



## AmRest FY 2022 and Q4 2022 Financial Results

**All time revenues record in the year of EUR 2 422 million with a growth of 26.3%**

**EBITDA generated amounted to EUR 384.4 million, a 7% increase vs. 2021**

**More than 40% increase in CAPEX after completion of key strategic financial milestones**

Madrid, Spain, February 28<sup>th</sup>, 2023, AmRest (EAT), a leading multi-brand restaurant operator in Europe, today reported its financial results for the fourth quarter of 2022.

### Key highlights FY 2022:

- All time revenues record that reached EUR 2 422 million with a growth of 26.3% vs 2021.
- EBITDA generated amounted to EUR 384.4 million, up 7% compared to 2021.
- Profit attributable to shareholders amounted to EUR 1.3 million after registering EUR 55.4 million in impairments.
- Convenient leverage ratio at 2.0x, at the low end of the Group's target range.
- Strong generation of operating cash flow supported a 43% CAPEX increase.

### Key highlights Q4 2022:

- Revenues of EUR 651.1million with an increase of 20.8% vs last year.
- EBITDA of EUR 94.3 million, representing an EBITDA margin of 14.5%.

### All time revenues record that reached EUR 2 422 million with a growth of 26.3% vs. 2021.

The gradual easing of sanitary restrictions significantly boosted mobility in most countries, which, combined with AmRest's omnichannel positioning, resulted in a significant increase in the Group's commercial activity. Group revenues reached EUR 2 422 million with a growth of 26.3% compared to 2021 and same store sales index (SSS) stood at 121.

People and technology are the two fundamental pillars underpinning AmRest's value proposition based on service excellence and a compelling value for money consumer experience. The Group is immersed in an ambitious technological transformation that already provides clear competitive advantages from *front to back end*.

### EBITDA generated amounted to EUR 384.4 million, up 7% compared to 2021.

The start of the war in Ukraine exacerbated cost pressures around the world with higher and more persistent impacts than expected. In this context, efficiency plays a key role as a differentiating element among our competitors, as it allows to limit the pass-through of costs to end consumers and to maintain a compelling price-value proposition for our guests.

In order to control cost pressures and position AmRest to expand margins, an ambitious value-added program has been put in place which, through multidisciplinary teams from different brands and countries, identifies, develops, applies and shares opportunities for savings in cost of sales, G&A, semis and CAPEX. This allows for increased visibility on costs, facilitating the implementation of best practices, with clear traceable targets through operational KPIs and establishing new routines and



work processes. Some of the main pillars of work have been energy efficiency, process control over suppliers, waste reduction, packaging management and delivery model.

In this context, AmRest generated an EBITDA of €384.4 million in 2022, up 7% compared to 2021. The highest figure in AmRest's history excluding the extraordinary contribution of €37 million generated by the sale of Pizza Portal in 2019.

**Profit attributable to shareholders amounted to EUR 1.3 million after registering EUR 55.4 million of impairment.**

The Group's gross margin remained at 11.1%, the same level as 2021, despite the enormous cost pressure faced. However, the EBIT margin fell by more than two percentage points to 3% as consequence of the extraordinary impairment booked for the Russia business. The total non-financial asset impairments amounted to EUR 55.4 million.

**Organic growth in the restaurant portfolio and strategic adjustments.**

AmRest ended 2022 with a portfolio of 2 340 restaurants after the opening of 109 new restaurants. Likewise, the portfolio optimisation strategy continued to make progress with the closure of 63 non-strategic restaurants in the year.

In addition, several business strategic adjustments were made. Pizza Hut Russia business was transferred during the second quarter of the year and the Pizza Hut Germany business during the fourth quarter. The combined number of restaurants transferred amounted to 145.

**The strong business activity and cash flow generation, in addition to achieved target level of deleveraging, has resulted in over 40% CAPEX increased.**

One of the main priorities for AmRest's management in recent years has been to reduce leverage to convenient levels. At year end, financial leverage stood at 2x EBITDA (pre-IFRS16), which allows an adequate capacity for action to face potential challenges and opportunities that may arise.

The Group's net financial debt amounted to EUR 425.4 million at year-end 2022, a reduction of more than EUR 200 million since the beginning of the pandemic, of which EUR 42 million was reduced during the year. This increase has been compatible with an acceleration of 43.4% in CAPEX to EUR 148.7 million compared to EUR 103.8 million in 2021.

**Business regions**

*Central and Eastern Europe (CEE)*

For the full year 2022, sales in this region amounted to EUR 1 133.8 million, representing 46.9% of Group sales and a YoY growth of 29.9%. EBITDA generated was EUR 215.0 million, EUR €18.8 million higher than in 2021, representing an EBITDA margin of 19.0%. These figures represent record sales and EBITDA generation in nominal terms. The commercial activity has been gaining momentum throughout the year, as a result of the gradual recovery of dine-in channel, following the sanitary normalisation, and by the increasing use of take away channel by our customers.



### *Western Europe (WE)*

Revenues in this region reached EUR 829.2 million, 15.0% higher than 2021. The EBITDA generated amounted to EUR 107.5 million with an EBITDA margin of 13.0%. Once more, sales were accelerating throughout the year, mostly due to the easing of restrictions that supported a gradual recovery of the dine in channel.

### *China*

Revenues generated during the year stood at EUR 82.6 million, (17.6%) lower than 2021. The EBITDA generated EUR 15.6 million, represents a margin of 18.8%. The business performance during the year was conditioned by the evolution of the restrictions marked by the Zero Covid approach. After Covid restrictions were lifted the infections spiked resulting in a significant business disruption. However, a strong recovery of activity has been observed as January progressed and Covid infections decreased. As of today, all AmRest restaurants in the country are open and fully operational.

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#### **About AmRest Group**

AmRest Group is a leading European multi-brand restaurant operator with a portfolio of first class brands across 23 countries. AmRest operates more than 2.300 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](http://www.amrest.eu/en).

#### **Further information**

The fourth quarter 2022 results can be found on [www.amrest.eu](http://www.amrest.eu)

The teleconference with investors will be held on March 1<sup>st</sup> 16:00 CET.  
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