
Americana Restaurants Announces Strong H1 2023 Performance, With Robust Revenue Growth of 7.8%

- Accelerated Restaurant portfolio with 108 gross new store openings during first half of 2023, increasing the total Restaurant count to 2,277. The Company expects to open 250-260 net new stores by year-end
- Achieved Revenue of \$1.24 billion and Adjusted EBITDA of \$291.7 million, an increase of 7.8% and 7.7% respectively vs. the same period in 2022.
- Overall performance driven by positive momentum in like-for-like sales; expanding restaurant footprint and operating efficiencies.

Abu Dhabi and Riyadh, 03 August 2023: Americana Restaurants International Plc (“Americana Restaurants” or the “Company”) (ADX symbol: AMR/ ISIN: AEE01135A222) (Saudi Stock Exchange symbol: 6015), the largest out-of-home dining and quick service restaurant operator in the Middle East & North Africa (“MENA”) and Kazakhstan, today announces its financial results for the six months ended 30 June 2023.

The Company reported revenues of \$1.24 billion and adjusted EBITDA of \$291.7 million for the first half of 2023, delivering 7.8% and 7.7% growth respectively vs. the same period in 2022. This has been supported by significant restaurant portfolio expansion, increased like-for-like sales and operating efficiencies. It should be noted that last year, in H1 2022 there was a one-off tax payment to settle an indirect legacy tax charge in Egypt of \$25.5 million.

Americana Restaurants’ H1 2023 net profit (attributable to shareholders of the Parent Company) increased 19.4% to \$144.8 million.

In Q2 2023, compared to Q2 2022, the Company delivered 13.5% revenue growth, which was supported by positive impact from fewer number of Ramadan days. Net profit (attributable to shareholders of the Parent Company) for Q2 2023 was \$86.6 million, an increase of 16.7% after adjusting for the aforementioned one-off tax payment of \$25.5 million to settle an indirect legacy tax charge in Egypt.

Robust Revenue Growth

Americana Restaurants’ robust year-on-year revenue growth was underpinned by a continued commitment to expanding its diverse restaurant store portfolio across its operations in the Middle East, North Africa and Kazakhstan.

The Company successfully opened 108 gross new stores during the first half of 2023, bringing its total Restaurant count to 2,277 stores as at 30 June 2023.

Top-line gains were also driven by positive momentum in like-for-like sales, which measures revenue growth for Restaurants that have been operational for 12 months. Like-for-like revenue increased 7.2% vs. H1 2022, enabled by healthy performance of KFC and Pizza Hut, in particular.

With first-half adjusted EBITDA of \$291.7 million, up 7.7% (vs. H1 2022), the Company maintained a healthy adjusted EBITDA margin of 23.5% despite an increase in carryover inventory costs compared to H1 2022.

For reference, Americana Restaurants strategically increased its inventory levels in 2022 to prevent stock-outs and to counteract global supply chain disruptions. Subsequently, management has successfully phased out the higher cost inventory during H1 2023; this combined with the lowering costs of key commodities will support the margin expansion in future periods.

Over the past 12 months, Americana Restaurants added 262 gross new stores to its expanding regional footprint. Given its focus on expansion, a further 84 stores were under construction as at 30 June 2023. These will help us

in achieving the Company's target of opening 250-260 net new stores during 2023.

MSCI UAE Index Inclusion

Effective from 1 June 2023, Americana Restaurants has been included in the MSCI UAE Index, widely recognised as an important benchmark for investment decision-making by investors in emerging markets, including regional Middle East markets. As a constituent of the MSCI UAE Index, Americana Restaurants is also a constituent of all regional and composite MSCI equity indices containing the UAE. These include the MSCI Emerging Markets Index, MSCI Emerging Markets Investable Market Index (IMI) and MSCI All Country World Index (ACWI), the provider's flagship global equity index, designed to represent performance of the full opportunity set of large and mid-cap stocks across 23 developed and 24 emerging markets.

Financial Highlights

\$ millions	H1 2023	H1 2022	Change %
Revenue	1,241.5	1,151.9	7.8%
Adjusted EBITDA	291.7	271.0	7.7%
Adjusted EBITDA Margin (%)	23.5%	23.5%	
Net Profit (attributable to the shareholders of the Parent Company)	144.8	121.3	19.4%
Adjusted Free Cash Flow	110.9	140.2	(20.9%)
Earnings per Share (\$)	0.0172	0.0144	19.4%

Balance Sheet & Cashflow

The Company maintains a healthy balance sheet and a strong overall financial position. With adjusted free cash flow for H1 2023 of \$110.9 million and a cash conversion ratio of 58.4%, Americana Restaurants is well-positioned to meet its future growth and capital expenditure commitments together with supporting its Dividend policy.

Management Outlook

Americana Restaurants is well-equipped to pursue growth across its markets of operation. By the end of the year, the Company expects to have added 250-260 net new restaurants, focusing on growth opportunities across its markets of operations with particular focus on Saudi Arabia. During the second half of the year, Americana Restaurants will continue to phase out existing inventory, which was strategically built up during 2022 to counteract global supply disruptions, supported by cool-off in key commodities as the Company looks to expand profit margins. In Egypt, Americana Restaurants remains focused on optimising operations, enhancing franchisor support and driving further cost efficiencies as it proactively navigates currency-related challenges in the country. The Company is also in a strong position to continue scaling its new brands, including further expansion of Pizza Hut and Peet's Coffee in Saudi Arabia. The Company remains committed to expanding its digital offering and optimising off-premises revenue channels.

-Ends-

Earnings Conference Call

A conference call to present earnings, followed by a Q&A session, has been scheduled for Thursday, 3 August, 2023 at 17:00 (GST) / 14:00 (BST) / 9:00 (EDT). The call will be hosted by Amarpal Sandhu (CEO), Harsh Bansal (CFO & CGO) and Sonika Sahni (Head Investor Relations). Interested parties are invited to register for the call by clicking [here](#).

About Americana Restaurants

Americana Restaurants is the largest out-of-home dining and quick service restaurant (QSR) operator in its 12 countries of operation across the Middle East, North Africa and Kazakhstan.

The Company's historic IPO on the Abu Dhabi Securities Exchange (ADX) and the Saudi Exchange in 2022 marked the region's first-ever concurrent dual-listing. Today, Americana Restaurants is a leading master franchisee and a food and beverage pioneer with decades-long heritage, an extensive geographic footprint, long-standing franchisor relationships and a diverse restaurant portfolio that spans the full out-of-home dining spectrum from QSR to fast casual, coffee and indulgence.

The Company's portfolio includes a range of iconic global brands, including KFC, Pizza Hut, Hardee's, Krispy Kreme, Peet's Coffee, Wimpy, TGI Friday's, Costa Coffee and Baskin Robbins. Americana Restaurants' customer-centric restaurant platform, which includes 20 proprietary SuperApps, allows customers to experience their favourite global restaurant brands and meals when they want, where they want and how they want.

For more information, please visit: www.americanarestaurants.com

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Legal notice and cautionary statement regarding forward looking information

This announcement includes statements that are, or may be deemed to be, "forward looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "plans", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places and include, but are not limited to, statements regarding the Company's intentions, beliefs or current expectations concerning, amongst other things, results of operations, financial condition, liquidity, prospects, growth and strategies. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward looking statements are not guarantees of future performance and the actual results of operations, financial condition and liquidity, and the development of the industry in which the Company operates, may differ materially from those made in or suggested by the forward-looking statements set out in this announcement. Past performance of the Company cannot be relied on as a guide to future performance. The forward-looking statements contained in this document speak only as at the date of this document. The Company expressly disclaim any obligation or undertaking to update these forward-looking statements contained in the document to reflect any change in their expectations or any change in events, conditions or circumstances on which such statements are based unless required to do so by applicable law. No statement in this document is intended to be a profit forecast. As a result, you are cautioned not to place any undue reliance on such forward-looking statements. In addition, even if the results of operations, financial condition and liquidity of the Company, and the development of the industry in which the Company operates, are consistent with the forward-looking statements set out in this document, those results or developments may not be indicative of results or developments in subsequent periods.

The payment of dividends by the Company is subject to consideration by the Board of Directors of the cash management requirements of the Company. In addition, the Company expects that when deciding on dividend distribution, the Board of Directors will also consider market conditions, the then current operating environment in the markets in which the Company operates, and the outlook for the Company's business.