
Americana Restaurants Reports \$589 million Revenue in Q1 2023, Despite Ramadan Seasonality Impact

- Revenue of \$589.4 million up 2.1% vs. Q1 2022, despite Ramadan seasonality as impact of the Holy Month weighed on y-o-y sales growth
- Maintains restaurant portfolio growth, 49 gross new restaurants in Q1 2023 and 63 new restaurants under construction
- Adjusted EBITDA of \$126.9 million and Net Income of \$58.1 million
- Commodity-driven inflationary headwinds put pressure on margins but are expected to ease in second half of 2023

Abu Dhabi and Riyadh, 4 May 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 announced its financial results for the three-month period ended 31 March 2023, generating revenues of \$589.4 million and adjusted EBITDA of \$126.9 million.

Americana Restaurants Maintains Momentum

Following the Company’s strong performance over FY 2022, Americana Restaurants has continued to build on momentum in 2023, reporting \$589.4 million in revenues for the first quarter, up 2.1% year-on-year. Despite the partial seasonal shift of the Holy Month of Ramadan from Q2 2022 to Q1 2023, along with currency devaluation in Egypt and Lebanon, the Company achieved healthy year-on-year revenue growth. This was driven by the resilient performance of some of the Company’s Power Brands, which delivered stable like-for-like revenue growth of 1.7%, as well as its continued restaurant portfolio expansion program. Eliminating the seasonal impact of Ramadan from quarterly performance, quarterly like-for-like revenue increased by 7.5% year-on-year.

Americana Restaurants generated stable adjusted EBITDA of \$126.9 million in the first quarter, with a 5.6% year-on-year decline due to commodity driven inflationary headwinds and lower sales volumes in March, due to the impact of Ramadan. The Company maintained a healthy adjusted EBITDA margin for the period of 21.5%. First quarter Net Income (attributable to shareholders of the Parent Company) was \$58.1 million and was impacted by the same factors. On a comparative basis, performance was robust given the occurrence of Ramadan, which generally sees families and friends gather together to enjoy home-cooked food, rather than eat out or order in. Meanwhile, commodity-driven inflationary headwinds are expected to ease in the second half of 2023.

In Q1 2023, the Company added 49 gross new restaurants, and as at 31 March 2023 Americana Restaurants’ portfolio stood at 2,228 restaurants, with 63 new restaurants under construction. Management expects to open 250-300 net new restaurants per year over the medium-term. With strong momentum in the expansion of the restaurant portfolio, the Company intends to build on this through 2023.

On 28 March 2023, Americana Restaurants held its first Annual General Meeting where shareholders approved \$0.0123 dividend per share for the second half of 2022. Total dividends distributed for the second half of 2022 amounted to \$103.5 million.

Management Outlook

Americana Restaurants' medium-term objective is to double revenues while targeting healthy mid-single digit like-for-like growth in sales, opening between 250-300 net new restaurants per year. Management believes that Saudi Arabia provides a particularly compelling opportunity for restaurant expansion, while Iraq offers an exciting greenfield opportunity. During the current period of economic headwinds in Egypt, the Company will focus on operations, people transformation, and cost efficiencies.

Americana Restaurants will continue to develop its industry-leading digital capabilities and optimize off-premise revenue channels, while scaling up new brands including Pizza Hut Saudi Arabia, Peet's Coffee and Wimpy.

The Company expects to achieve improvements in gross profit margins in the second half of 2023, as existing and strategically built inventory is phased out, and targets a 250-300bps improvement in its Adjusted EBITDA margin over the medium-term. Looking ahead to Q2 2023, management expects the impact of Ramadan on sales to be comparatively less than in Q2 2022, when the entire Holy Month fell within the period.

Financial Highlights

\$ millions	Q1 2023	Q1 2022	Change %
Revenue	589	578	2.1
Adjusted EBITDA	127	134	(5.6%)
Adjusted EBITDA Margin (%)	21.5%	23.3%	(1.8%)
Net Profit (attributable to the shareholders of the Parent Company)	58	72	(19.2%)
Adjusted Free Cash Flow	17	91	(81.3%)
Earnings per Share (\$)	0.0069	0.0085	(19.2%)

-Ends-

Appendix

Earnings Conference Call

A conference call to present earnings, followed by a Q&A session, has been scheduled for Thursday, 4 May 2023 at 17:00 (GST) / 13:00 (BST) / 8:00 (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

Contact

Investor Relations

Sonika Sahni

Investor.Relations@americanarestaurants.com

Media

George Allen (Teneo)

AmericanaRestaurants@teneo.com

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.