



AmRest 4Q 2020 Financial Results

Revenues (24.9%) year-on-year at 397.5m EUR
EBITDA (63.4%) to 46.9m EUR year-on-year, margin at 11.8%
Cash position grown to 204.8m EUR

Madrid, Spain, 25 February 2021, AmRest (EAT), a leading European multi-brand, foodservice and digital platform, today reported its financial results for the fourth quarter of 2020.

Key highlights 4Q 2020:

- Consolidated revenues at 397.5m EUR versus 529.0m EUR last year
- Same-store-sales index¹ at 78.8% in 4Q 2020
- EBITDA at 46.9m EUR versus 128.0m EUR last year
- EBITDA margin at 11.8% in 4Q 2020 versus 24.2% last year
- Net loss of 23.9m EUR versus net profit of 38.1 last year
- Cash position at 204.8m EUR, up from 106.2m EUR in 4Q 2019
- Bank waiver received until 3Q 2021 with covenants based on liquidity during that period

Commenting on the fourth quarter 2020 results, Chief Executive Officer, Mark Chandler said:

“The fourth quarter has been challenging for restaurant operators as lock-down measures, which have been temporarily lifted during summer, have been re-introduced. Benefiting from learnings of the first lock-down in spring, our teams have been intensively preparing for that second wave in order to maximize sales and optimize business performance. As a result, we have been coping considerably better than we did during spring, something well visible on the share of open stores and same store sales we have been able to generate in the recent months. Apart from operational progress, major milestones have been successfully achieved in the last quarter of the year, such as the disposal of our stake in Glovo, the renegotiation and extension of waivers with banks and bondholders and the considerable strengthening of our liquidity position. I am very proud of the many people at AmRest jointly achieving this outcome, despite the enormous difficulties of having to operate in this unique environment.”

The group reported EBITDA of 46.9m EUR which was 63.4% lower than last year, implying a margin of 11.8%. The impact of the ‘second wave’ and related lockdowns coupled with the negative effect from operational leverage have not been fully offset by supportive cost initiatives executed and led to a 48.0% EBITDA decline compared to 3Q 2020, a quarter characterized by a temporary lifting of restrictions.

Revenues in Central and Eastern Europe in 4Q 2020 reached 171.5m EUR, translating to a 26.1% decrease over the year. On a full year basis, sales declined by 18.3% versus 2019. The share of opened restaurants as of end of December 2020 was at 98% versus 100% as of end of September 2020.

¹ Adjusted for temporary closures and F/X



Sales in Western Europe amounted to 158.2m EUR in 4Q 2020, representing a decline of 24.8% vs. last year. On a full year basis, sales declined by 26.8% versus 2019. The percentage of opened restaurants as of end of December 2020 was at 91%, which compares to 97% as of end of 3Q 2020.

The Russian segment posted a 31.2% decline in top-line in 4Q 2020 year-on-year at a level of 38.3m EUR. On a full year basis, sales declined by 26.2% versus 2019. The percentage of opened restaurants as of end of December 2020 was 88% compared to 97% as of end of September 2020.

Our business in China posted a 2.7% increase in sales vs. last year, accounting for 22.6m EUR in 4Q 2020. Full year revenues in 2020 were 14.7% lower than in 2019. The share of opened restaurants as of end of December was 99%, unchanged to the level in September 2020.

In terms of profitability, margins in Russia and China recovered strongly, while Western and Central and Eastern Europe have been under pressure. The CEE segment EBITDA margin decreased by 6.5pp year-on-year to 14.9% in 4Q 2020 and by 3.5pp on a full year basis. Western Europe posted an EBITDA margin of 5.4% in 4Q 2020 compared to 15.2% last year. FY 2020 margin decreased to 6.6% from 15.9% in 2019. The Russia segment reached an EBITDA margin of 20.8% in 4Q 2020 vs. 15.7% last year. On a full year basis, margins in Russia have increased to 20.2% versus 19.2% in FY 2019. China posted an EBITDA margin of 31.9% in 4Q 2020 vs. 25.2% last year and a margin of 30.3% in FY 2020 versus 26.9% in the same period in 2019.

Net loss in the reporting period was 23.9m EUR compared to 38.1m EUR of profit in 4Q 2019.

Cash position of AmRest has grown at the end of 2020 to 204.8m EUR from 106.2m EUR in 4Q 2019. The net change in cash and cash equivalents amounted to EUR 95.5m.

In 2020, as a result of partial repayment of syndicated loan and disposal of stake in Glovo, AmRest managed to reduce the net debt² to EUR 568.0m from EUR 616.4m as of end of 2019. Despite unfavorable circumstances, the Company opened in 2020 88 new restaurants.

The execution of online and delivery strategy in the recent years allowed AmRest to significantly grow these sales channels. In Q4 2020, revenues through delivery, drive-through and takeout represented 75% of total sales, comparing to 45% in Q4 2019.

Chief Executive Officer, Mark Chandler added: “We are hopeful to see an end to the pandemic in the coming months as a result of vaccination progress, and I am very optimistic on the quarters ahead of us when we see lifting of the restrictions which currently still weigh on our industry. Our team is strong, motivated and inspired by the opportunities for future growth so visibly ahead for us. Our brands are true champions in their categories and will continue to outrun others, also and especially after the crisis. I believe that, thanks to the outstanding work done by the people at AmRest and the competitive disruption caused by the pandemic, we will gain substantial competitive strength coming out of this crisis and will be better positioned than before. Everyone at AmRest is excited about re-accelerating growth, understanding the unique strength of the platform we built together and strategy in place. Everyone is looking forward to again celebrate future achievement and the joint success ahead of us. With that in mind, I am truly excited to report on our progress in the coming quarters.”

² Calculated for the bank covenant purposes



Further information

The fourth quarter 2020 results can be found on www.amrest.eu

The teleconference with investors will be held on 26 February at 4:00pm CET.
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