



AmRest Q2/H1 2023 Financial Results

New sales record for the Group, second quarter revenue reached EUR 606.7 million
Quarterly EBITDA increased by 25.3%* to EUR 101.4 million, representing a margin of 16.7%
The solid company's performance bring leverage down to 1.9x which supports our expansion plans

Madrid, Spain, August 31st, 2023, AmRest (EAT), a leading multi-brand restaurant operator in Europe, today reported its financial results for the second quarter of 2023.

Key highlights Q2 2023:

- Quarterly revenues reached EUR 606.7 million, up 16.6% compared to Q2'22*.
- EBITDA increased by 25.3%* to EUR 101.4 million, representing a margin of 16.7%.
- Leverage ratio at 1.9x, low end of the Group's target range.
- As a result of Russia business disposal, for comparative purposes, the Group's figures have been re-presented to reflect only continued operations.

Key highlights H1 2023:

- Half-year revenues amounted to EUR 1,169.9 million, up 18.9% compared to the same period of 2022*.
- EBITDA amounted to EUR 172.0 million, up 15.4% compared to the same period in 2022*.

AmRest sold all its remaining operations in Russia during Q2'23, completely exiting its corporate presence in that market.

During the second quarter of 2023, the Group disposed all its remaining operations in Russia, which comprised the 213 KFC restaurants that the Group operated, completely exiting its corporate presence in that market. AmRest received a final price of EUR 100 million. The results generated up to the date of registration are shown as "discontinued operations" and amounted to EUR 6.5 million for the year.

Business performance accelerated despite Russia sale setting a new quarterly revenue record.

AmRest's second quarter revenues of EUR 606.7 million are a new all-time high for this period of the year. Organic revenue growth of 16.6%* overcompensated for the effect of the deconsolidation of the Russian results. The sales growth reflects a further improvement in the number of transactions, which increased by 4%, and active revenue management including price increases. Like-for-like sales (SSS) growth was 12.4%.

Profitability increased thanks to cost control, efficiency gains and the generation of more value-added transactions.

AmRest works with the conviction that efficiency is a key competitive advantage. For this reason, the Group periodically carries out an exhaustive study of possible added value initiatives and channels best working practices between different markets and brands. The successful implementation of these initiatives is enabling to limit the impact of costs on customers and to continue to maintain an attractive price-value proposition compatible with the recovery of margins. Additionally, during the second quarter of 2023, a slight reduction in the enormous cost pressure suffered during the last quarters has started to be seen, which has allowed EBITDA to increase to EUR 101.4 million,

* Re-presented - excluding Russia business



representing a growth of 25.3%* and a margin of 16.7%. Operating profit (EBIT) rose to EUR 36.8 million, up 27.4%*, with a margin of 6.1%. Once again, organic growth overcompensated, both in absolute and relative terms, the effect of the change in the perimeter of consolidation following the transfer of the Russian business.

Net income generated during the second quarter of 2023 amounted to EUR 23.8m.

As a result of the good commercial performance, together with the gradual recovery of margins, the net income generated in the second quarter of 2023 amounted to EUR 23.8 million, with a contribution of EUR 5.0 million generated by discontinued operations.

The solid performance of the company has allowed to bring leverage down to 1.9x which supports our expansion plans.

AmRest's equity closed the first half of the year at EUR 383.2 million after increasing by EUR 52.0 million in the first six months, this is a 15.7% growth, mainly due to the accumulation of profits from continued operations and the effect of the disposal of Russia business. In addition, the level of net financial debt (pre- IFRS16) stands at EUR 380.9 million, having been reduced by EUR 44.5 million during the year. This situation allows to comfortably comply with the financial covenants. At the end of the first half, the Group's leverage ratio (net financial debt/EBITDA pre-IFRS16) stood at 1.9x and debt interest coverage at 6.5x.

Finally, AmRest closed the first half of the year with a portfolio of 2,123 restaurants following the transfer of the 213 KFC restaurants that the Group operated in Russia. In addition, 29 units were opened and 34 closed during the first half of the year. It is expected that the second half of the year will concentrate most of the planned openings and the necessary investment.

Business regions

Central and Eastern Europe (CEE)

Revenues generated during the second quarter of the year amounted to EUR 334.4 million, an increase of 19.7% compared to the same period of 2022. All countries in the region show excellent commercial dynamics, although Hungary's evolution stands out with a sales increase of more than 40%. The relative importance of the Czech Republic continues to grow, consolidating its position as the Group's second largest market after Poland.

On the other hand, the EBITDA reached EUR 68.5 million, EUR 13.7 million higher than in the same period of 2022. The EBITDA margin was 20.5%. Most countries achieved margins above 20%.

Western Europe (WE)

Revenues in the region amounted EUR 224.9 million, 9.8% higher than the previous year. By country, it is worth highlighting the excellent performance in Germany, where the gradual return to on-premise consumption continues to boost activity levels.

EBITDA generated in the region during the second quarter reached EUR 31.6 million with a year-on-year growth of 14.9%.

* Re-presented - excluding Russia business



China

After the end of the restrictions resulting from the Covid crisis, a strong economic recovery was expected in China, but so far the level of intensity has not been as anticipated. However, the reopening of the economy and increased mobility has allowed AmRest to regain the growth path of its operations in the country. As a result, revenues generated the second quarter amounted to EUR 26.7 million, a year-on-year increase of 88.0%.

In terms of EBITDA, EUR 5.5 million was generated during the second quarter, representing an EBITDA margin of 20.6%.

About AmRest Group

AmRest Group is a leading European multi-brand restaurant operator with a portfolio of first class brands across 21 countries. AmRest operates more than 2.100 restaurants under franchised brands such as KFC, Starbucks, Pizza Hut and Burger King, as well as proprietary brands like La Tagliatella, Sushi Shop, Blue Frog and Bacoa. In addition, the company also has in its portfolio several virtual brands. More information is available on the webpage: www.amrest.eu/en.

Further information

The second quarter 2023 results can be found on www.amrest.eu

The teleconference with investors will be held on September 1st 14:00 CET.
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