15	\$ 72	\$ 58
Franchise and Property Expenses	\$ 2	\$ 2	\$ 11	\$ 9
Advertising Expenses and Other Services	\$ 72	\$ 59	\$ 263	\$ 235
Segment G&A	\$ 17	\$ 14	\$ 65	\$ 56
Segment Depreciation and Amortization	\$ 2	\$ 2	\$ 7	\$ 7
Adjusted EBITDA ⁽¹⁾	\$ 63	\$ 57	\$ 242	\$ 228

For the full year and fourth quarter, the increase in system-wide sales was driven by net restaurant growth of 10.4% as well as comparable sales of 1.4% for the full year and 3.8% for the fourth quarter, including a decrease in US comparable sales of (0.5)% for the full year and an increase in US comparable sales of 1.5% for the fourth quarter.

The year-over-year increase in Total Revenues for the full year and fourth quarter on an as reported and on an organic basis was primarily driven by the increase in system-wide sales. The increase in Total Revenues for the full year on an as reported basis was partially offset by unfavorable FX movements.

The year-over-year increase in Adjusted EBITDA for the full year and fourth quarter on an as reported and on an organic basis was primarily driven by the increases in system-wide sales, partially offset by higher Segment G&A largely as a result of hiring across a number of key areas including operations and franchising. The increase in Adjusted EBITDA for the full year on an as reported basis was also partially offset by unfavorable FX movements.

FHS Segment Results

<i>(in US\$ millions)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
	<i>(unaudited)</i>		<i>(unaudited)</i>	
System-wide Sales Growth (a)	3.9 %	18.1 %	4.2 %	25.1 %
System-wide Sales (a)	\$ 301	\$ 273	\$ 1,154	\$ 1,091
Comparable Sales (a)	0.4 %	14.7 %	0.6 %	20.9 %
Net Restaurant Growth (a)	2.4 %	1.6 %	2.4 %	1.6 %
System Restaurant Count at Period End (a)	1,242	1,213	1,242	1,213
Sales	\$ 11	1	\$ 40	1
Franchise and Property Revenues	\$ 22	4	\$ 85	4
Advertising Revenues and Other Services	\$ 3	—	\$ 13	—
Total Revenues	\$ 36	5	\$ 138	5
Cost of Sales	\$ 9	1	\$ 35	1
Franchise and Property Expenses	\$ 1	1	\$ 7	1
Advertising Expenses and Other Services	\$ 4	—	\$ 12	—
Segment G&A	\$ 6	1	\$ 31	1
Segment Depreciation and Amortization	\$ —	—	\$ 2	—
Adjusted EBITDA ⁽¹⁾	\$ 16	2	\$ 56	2

(a) For 2022, FHS system-wide sales growth, system-wide sales, comparable sales and net restaurant growth are for the period from December 27, 2021 through December 31, 2022. Firehouse Subs figures for 2021 are shown for informational purposes only, consistent with its 2021 fiscal calendar.

For the full year and fourth quarter, the increase in system-wide sales was driven by net restaurant growth of 2.4%, and relatively flat comparable sales of 0.6% and 0.4% for the full year and fourth quarter, respectively, including US comparable sales of 1.1% and 1.0%, for the full year and fourth quarter, respectively.

Cash and Liquidity

As of December 31, 2022, total debt was \$13.4 billion, and net debt (total debt less cash and cash equivalents of \$1.2 billion) was \$12.2 billion, net income net leverage was 8.2x and adjusted EBITDA net leverage was 5.1x.

The RBI board of directors has declared a dividend of \$0.55 per common share and partnership exchangeable unit of RBI LP for the first quarter of 2023. The dividend will be payable on April 5, 2023 to shareholders and unitholders of record at the close of business on March 22, 2023. In connection with the declared dividend, RBI also announced that it is targeting a total of \$2.20 in dividends per common share and partnership exchangeable unit of RBI LP for 2023.

Investor Conference Call

We will host an investor conference call and webcast at 8:30 a.m. Eastern Time on Tuesday, February 14, 2023, to review financial results for the full year and fourth quarter ended December 31, 2022. The earnings call will be broadcast live via our investor relations website at <http://investor.rbi.com> and a replay will be available for 30 days following the release. The dial-in number is (646) 904-5544 for U.S. callers, (226) 828-7575 for Canadian callers, and (929) 526-1599 for callers from other countries. For all dial-in numbers please use the following access code: 217847.

Contacts

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About Restaurant Brands International Inc.

Restaurant Brands International Inc. ("RBI") is one of the world's largest quick service restaurant companies with over \$35 billion in annual system-wide sales and approximately 30,000 restaurants in more than 100 countries. RBI owns four of the world's most prominent and iconic quick service restaurant brands – TIM HORTONS®, BURGER KING®, POPEYES®, and FIREHOUSE SUBS®. These independently operated brands have been serving their respective guests, franchisees and communities for decades. Through its *Restaurant Brands for Good* framework, RBI is improving sustainable outcomes related to its food, the planet, and people and communities. To learn more about RBI, please visit the company's website at www.rbi.com.

Forward-Looking Statements

This press release contains certain forward-looking statements and information, which reflect management's current beliefs and expectations regarding future events and operating performance and speak only as of the date hereof. These forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties. These forward-looking statements include statements about our expectations regarding the effects and continued impact of the macro-economic pressures, such as inflation, rising interest rates and currency fluctuations, on our results of operations, business, liquidity, prospects and restaurant operations and those of our franchisees, including local conditions and government-imposed limitations and restrictions, our continued growth in 2023, our digital and marketing initiatives and expectations regarding further expenditures relating to these initiatives, including as a result of our plan to accelerate sales growth and drive franchisee profitability at Burger King, our growth opportunities, the development and growth of our Firehouse brand, plans and strategies for each of our brands and ability to drive long-term, sustainable growth, our 2023 dividend targets, and our suspension of operations in Russia and its impact on our results of operations. The factors that could cause actual results to differ materially from RBI's expectations are detailed in filings of RBI with the Securities and Exchange Commission and applicable Canadian securities regulatory authorities, such as its annual and quarterly reports and current reports on Form 8-K, and include the following: risks related to unforeseen events such as pandemics; risks related to supply chain; risks related to ownership and leasing of properties; risks related to our franchisees financial stability and their ability to access and maintain the liquidity necessary to operate their business; risks related to our fully franchised business model, including as a result of current and future legislation, regulations and interpretations relating to joint employer status and other labor matters; risks related to RBI's ability to successfully implement its domestic and international growth strategy and risks related to its international operations; risks related to RBI's ability to compete domestically and internationally in an intensely competitive industry; risks related to technology; risks related to the conflict between Russia and Ukraine, and changes in applicable tax and other laws and regulations or interpretations thereof. Other than as required under U.S. federal securities laws or Canadian securities laws, we do not assume a duty to update these forward-looking statements, whether as a result of new information, subsequent events or circumstances, change in expectations or otherwise.