



RESTAURANTS

EARNINGS PRESENTATION

FY24 RESULTS

GREAT PEOPLE,
GREAT FOOD,
GREAT COMPANY

February 2025

Disclaimer

Cautionary statement regarding forward looking information

This presentation includes statements that are, or may be deemed to be, "forward looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "plans", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places and include, but are not limited to, statements regarding the Company's intentions, beliefs or current expectations concerning, amongst other things, results of operations, financial condition, liquidity, prospects, growth and strategies. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future.

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The payment of dividends by the Company is subject to consideration by the Board of Directors of the cash management requirements of the Company. In addition, the Company expects that when deciding on dividend distribution, the Board of Directors will also consider market conditions, the then current operating environment in the markets in which the Company operates, and the outlook for the Company's business.

AGENDA & PRESENTERS



**AMARPAL
SANDHU**
CHIEF EXECUTIVE OFFICER

01 Business Updates



**HARSH
BANSAL**
CHIEF FINANCIAL OFFICER &
CHIEF GROWTH OFFICER

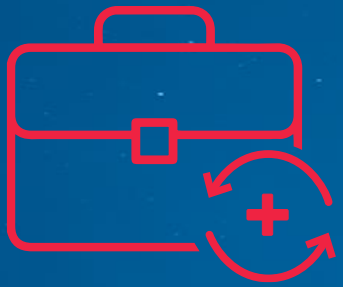
02 Financial Review



**SONIKA
SAHNI**
HEAD OF INVESTOR RELATIONS

03 The Way Forward


04 Appendix



BUSINESS **UPDATES**

2024 – Navigating challenges with resilience, focus and purpose

2024 performance metrics




Sales recovery

- ✓ **14.1% growth** YoY (Q4 24 vs Q4 23)
- ✓ **6.1% growth** QoQ (Q4 24 vs Q3 24)



Enhanced market presence

- ✓ Pizza Hut Oman business acquisition; LOI signed in Q4, completed Jan 2025
- ✓ Peet's Coffee debuted in Abu Dhabi; continued expansion in Dubai




Gross margin improvement

- ✓ **70.8%** in gross margins¹ vs **68.9%** in 2023




Expansion of digital assets

- ✓ Launched loyalty program for Hardee's and Pizza Hut in the UAE and KSA
- ✓ Americana Digital Platform (ADP)² kiosks installed in KFC Kuwait and Qatar



Store expansion

- ✓ **213 gross and 155 net** new stores
- ✓ **700+** stores in KSA; **100+** Pizza Hut stores in KSA



Proposed dividends

- ✓ Proposed **\$127.0m³** dividend for 2024

Source: Company information
 1. Calculated as revenue less cost of raw materials, filling and packing materials, as % of revenue
 2. Americana Digital Platform is the back engine for Americana apps, website and kiosks
 3. Subject to shareholders approval at AGM

Ongoing focus on elevating customer experience as well as enhanced community engagement efforts

Year-round efforts on business recovery, digital assets expansion, and community engagement

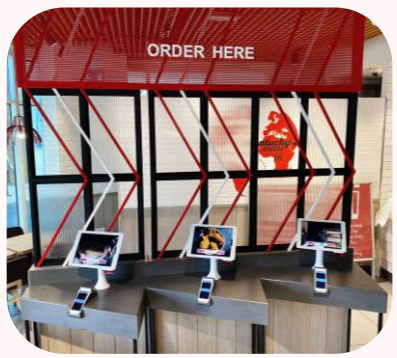
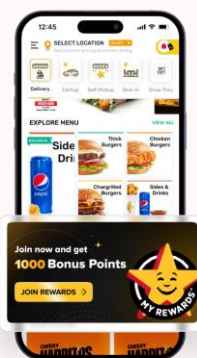
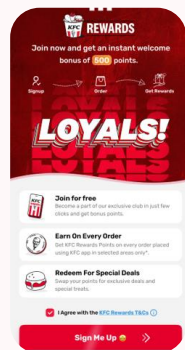
Affordability by offering limited time offers and value meals



Product innovation across Power brands



Driving experience and convenience



Continued support for local communities



Source: Company information

FY24 Performance dashboard



Restaurant Portfolio

2,590 stores

+213 gross new restaurants added

+155 net new restaurants added



Revenues \$2,196.8m

(vs. 2023A)

(9.0%) decline



LfL

(vs. 2023A)

(12.5%) decline



Adj. EBITDA \$484.3m

(vs. 2023A)

(12.1%) decline

22.0% margin



Net Profit \$158.8m

(vs. 2023A)

(38.8%) decline

7.2% margin



Capex \$115.3m

5.2% of revenue

\$327k (Avg. capex¹ / Restaurant)

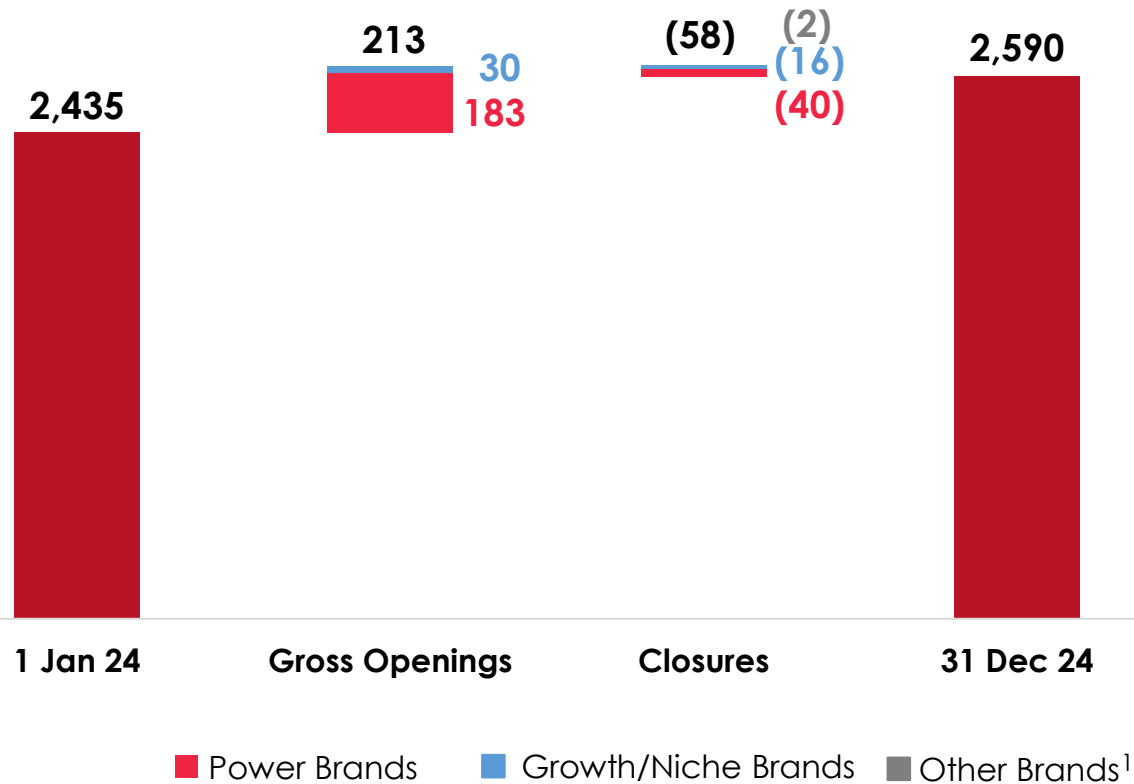
Source: Company information

1. Avg. capex per restaurant for stores opened between 1 October 2022 and 30 September 2024

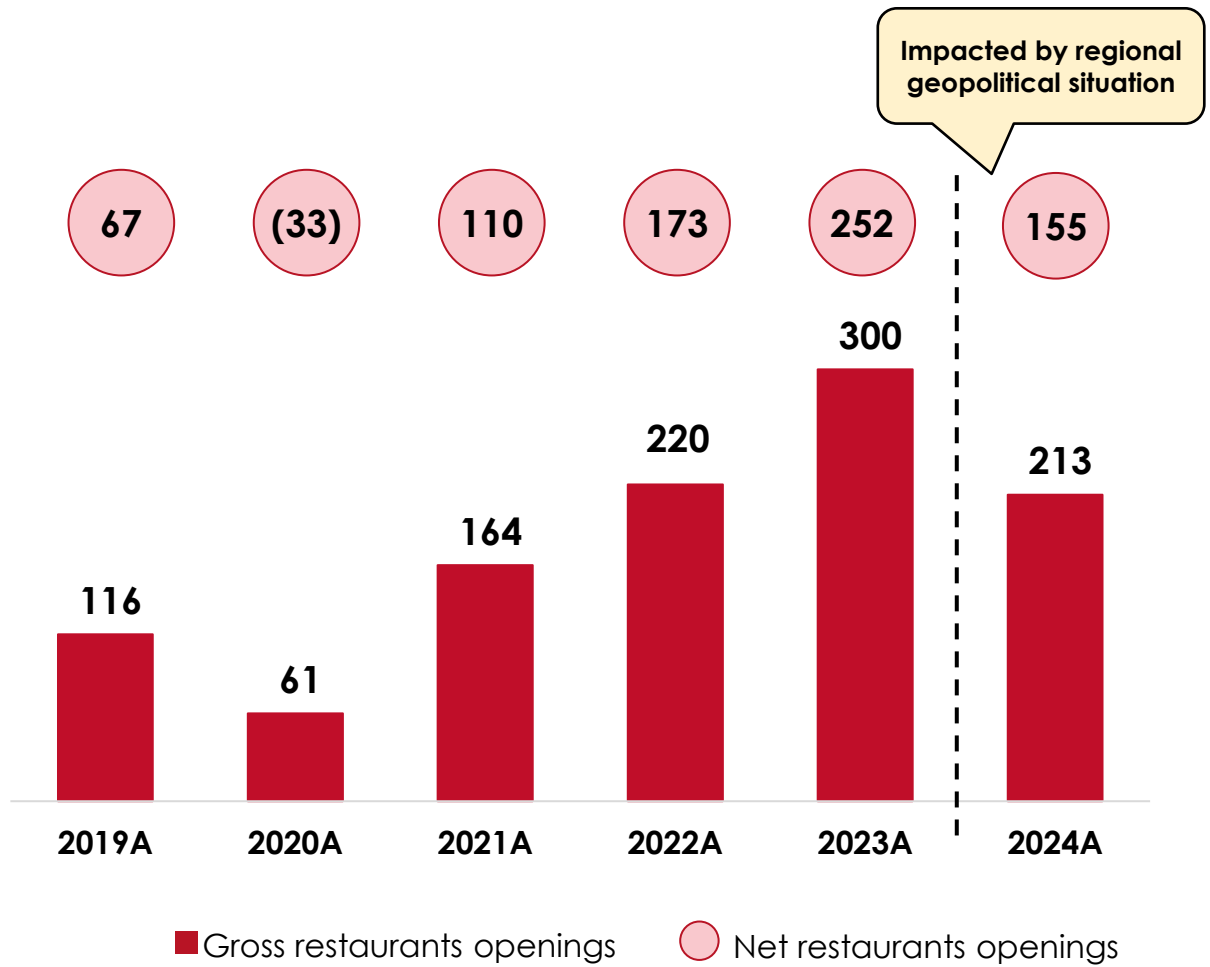
155 net new stores added in FY 24

Restaurant portfolio evolution (1 Jan 24 – 31 Dec 24)

No. of restaurants



Restaurant openings (2019A – 2024A)



Source: Company information
 1. Closed one Fish Market and one Grand Café store



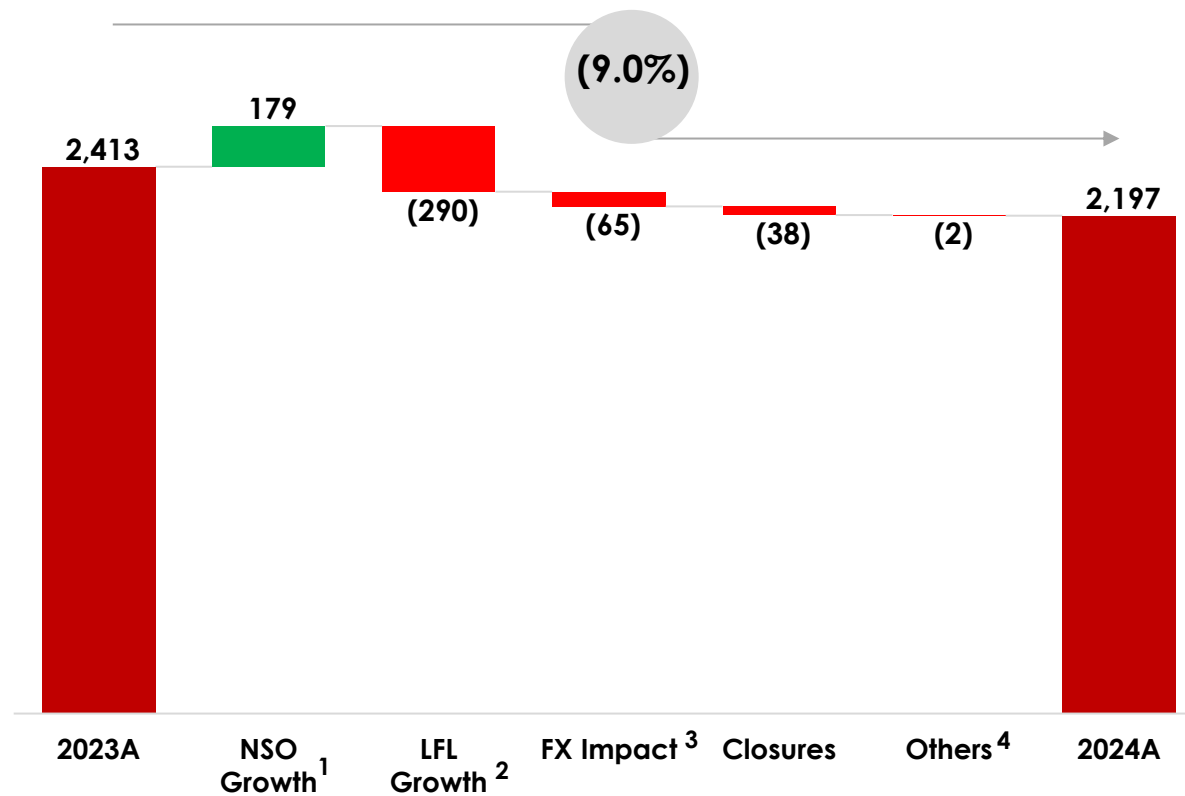
FINANCIAL

REVIEW

Double digit revenue growth in Q4 24; supported by LFL growth and NSOs

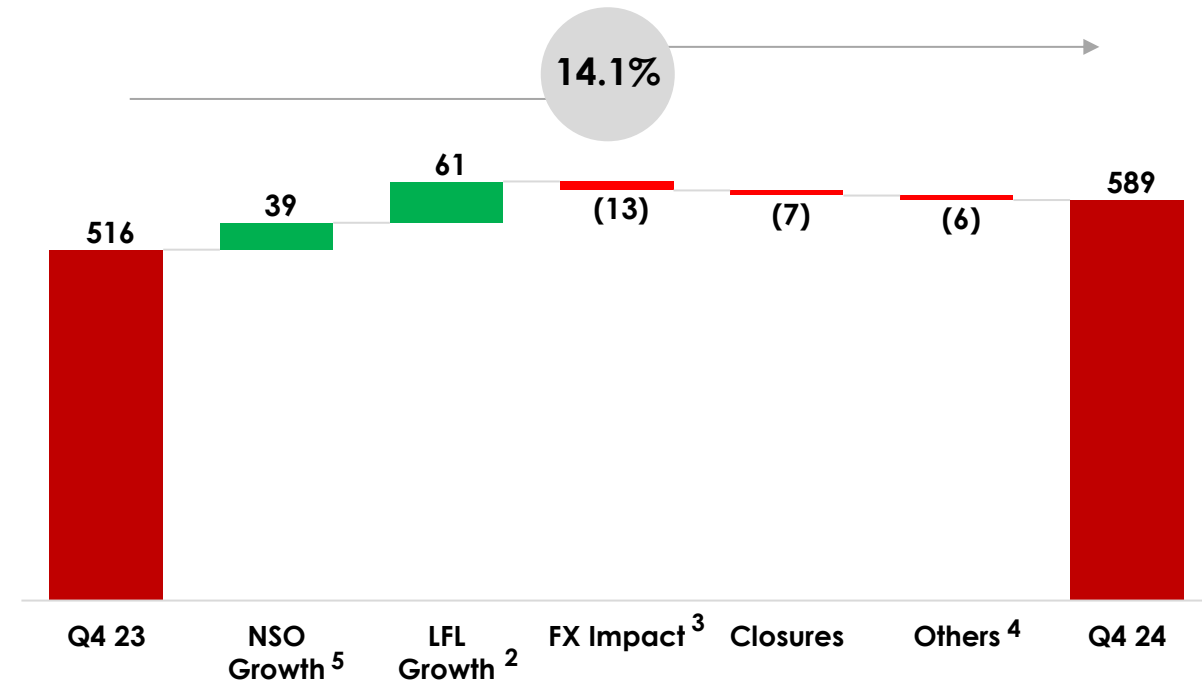
Revenue bridge (FY 23 to FY 24)

\$m



Revenue bridge (Q4 23 to Q4 24)

\$m

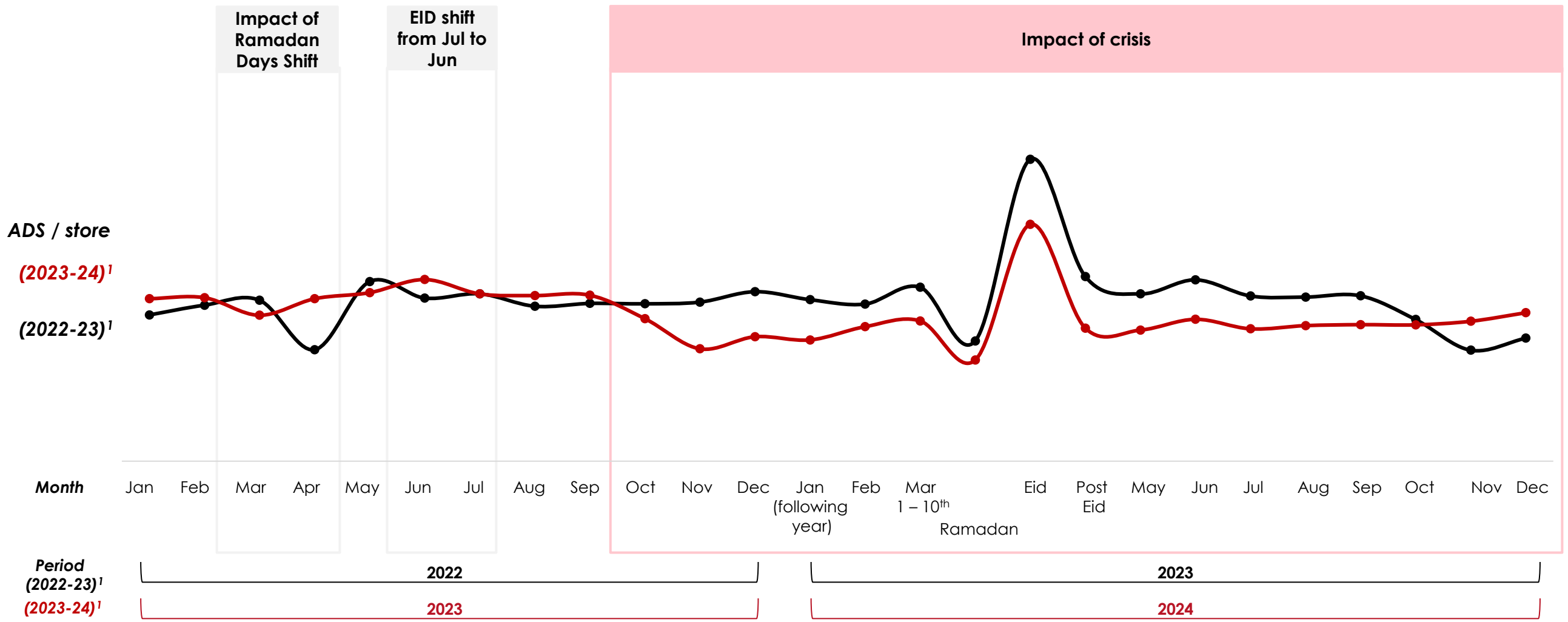


Source: Company information

1. Revenue contribution from stores opened during 2023 and 2024
2. LFL growth for stores that have completed 12 months of operations
3. FX impact mainly due to Egypt and Lebanon
4. Others include Lebanon hyperinflation impact, rentals and logistics
5. Revenue contribution from stores opened during Q4 23 and Q4 24

Higher ADS in Q4 24, driven by business recovery and the base effect

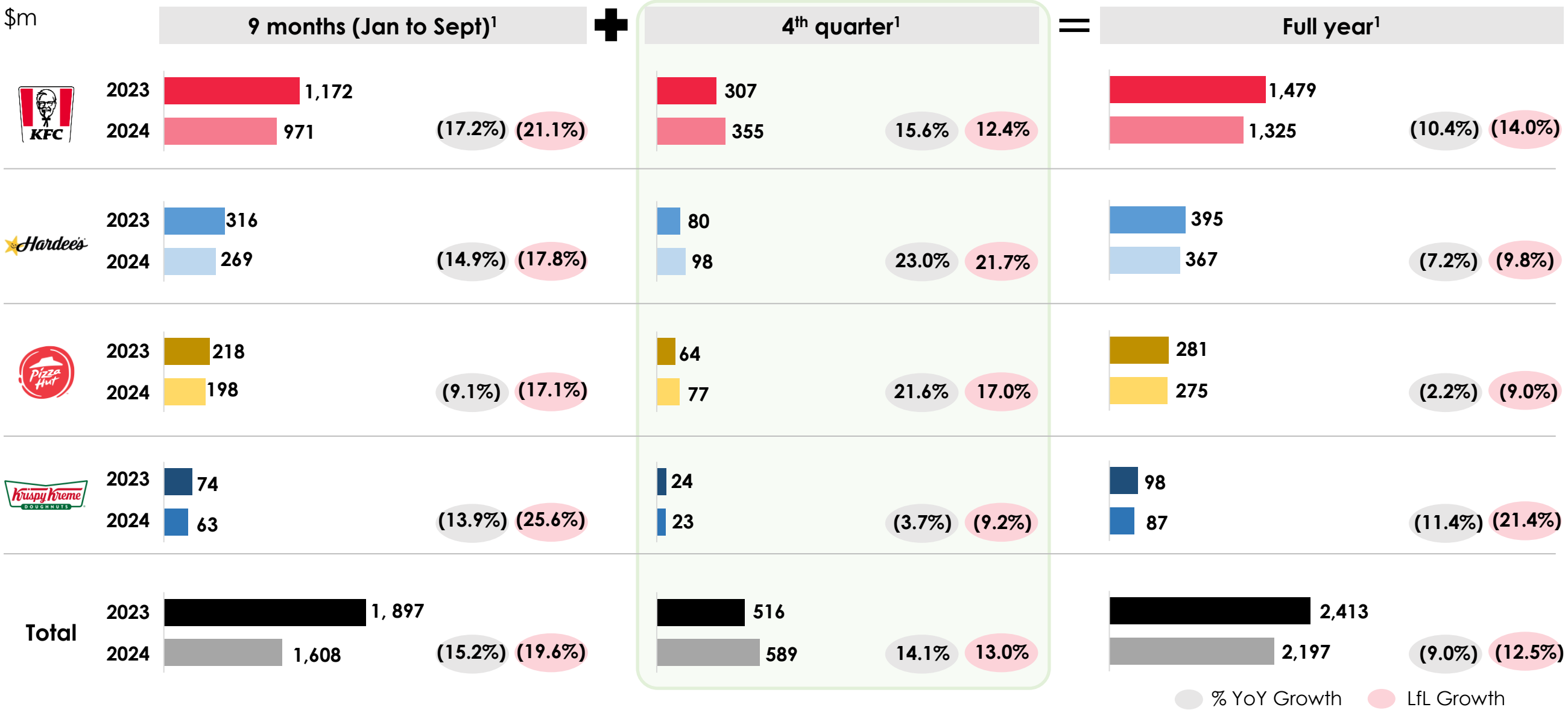
Continued business recovery which started in Q3 24



Source: Company information
 1. Comparison ADS/store of LFL stores (stores fully operational in 2022 and 2023)

Strategic initiatives drive Q4 24 recovery across brands

Revenues by Power Brands

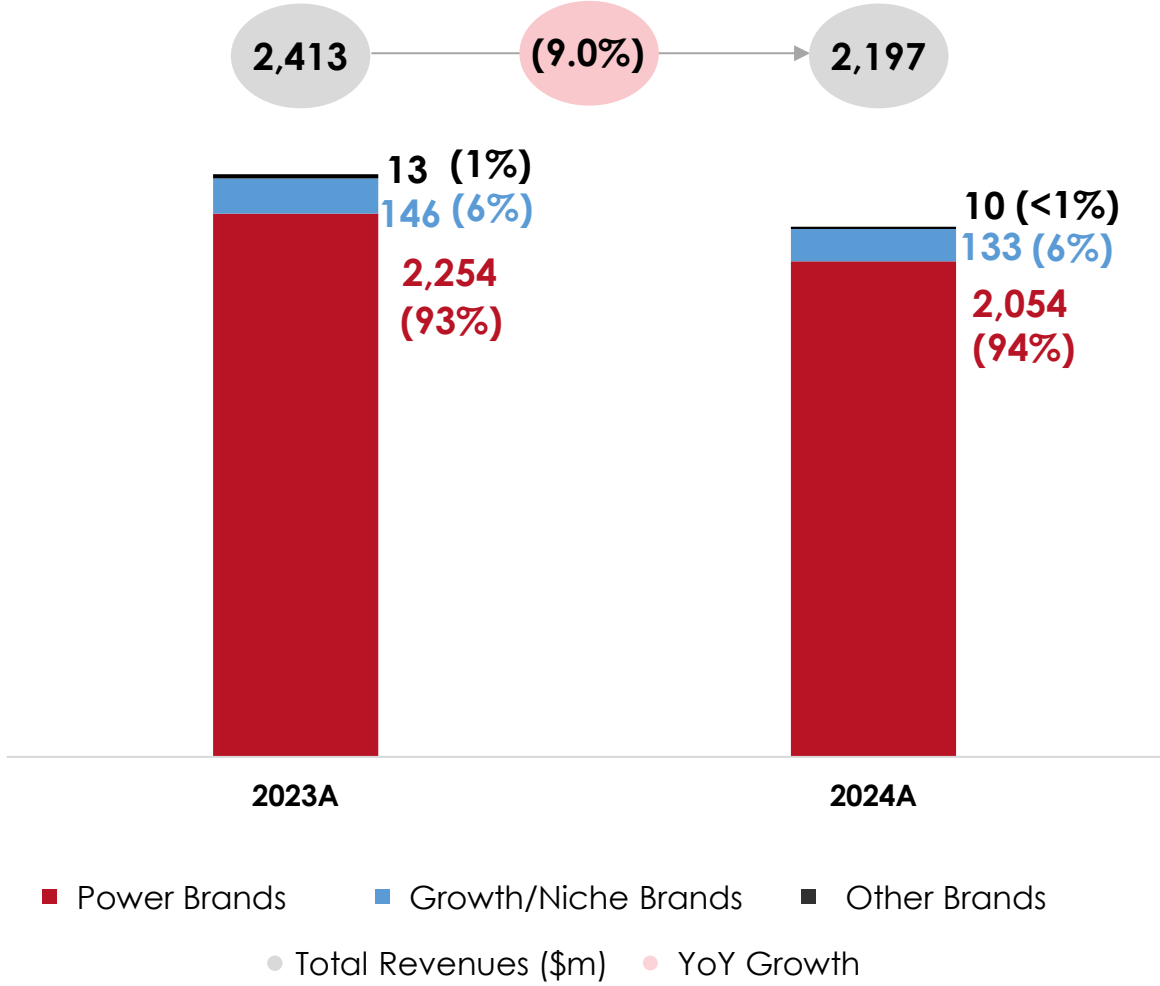


Source: Company information
 1. Sum of 9M and Q4 might not add up to full year due to rounding

Higher contribution from home delivery due to evolving consumer preferences and increased focus towards digital channels

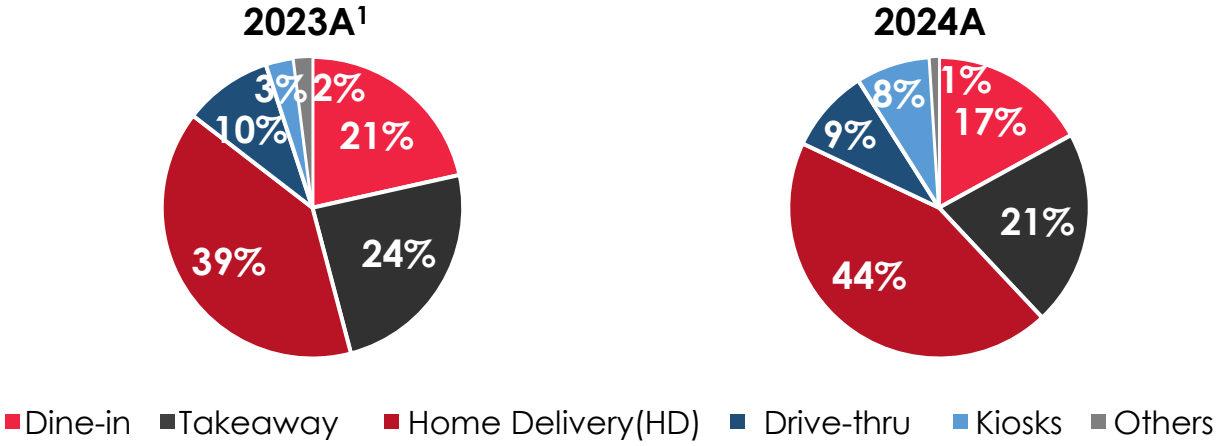
Revenue mix

\$m



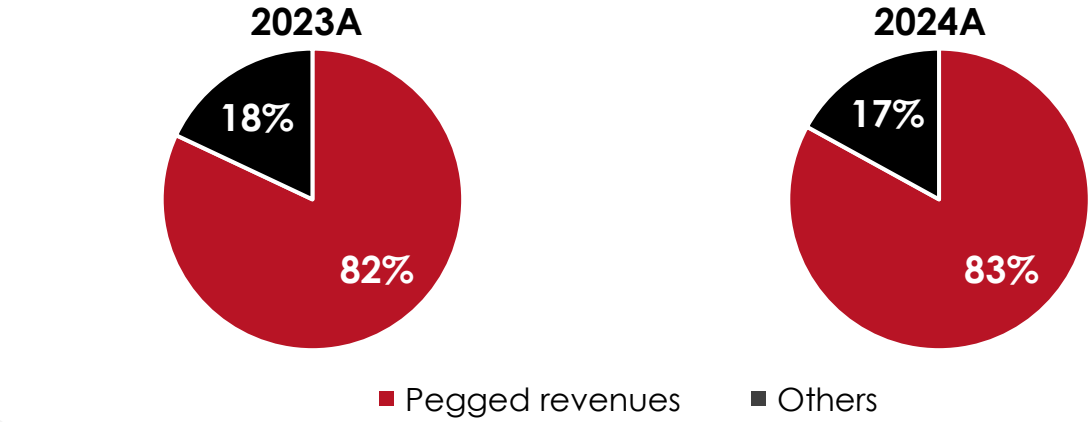
Channel mix

\$m



Revenues in stable pegged currencies

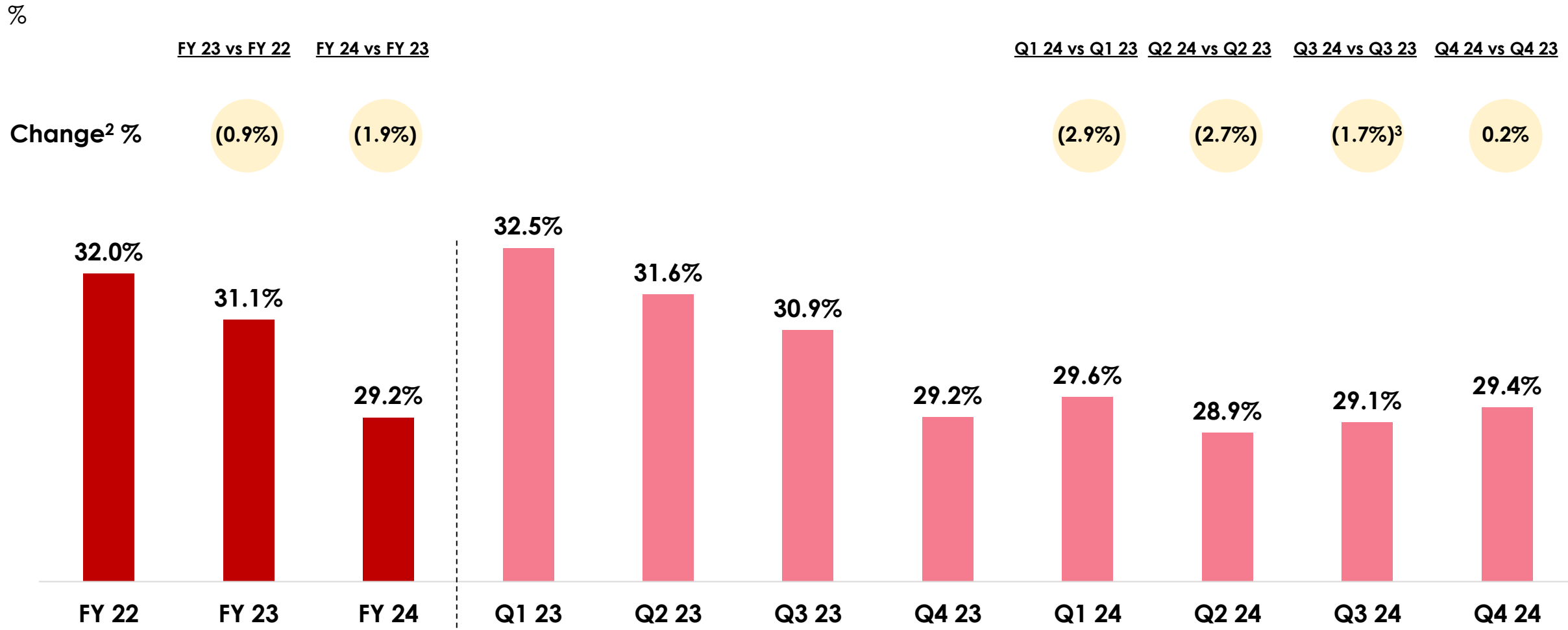
%



Source: Company information
 1. Sum might not add up to 100% due to rounding

Lower cost of inventory supporting margins; driven by favorable commodity trends and procurement initiatives, despite value offerings and discounts

Cost of inventory¹ evolution

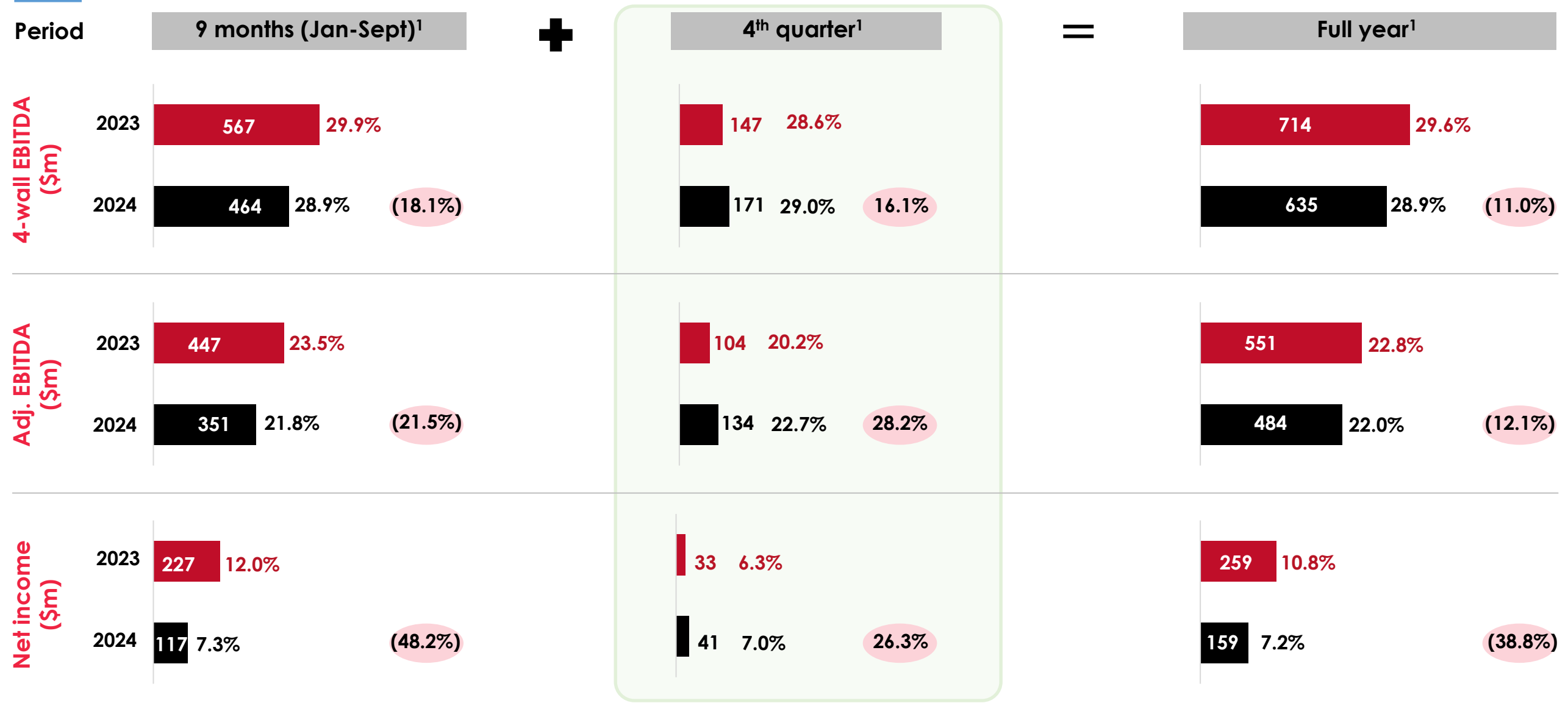


Source: Company information

- 1. Refers to cost of raw materials, filling and packing materials. Calculated as % of revenue
- 2. Change % calculated as cost of inventory % in current quarter less same quarter last year
- 3. Difference of 0.1% due to rounding

Double digit growth in margins registered in Q4 24; robust full year margins despite revenue decline

Profitability



Source: Company information

1. Sum of 9M and Q4 financials might not add up to full year due to rounding

YTD 2023 margins (% of revenues)

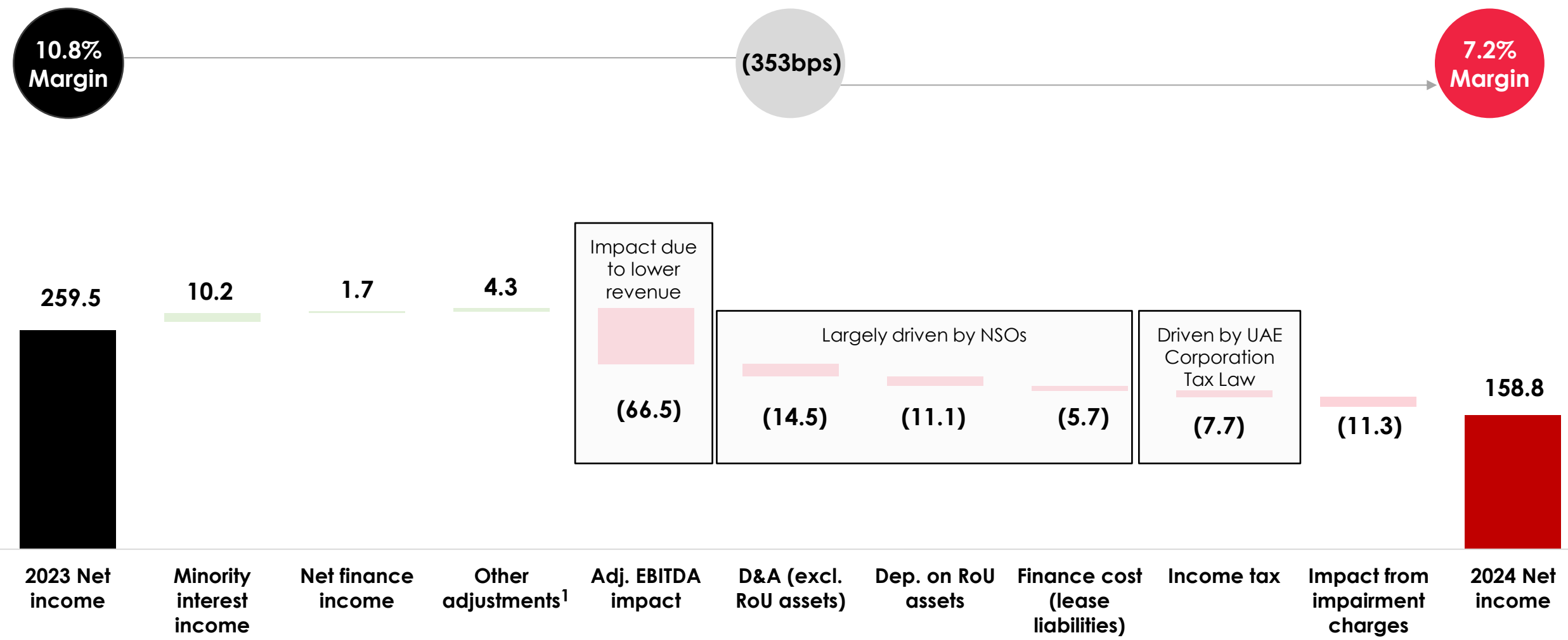
YTD 2024 margins (% of revenues)

● YoY Growth

Net income impacted by revenue decline, higher depreciation charges due to NSOs, impairment charges and implementation of UAE corporate tax

Net income bridge (2023 to 2024)





\$m



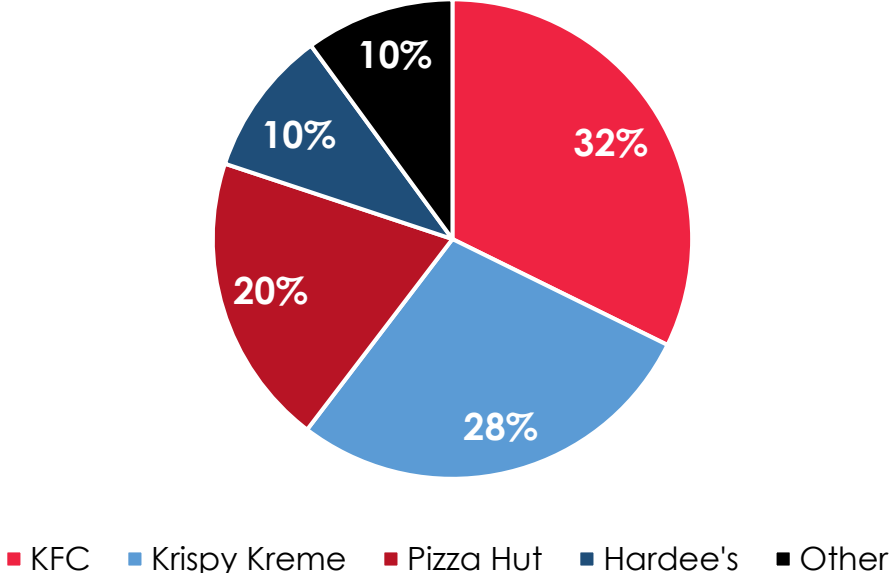
Source: Company information
 1. Lebanon IAS 29 adjustment

Portfolio level paybacks at 3.1 years; impacted due to business performance

Key metrics by restaurants¹

| Brand | New Restaurants openings | Avg. Capex / new restaurant (\$k) | Payback (years) |
|--|--------------------------|-----------------------------------|-----------------|
|  | 167 | 485 | 2.2 |
|  | 147 | 136 | >5 years |
|  | 102 | 309 | 3.0 |
|  | 51 | 415 | 4.2 |
| Others ² | 52 | 309 | >5 years |
| Total | 519 | 327 | 3.1 |

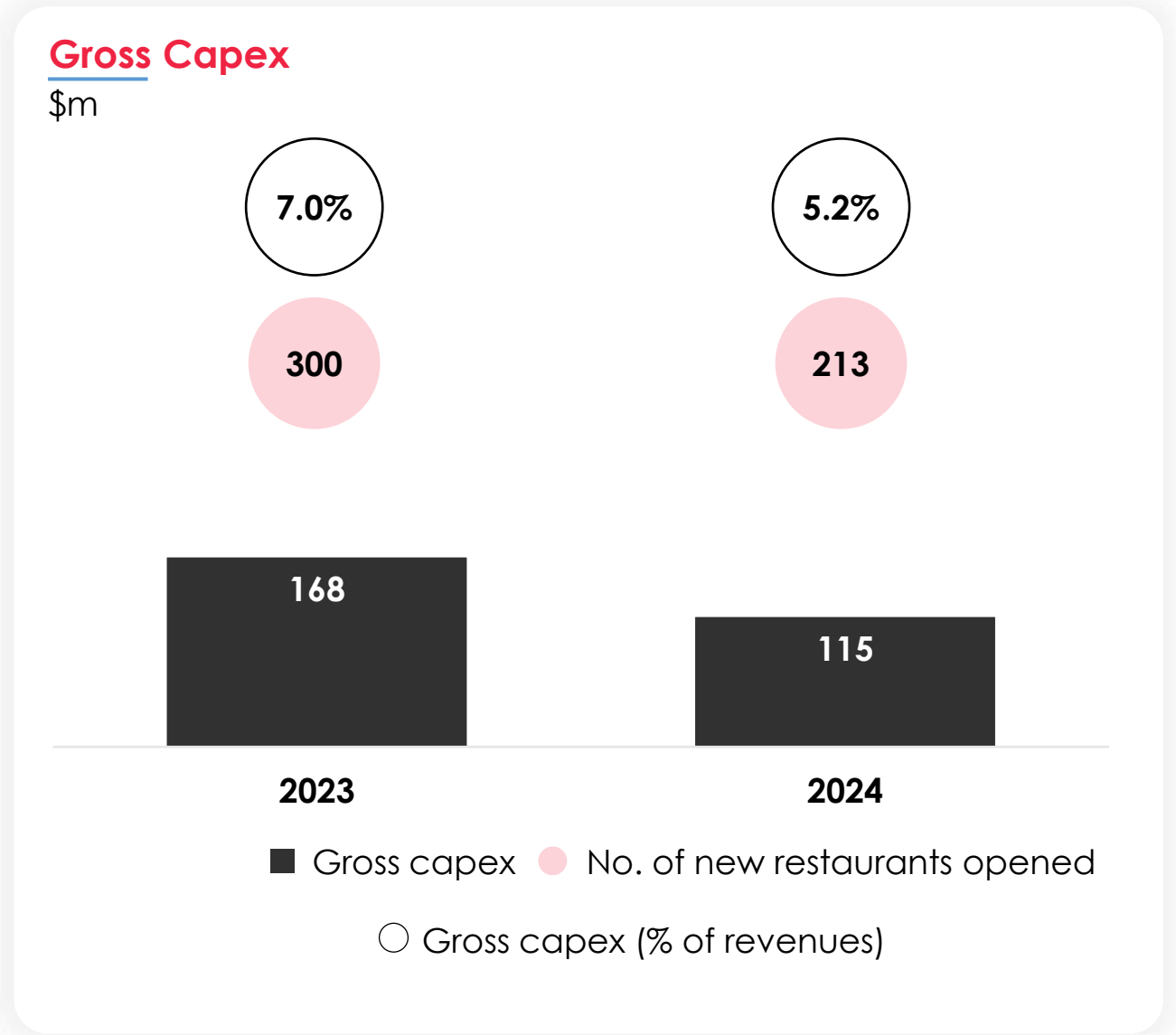
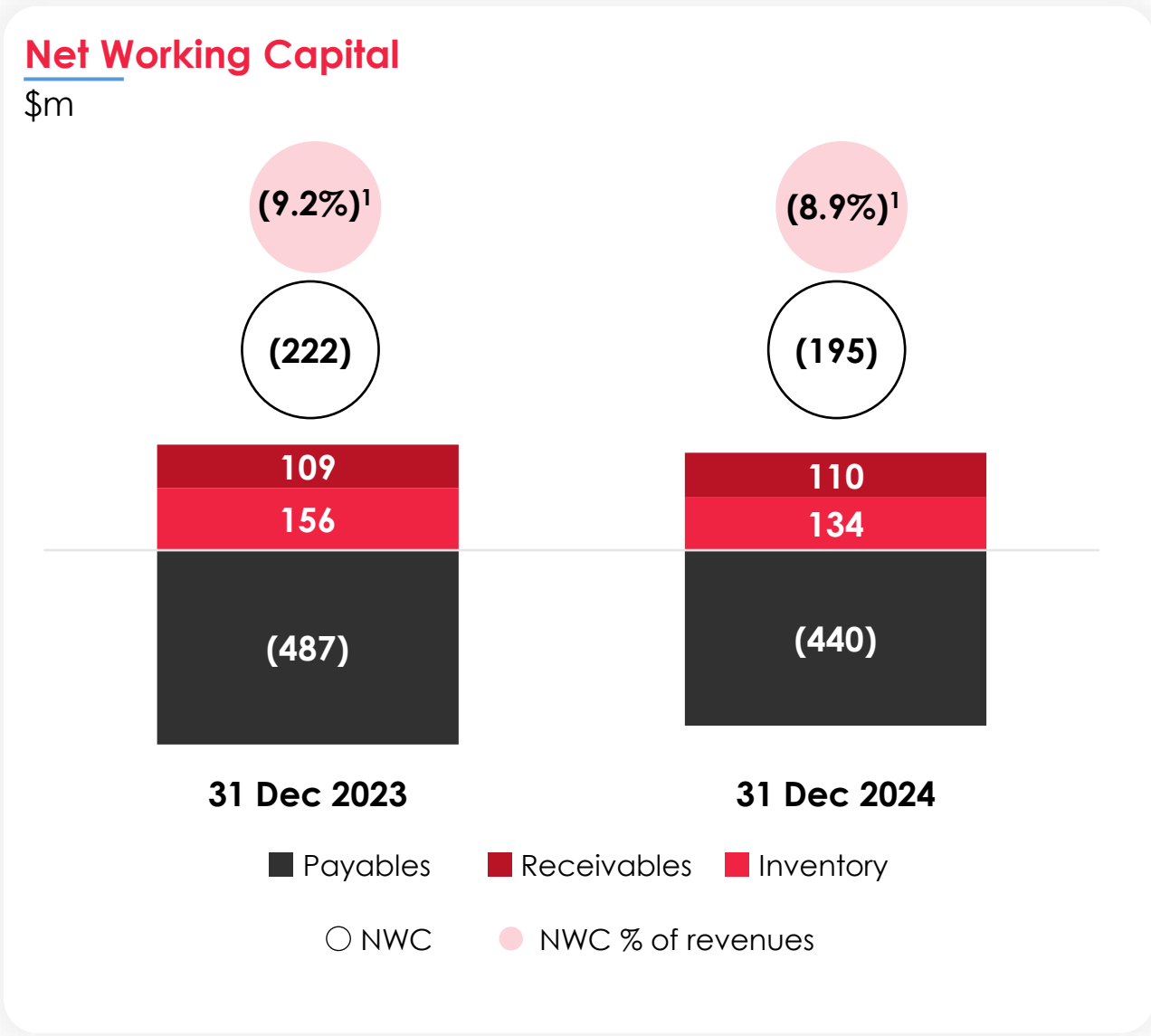
New restaurant openings by brands



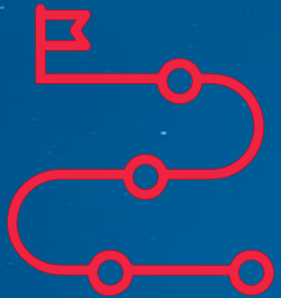
Source: Company information

1. Gross stores opened between 1 October 2022 and 30 September 2024; P&L performance till December 2024, annualised for forecast periods
 2. Others include Wimpy, Baskin Robbins, TGIF, Peet's Coffee, Costa Coffee and Chicken Tikka

Continued negative NWC and prudent Capex deployment



Source: Company information
 1 NWC as % of revenues



THE WAY
FORWARD

2025 guidance



Revenue recovery

- ✓ Continued focus on transactions recovery and average check growth



Growth

- ✓ Organic and Inorganic avenues for long term platform development



NSO guidance

- ✓ 150 – 160 net NSO rollout in 2025; continued expansion in the UAE, KSA, Kuwait and Iraq



Innovation

- ✓ Continue to maintain value leadership
- ✓ New product launches to evolve core offerings
- ✓ Target new day parts



Profitability

- ✓ Enhanced store efficiency through better controls on inventory through AMR apps
- ✓ Gross margin expected to be slightly better in 2025 than 2024
- ✓ Setting up COE for IT in India



Digital leadership

- ✓ Launch of Americana loyalty, and scaleup of loyalty across KFC, Pizza Hut and Hardee's brands
- ✓ CDP and personalization in works



CONCLUDING REMARKS AND Q&A



APPENDIX

Acquisition of Pizza Hut Oman Business

The acquisition accelerates our growth trajectory by expanding our portfolio with a new brand in Oman



Strategic fit

- ✓ **Strategic fit** for Americana and aligns with our M&A framework
- ✓ Helps consolidating Pizza Hut brand in the region and **grow our footprint**



Scope for operational efficiencies

- ✓ **Operational efficiency** from optimizing cost of sales, labour and G&A, given our existing business and expertise in the region
- ✓ Potential synergies from commissary, supply chain and back-office rationalization



Market leadership in Pizza category

- ✓ Category leader in Oman with **46 stores** in operations









\$11m
In revenues in FY24

A synergistic opportunity given its market leadership position and the upside potential from efficiencies with our existing business

Source: Company information

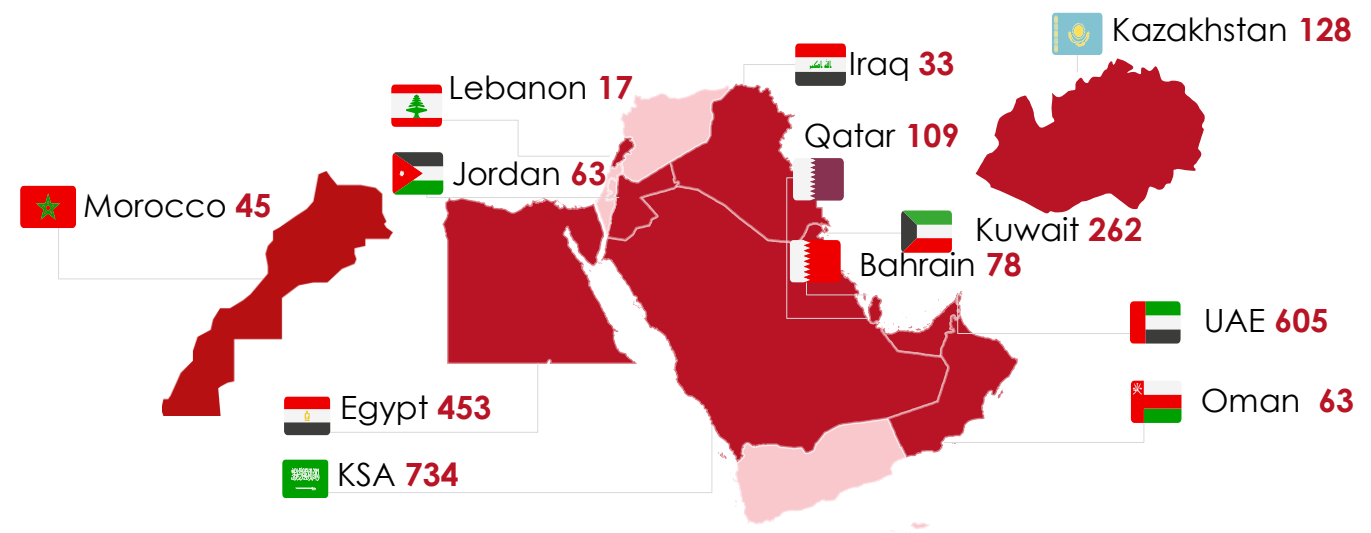
Changes in the corporate income tax

| Country | Current tax rate | Tax impact post Pillar Two announcement | Applicability to Americana Restaurants |
|--|--|---|--|
|  UAE | 9% | 15% | 15% |
|  Saudi Arabia | 2.5% ⁽¹⁾ (Effective tax rate 15% - 20%) | - | 2.5% ⁽¹⁾ |
|  Kuwait | - | 15% | 15% |
|  Bahrain | - | 15% | 15% |
|  Oman | 15% | 15% | 15% |
|  Qatar | 10% | 15% | 15% |

1. 2.5% on the Zakat base

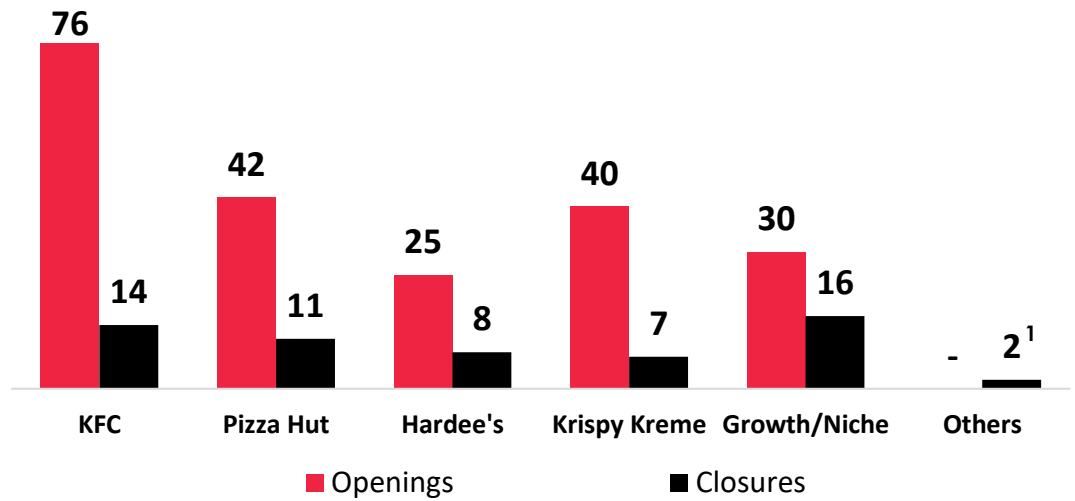
Portfolio evolution – FY 24

No. of restaurants – by country and brands



Openings & closures – FY 24

No. of restaurants – by brand/ category



| | KSA | UAE | Kuwait | Egypt | Others | Total |
|------------------------------|------------|------------|------------|------------|------------|--------------|
| KFC | 292 | 218 | 78 | 175 | 326 | 1,089 |
| Hardee's | 147 | 96 | 60 | 41 | 88 | 432 |
| Pizza Hut | 101 | 166 | - | 97 | 46 | 410 |
| Krispy Kreme | 174 | 91 | 31 | 40 | 52 | 388 |
| Growth / Niche Brands | 20 | 34 | 92 | 98 | 24 | 268 |
| Other Brands | - | - | 1 | 2 | - | 3 |
| | 734 | 605 | 262 | 453 | 536 | 2,590 |

Source: Company information
 1. Closed one Fish Market and one Grand Café store

Store closures – FY 24

Store closures in 2024

| Brand portfolio | Closures | % of total stores ¹ FY 24 |
|------------------------------------|----------------|--------------------------------------|
| Power brands | 40 | 1.7% |
| Growth / Niche Brands ² | 16 | 6.0% |
| Others | 2 ³ | 66.7% |
| Total | 58 | 2.2% |

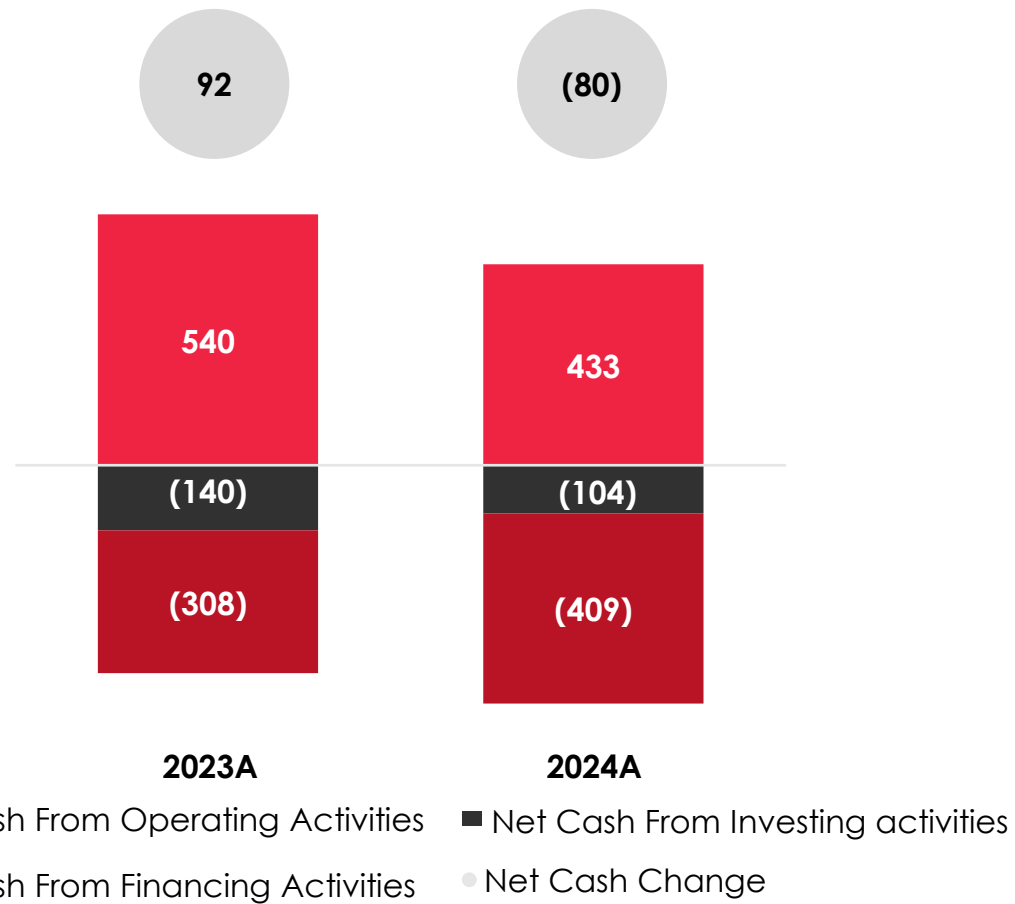
Source: Company information

1. Calculated as store closures during FY 24 divided by total stores per category as of 31 Dec 24
2. Include six TGIF, four Baskin Robbins, two Wimpy, two Chicken Tikka and two Costa Coffee Stores
3. Include one Fish Market and one Grand Café store

Free cash flows

Movement in Cash & Cash Equivalents

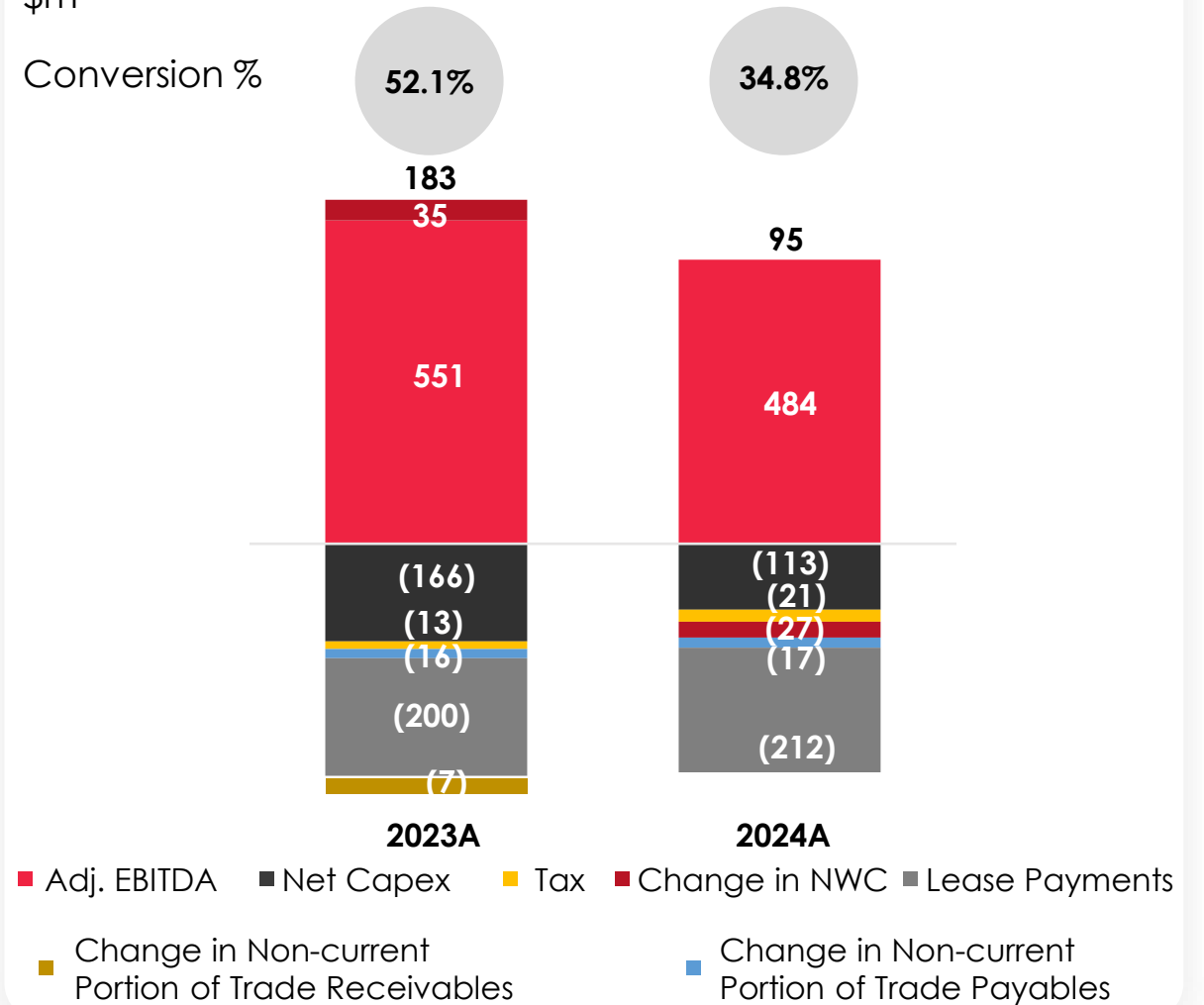
\$m



Adj. Free Cash Flow (FCF)

\$m

Conversion %



Source: Company information

EBITDA & Adj. EBITDA reconciliation – 2023A and 2024A

Post IFRS-16 basis

| \$k | 2023A | 2024A |
|---|----------------|----------------|
| Net profit for the period | 262,331 | 151,404 |
| Income tax, zakat | 13,041 | 20,727 |
| Finance cost (net) excluding finance costs on lease liabilities | (10,923) | (12,642) |
| Depreciation and amortization (excluding depreciation related to RoU assets) ¹ | 79,796 | 94,343 |
| Depreciation on RoU assets | 172,701 | 183,810 |
| Finance costs on lease liabilities | 26,625 | 32,319 |
| Impairment charges | 2,386 | 13,724 |
| EBITDA | 545,957 | 483,685 |
| Other Adjustments A | 4,857 | 600 |
| Adj. EBITDA | 550,814 | 484,285 |

| A \$k | 2023A | 2024A |
|---------------------------|-------|-------|
| Lebanon IAS 29 adjustment | 4,857 | 600 |

Due to hyperinflation in the Lebanese economy all P&L and BS were restated using general price index in line with IAS 29

Source: Company information

¹ Calculated as: Charge for the year (PPE) plus amortisation of intangible assets, and depreciation of investment properties

Key definitions

- **Adjusted EBITDA:**

Adjusted EBITDA post IFRS-16 is defined as Net profit for the year plus finance cost (net), plus income tax and zakat, plus depreciation and amortisation expenses, impairment charges and other adjustments such as tax provisions, staff restructuring cost and a Lebanon IAS 29 adjustment

- **Adj. free cash flow:**

Adj. Free Cash Flow (FCF) defined as Adjusted EBITDA post IFRS-16 less capital expenditure, income tax and zakat, change in net working capital, change in non-current portion of trade payables, and lease payments (including both principal and interest on lease liabilities)

- **Adj. free cash flow conversion:**

Adj. Free Cash Flow (FCF) over Adj. EBITDA post IFRS-16 less lease payments (including both principal and interest on lease liabilities)

- **Avg. payback:**

The payback investment period is calculated by dividing the initial investment by the annual cumulative cash inflow generated over 10 years. No discount rate have been assumed for all markets except Egypt. Equation is to compare the initial investment capex against the forecasted annual net cash flow over the period of 10 years

- **Gross capex:**

Gross capex defined as purchase of property and equipment plus purchase of intangible assets, payments for key money and includes the initial franchisor fees

- **Growth / Niche brands:**

Refers to Baskin Robbins, TGIF, Chicken Tikka, Wimpy, Costa Coffee, Peet's Coffee

- **Lfl:**

Like for like revenues growth denotes the percentage increase/decrease in the revenues for those AMR restaurants which have generated monthly revenues over the 12-month period in a given financial year and excludes revenues of those restaurants which have not generated revenues for more than 6 consecutive month

- **Net capex:**

Defined as Gross capex less proceeds from sale of property and equipment. Gross capex defined as purchase of property and equipment plus purchase of intangible assets, payments for key money and includes the initial franchisor fees

- **Net new restaurants :**

Net new restaurant openings are defined as gross openings less closures

- **Net profit:**

Refers to Net Profit attributable to the shareholders of the Parent Company

- **NSO:**

Refers to New Store Openings for the period

- **Power brands:**

Refers to KFC, Hardee's, Pizza Hut, and Krispy Kreme

- **Others (revenue):**

Includes revenue from Fish Market and Grand Cafe, as well as revenue from non-material items

- **Other channel revenues:**

Includes Car Hops, Catering, Sales Office/Food Supply, Kiosks and other revenues

- **Other countries:**

Includes Morocco, Qatar, Iraq, Bahrain, Kazakhstan, Jordan, Lebanon and Oman

- **Stable pegged currencies:**

Refers to revenues generated in KSA, UAE, Kuwait, Qatar, Bahrain, Oman and Jordan

- **Tax:**

Income tax and zakat

THANK YOU

Investor.Relations@americanarestaurants.com