



AmRest Holdings, S.E. and Subsidiaries

Condensed Consolidated Interim Financial
Statements and Condensed Consolidated
Interim Directors' Report

30 June 2020

(With the Limited Review Report Thereon)



KPMG Auditores, S.L.
Paseo de la Castellana, 259 C
28046 Madrid

Limited Review on the Condensed Consolidated Interim Financial Statements

To the Shareholders of AmRest Holdings, S.E. at the request of Management

REPORT ON THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Introduction

We have carried out a limited review of the accompanying condensed consolidated interim financial statements (the "interim financial statements") of AmRest Holdings, S.E. (the "Company") and subsidiaries (the "Group"), which comprise the statement of financial position at 30 June 2020, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the explanatory notes for the six-month period then ended, all condensed and consolidated. Pursuant to article 12 of Royal Decree 1362/2007 the Directors of the Company are responsible for the preparation of these interim financial statements in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of review

We conducted our limited review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.



Conclusion

Based on our limited review, which can under no circumstances be considered an audit, nothing has come to our attention that causes us to believe that the accompanying interim financial statements for the six-month period ended 30 June 2020 have not been prepared, in all material respects, in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting", as adopted by the European Union, for the preparation of condensed interim financial statements, pursuant to article 12 of Royal Decree 1362/2007.

Emphasis of Matter. Material Uncertainty Related to Going Concern

We draw your attention to note 3 to the accompanying consolidated interim financial statements which states that, as a consequence of the health crisis triggered by COVID-19, the AmRest Group has not met certain financial covenants linked to the figures at 30 June 2020 provided for in the Syndicated Financing Agreement, and consequently the debt associated with this financing has been classified as a current liability at this date. As indicated in the aforementioned note, on 1 September 2020 the requirement of the bank covenant has been waived for the quarter ending 30 June 2020. Syndicated bank loan covenants are calculated quarterly. In these circumstances, the current liabilities of the Group exceed current assets by Euros 770.8 million at 30 June 2020. This situation indicates the existence of a material uncertainty which could cast significant doubts as to the Group's ability to continue as a going concern. This matter does not modify our conclusion.

Emphasis of Matter. Interim Financial Statements

We draw your attention to the accompanying note 3, which states that these interim financial statements do not include all the information that would be required in a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The accompanying interim financial statements should therefore be read in conjunction with the Group's consolidated annual accounts for the year ended 31 December 2019. This matter does not modify our conclusion.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The accompanying consolidated interim directors' report for the six-month period ended 30 June 2020 contains such explanations as the Directors of the Company consider relevant with respect to the significant events that have taken place in this period and their effect on the consolidated interim financial statements, as well as the disclosures required by article 15 of Royal Decree 1362/2007. The consolidated interim directors' report is not an integral part of the consolidated interim financial statements. We have verified that the accounting information contained therein is consistent with that disclosed in the interim financial statements for the six-month period ended 30 June 2020. Our work is limited to the verification of the consolidated interim directors' report within the scope described in this paragraph and does not include a review of information other than that obtained from the accounting records of AmRest Holdings, S.E. and subsidiaries.



Other Matter

This report has been prepared at the request of the Management in relation to the publication of the six-monthly financial report required by article 119 of Royal Legislative Decree 4/2015 of 23 October 2015 approving the amended Securities Market Law enacted by Royal Decree 1362/2007 of 19 October 2007.

KPMG Auditores, S.L.

Carlos Peregrina García

24 September 2020

