



AmRest Q3 2023 Financial Results

Strong commercial dynamics with quarterly revenues of EUR 632.8 million
Quarterly EBITDA at EUR 110.9 million with a 17.5% margin, the highest in the last two years

Madrid, Spain, November 14th, 2023, AmRest (EAT), a leading multi-brand restaurant operator in Europe, today reported its interim financial results for the third quarter of 2023.

Key highlights Q3 2023:

- Quarterly revenues reached EUR 632.8 million, up 11.6% compared to Q3'22*.
- EBITDA increased by 16.5%* to EUR 110.9 million, representing a margin of 17.5%.
- Leverage ratio at 1.8x compared to 1.9x in the previous quarter.
- Total number of restaurants increases by 20 units to 2 143 outlets.

AmRest's quarterly sales continue to grow strongly. During the third quarter of the year, revenues amounted to EUR 632.8 million, 11.6% higher than in the same period of 2022.

Economic growth, while still positive, slowed down in the main European countries, where geopolitical risks are still very present. Despite the challenging environment, leisure, catering and tourism services performed well during the summer months.

AmRest's commercial dynamics stood out once again, confirming the extraordinary strength of its business model based on service excellence, the attractive value-for-money proposition of its products, in addition to logistics and technology capabilities that result in high levels of efficiency. Revenues generated by AmRest during the third quarter, at EUR 632.8 million, represent organic growth of 11.6% on a comparable basis to the same period of 2022. As in previous quarters, sales growth was driven by further progress in the number of transactions, which increased by 3%, and active revenue management. Like-for-like sales (SSS) growth was 8.8%.

The EBITDA margin increased to 17.5%, the highest level in the last two years. Operating profit (EBIT) amounted to EUR 52.9 million, representing a margin of 8.4%.

The incipient moderation in the cost of supplies and energy, together with advances in efficiency and higher sales, enabled the EBITDA generated during the third quarter of the year to reach EUR 110.9 million, a growth of 16.5% compared to 2022. This positive progression is practically generalized in all geographies. The higher rate of growth in EBITDA versus sales, resulted in EBITDA margin increase that stood at 17.5%, the highest level since the global supply problems and inflationary pressures around the world began to rise.

In addition, the operating profit (EBIT) reached EUR 52.9 million, 36.2% more than in the previous year, and representing an EBIT margin of 8.4%.

Finally, the profit attributable to shareholders of the parent company amounted to EUR 27.1 million in the third quarter, which brings it to an accumulative figure of EUR 50.7 million compared to a loss of EUR -1.3 million in the same period of 2022.

* Re-presented - excluding Russia business



The improvement in operating results makes it possible to combine increased investment with further progress in strengthening the balance sheet. The leverage ratio was reduced to 1.8x.

The cash position stood at EUR 182.0 million at the end of the quarter after a reduction of EUR 72.8 million. Likewise, financial debt has been repaid in a similar amount, with a practically neutral effect from the perspective of net debt, which is slightly reduced by EUR 1.6 million, to EUR 379.3 million at the end of the quarter. This situation, together with the Group's higher EBITDA generation, once again led to a reduction in the leverage ratio, which stood at 1.8x compared to 1.9x in the previous quarter.

In addition, CAPEX in the quarter increased to EUR 43.5 million, compared to EUR 33.9 million in the same period of 2022.

Total number of restaurants increases by 20 units to 2 143 outlets.

AmRest closed the third quarter with a portfolio of 2 143 restaurants after opening 24 units and closing 4 during the quarter. For the full year, openings amounted to 53 while closures reached 38 units.

Business regions

Central and Eastern Europe (CEE)

Revenues in the region reached EUR 354.1 million in the quarter, an increase of 17.4% compared to the same period in 2022. Once again, the excellent performance of the commercial dynamics in Hungary stood out, with revenues growth rate above 30%.

EBITDA generated in the quarter amounted to EUR 78.9 million, after increasing by 26.6% compared to Q3 2022, resulting in an EBITDA margin of 22.3%. The improvement in margins is generalized in all the main markets, which now have EBITDA margins above 20%.

Western Europe (WE)

Revenues in the region grew at a rate of 7.7% resulting in EUR 230.9 million generation in the third quarter. The strongest gains were achieved in Germany where revenues increased by 20.6%. On the other hand, France continues to lag with a modest growth rate of 3.7%.

In terms of profitability, EBITDA stood at EUR 34.2 million, 23.1% higher than in the same quarter of 2022. This figure represents an EBITDA margin of 14.8%, 1.8 percentage points higher than a year ago.

China

Economic growth in China is slowing down and failing to meet expectations. This situation is affecting consumer confidence and is having a major effect on the depreciation of the Renminbi against the Euro.

Revenues in the region stood at EUR 25.6 million, a decline of 4.3% compared to Q3 2022, influenced by the depreciation of the Renminbi against the Euro. In local currency, sales recorded a remarkable growth of 9.5% due to the increase in transactions. The commercial positioning of AmRest's business

** Re-presented - excluding Russia business*



in China, both due to its geographic presence concentrated in the fastest growing urban centers and the attractive value-for-money proposition offered, continues to provide an interesting opportunity for growth.

EBITDA generated in the region amounted to EUR 5.6 million, representing an EBITDA margin of 22.0%.

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 third quarter 2023 results can be found on www.amrest.eu

The teleconference with investors will be held on November 15th 14:30 CET.
For enquiries please contact: investors.relations@amrest.eu