

Elevating  
experiences.  
Driving  
growth.



Americana  
Restaurants  
International PLC  
Annual Report  
2023



# Elevating experiences. Driving growth.

Building on our established leadership in the MENA region and Kazakhstan, Americana Restaurants International PLC ("Americana Restaurants" or "the Company") has consistently grown its platform of iconic global quick-service restaurants (QSR) and casual dining brands.

2,435 stores in our markets of operation

With an optimistic and ambitious approach, our growth strategy in 2023 was characterised by the opening of 300 gross new stores including market entry of KFC and Pizza Hut in Iraq and Kazakhstan, and the introduction of a new brand, Peet's Coffee, in the UAE and KSA.

We drove like-for-like growth (in the first nine months) through product and process innovation, and next-generation systems and technologies. We made strategic investments in digitalisation and future-proofed our store formats to ensure we are the first choice for our young and growing customer base.

With 2,435 stores in our markets of operation, we are on our way to becoming one of the fastest-growing and most trusted food operator in the world. Our Power Brands – which include KFC, Pizza Hut, Hardee's, and Krispy Kreme – continue to demonstrate strong market presence in our countries of operations. The success of KFC, which opened its 1,000<sup>th</sup> store this year and dominates its segment across the region, is a testament to our potential to achieve exponential scale across our brands. In 2023, we further penetrated our existing markets with the launch of KFC and Pizza Hut in Baghdad, and Krispy Kreme in Kazakhstan.

Americana Restaurants culture played a pivotal role in our success as we worked collectively to put the customer first with the sole purpose of building communities around the joy of food, while nurturing and developing our individual strengths.

By providing exceptional customer service driven by a culture of performance and pride, we continued to expand, diversify, and adapt to our customers' evolving needs. We innovated our menus and product offerings including adding new value layers, staying ahead of trends and catering to our local markets, while maintaining highest food quality standards.



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For more information, visit our website:

[www.americanarestaurants.com](http://www.americanarestaurants.com)



**Yum! Digital Disruptor Award**  
Conferred Digital Disruptor Award by Yum! at International Franchise Convention in recognition of our digital transformation and digital first mindset



**MENA Effie Awards**  
KFC 'The Originals' campaign won Bronze trophy in social media at the MENA Effie Awards



**Global Pizza Hut EFTX Championship**  
Pizza Hut Bahrain secured third place in the Global Pizza Hut EFTX Championship, a worldwide competition hosted by Yum!



**CKE Global – Digital Excellence Award**  
Received for advanced multiple digital technologies implementation



**GALLUP EXCEPTIONAL WORKPLACE AWARD**

**Gallup Award**  
Received Gallup 'Exceptional Workplace' Award 2023 for second year in a row

## At a Glance

# A culture of performance and pride

Americana Restaurants is led by a team of highly experienced professionals from diverse personal and professional backgrounds and nationalities in the global and regional food and restaurant industries, ensuring the successful implementation of our strategy through operational excellence, continuous innovation and effective management of our workforce across the region.

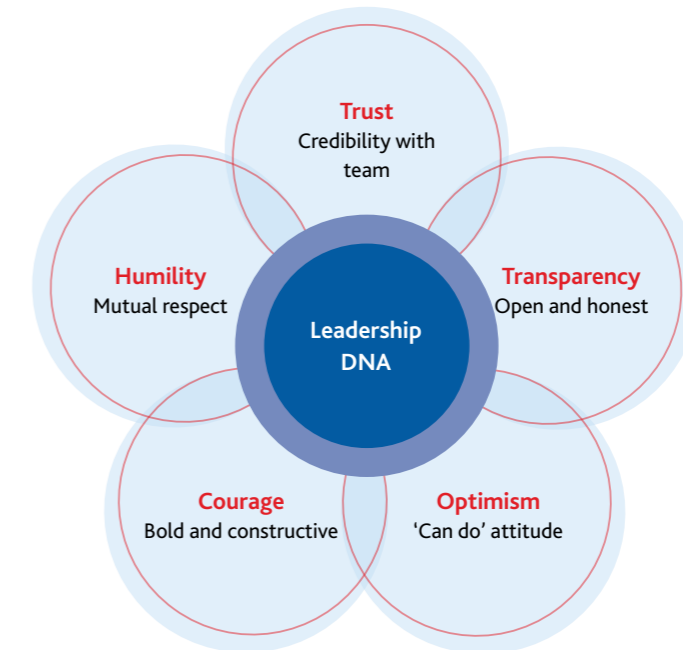
Our values are what binds us together as a team; they are at the core of our strong corporate culture. Embodied in our DNA, they guide the decisions we make each day, individually and collectively. Our values foster an environment where leaders of tomorrow are created to fulfil our vision of becoming the most trusted and fastest-growing food operator in the world.

## Our core values



## Leadership DNA

The guiding framework for all our actions



## An employer of choice

We are one of the region's leading employers, with over 40,000 employees working each day to serve our customers across the Middle East and North Africa (MENA) region and Kazakhstan. We take this responsibility seriously – not only through our commitment to attract, develop, engage, and retain talent across our markets, but also supporting the health and wellbeing of our workforce and their ability to create positive impact, individually and collectively.

A two-time winner of the well acknowledged 'Exceptional Workplace' award from Gallup in consecutive years (2023 and 2022) is an achievement and a testament of the continued efforts of our team to make Americana Restaurants an exceptional place to work and an employer of choice. Our engagement standing is at 73% on Gallup Global Database compared to Gallup Top Quartile at 64%.

**40,183** Employees\*  
 As at 31 December 2023.  
 \*Includes, full-time, part-time, and contract employees.

## Investing in people

This year, we launched our much awaited Grow programme, an internal development programme with an objective to nurture and support the growth of our restaurant general managers via a series of workshops and specialised training sessions. Our commitment to the local economies is unwavering, demonstrated through our focus on local employment. The majority of our workforce hails from the MENA region, reflecting our dedication to supporting local talent. Our nationalisation initiatives in KSA and the UAE have achieved noteworthy outcomes, with national FTEs now representing 27% and 5% respectively, in these markets.

By investing in the growth and development of our internal talent, we will enhance employee engagement, increase retention rates, and accelerate career progression opportunities. We will continue to refine and expand this initiative in 2024 and anticipate a steady influx of high-potential managers who will positively impact our organisation's long-term sustainability and success.

At a Glance *continued*

## The trusted choice for QSR in MENA

Americana Restaurants has been able to serve consistently as a trusted and preferred partner for franchisors through its unique strengths as a multi-brand and multi-region operator since 1970s. Americana Restaurants' passion for innovation, customer centricity, operations excellence, and ever-evolving digital capabilities are the key pillars of its attractiveness, distinguishing Americana Restaurants as an operator of choice for international brands entering MENA.

Our network of restaurants continues to grow across 12 countries, spanning from Kazakhstan in the East to Morocco in the West. Leveraging unparalleled local expertise and capabilities, we hold a leading position with strong presence in our primary markets, poised for further expansion across our brands portfolio.

### Pioneering our industry and markets

Americana Restaurants is rapidly advancing to strengthen its established leadership status. Our goal is to generate enduring value for stakeholders and enchant customers with delicious cuisine and extraordinary experiences.



12

countries stretching  
from Kazakhstan to  
Morocco



## 2023 Highlights

# Strategic progress and performance

**300**  
gross new restaurants  
in 2023

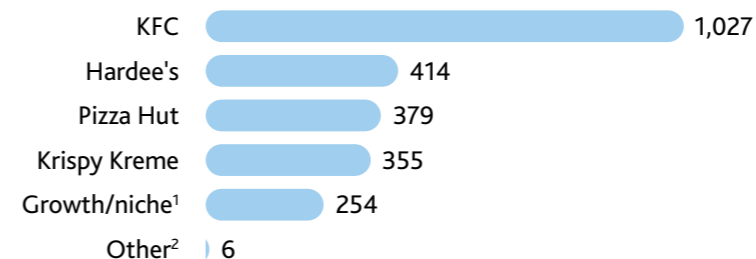


## Financial highlights

### Number of stores

**2,435 stores**

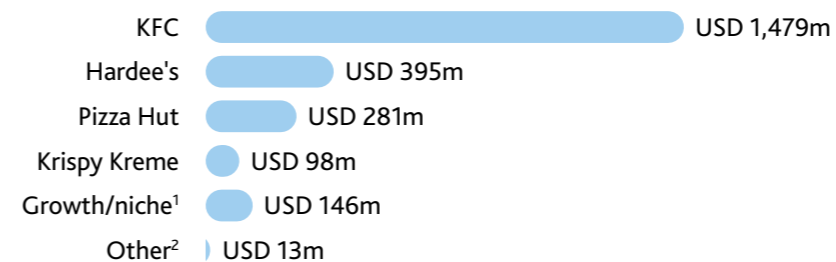
↗ 2,183 (vs. 2022)



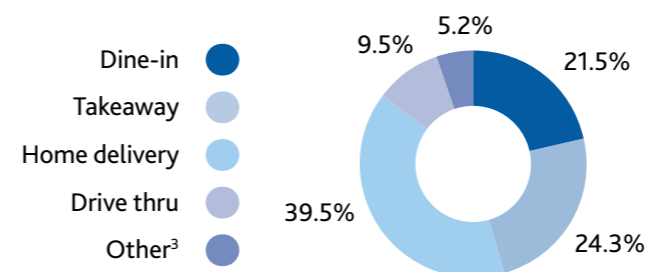
### Total revenue

**USD 2,413m**

↗ 1.5% (vs. 2022)



### Channel revenue %



### Net profit<sup>4</sup>

**USD 259.5m**

↗ 0.1% (vs. 2022)



<sup>1</sup> Refers to Baskin Robbins, TGIF, Chicken Tikka, Wimpy, Costa Coffee and Peet's Coffee.

<sup>2</sup> Refers to Grand Café, Fish Market and Pavilion.

<sup>3</sup> Includes Carhops, Catering, Sales Office/Food Supply, Kiosks and other revenues.

<sup>4</sup> Refers to net profit attributable to the shareholders of the Parent Company/net Parent Investment attributable to Former Parent Company.

## Operational highlights



- Opened 1,000<sup>th</sup> store with new store opening in KSA



- Doubled footprint in KSA
- Expanded to Iraq with three stores



- Inaugurated 84 gross new locations
- Launched the brand in Kazakhstan



- Opened 33 gross stores in key markets



- Inaugurated the first Peet's Coffee store in the region at Dubai Mall Fashion Avenue
- Launched five stores in the UAE and five more in KSA

# Overview

1



Our committed workforce of 40,000+ skilled individuals takes pride in creating unforgettable experiences through excellent cuisine and customer service.

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## About Americana Restaurants

# Building communities around the joy of food

 **2,435** stores  
Serving consistent quality and experience

 **12** countries  
Present in major countries in MENA region and Kazakhstan

 **40,183** employees\*  
Performance and values driven

 **12** iconic brands  
Diversified and relevant portfolio

\*Includes full-time, part-time, and contract employees, as at 31 December 2023.

Americana Restaurants is the largest out-of-home dining (OOHD) and quick-service restaurant (QSR) operator, serving 12 countries across the MENA region and Kazakhstan.

With a diverse portfolio of iconic global brands across key categories, including QSR, casual dining, indulgence, and coffee concepts, and a dominant regional footprint, we have delivered consistent growth and innovation for over half a century, making us a standout operator in our countries of operation.

In our first year as a publicly listed company, we continued to serve millions of customers each day and maintained our focus on product innovation and digital assets advancements to enhance our omnichannel universe with our customers at heart.

As the leading restaurant platform in the MENA region and Kazakhstan, Americana Restaurants provides a growing addressable population with access to an extensive network of global and iconic restaurant brands. We are the trusted and preferred franchisee in the region for many iconic global brands – including KFC, Pizza Hut, Hardee’s, Krispy Kreme, TGI Fridays, and recently added Peet’s Coffee, among others – and also operate two proprietary brands: Wimpy and Chicken Tikka.

Our dedicated team of over 40,000 talented women and men work with pride and purpose to create memorable moments through flavourful food, superior service, and exceptional experiences.

### Our purpose

To build communities around the joy of food.

### Our vision

To be the fastest-growing and most trusted food operator in the world.

### Our mission

To create awesome experiences for internal and external customers and amazing value for shareholders.



**AMERICANA**  
RESTAURANTS

**50+**  
Years of operation  
Trusted franchise operator  
for iconic global brands

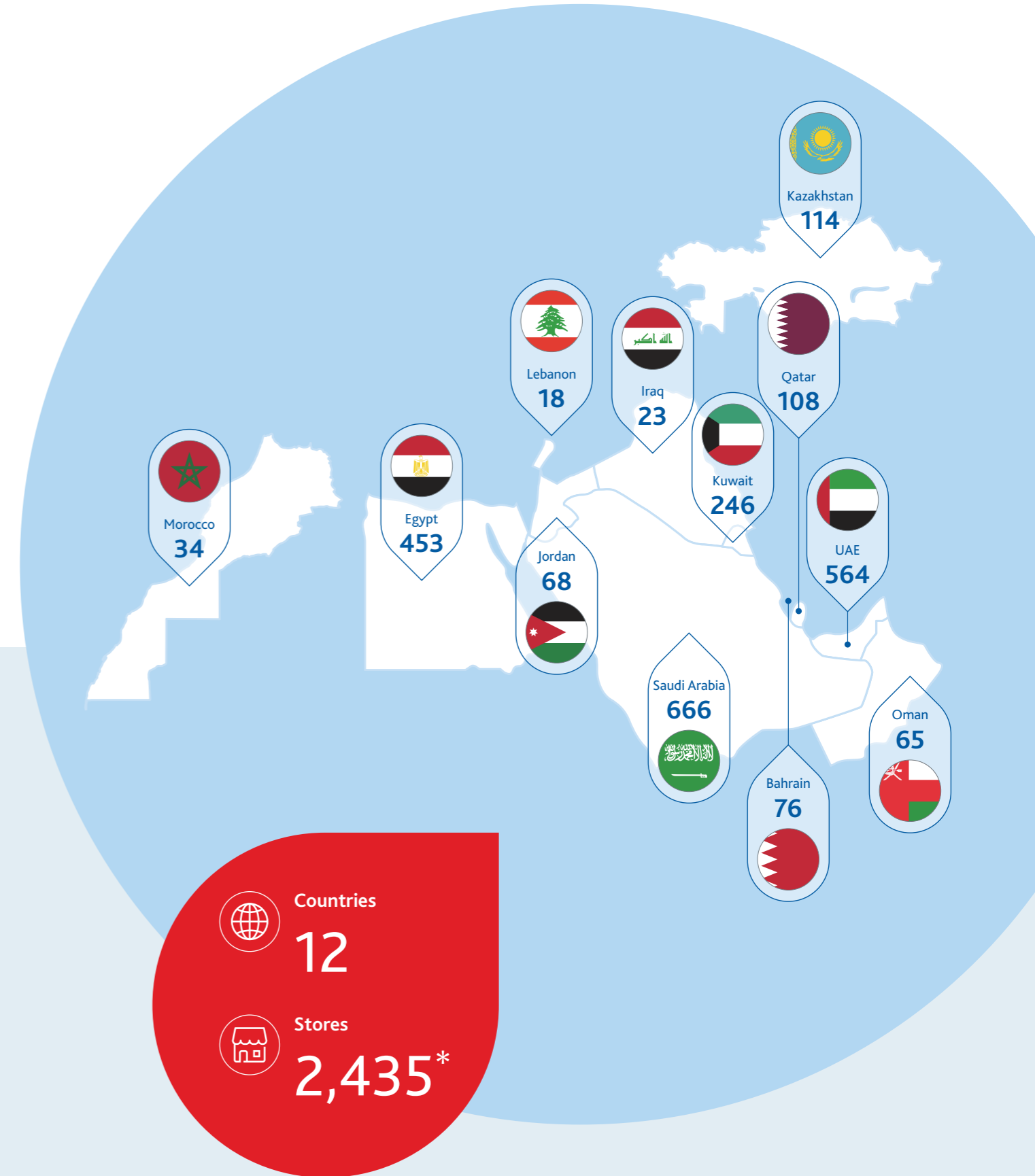
## Where We Operate

# Expanding our regional footprint

Our ever-expanding footprint of restaurants covers 12 countries stretching from Kazakhstan in the East to Morocco in the West. With unmatched local knowledge and capabilities, we are the dominant player in our core markets, with plenty of headroom to grow.

### Leading our industry and markets

Americana Restaurants is on a rapid growth journey to build on an established leadership position by creating sustainable value for our stakeholders and delighting our customers with great food and exceptional experiences.



\*Number of stores as of 31 December 2023.



## Our Brands



The chicken champion with a long runway for growth



Revenues for the year ended 31 December 2023

**USD 1,479m**

\*Number of stores as of 31 December 2023.



The iconic burger specialist on a transformational path to clear category leadership



Revenues for the year ended 31 December 2023

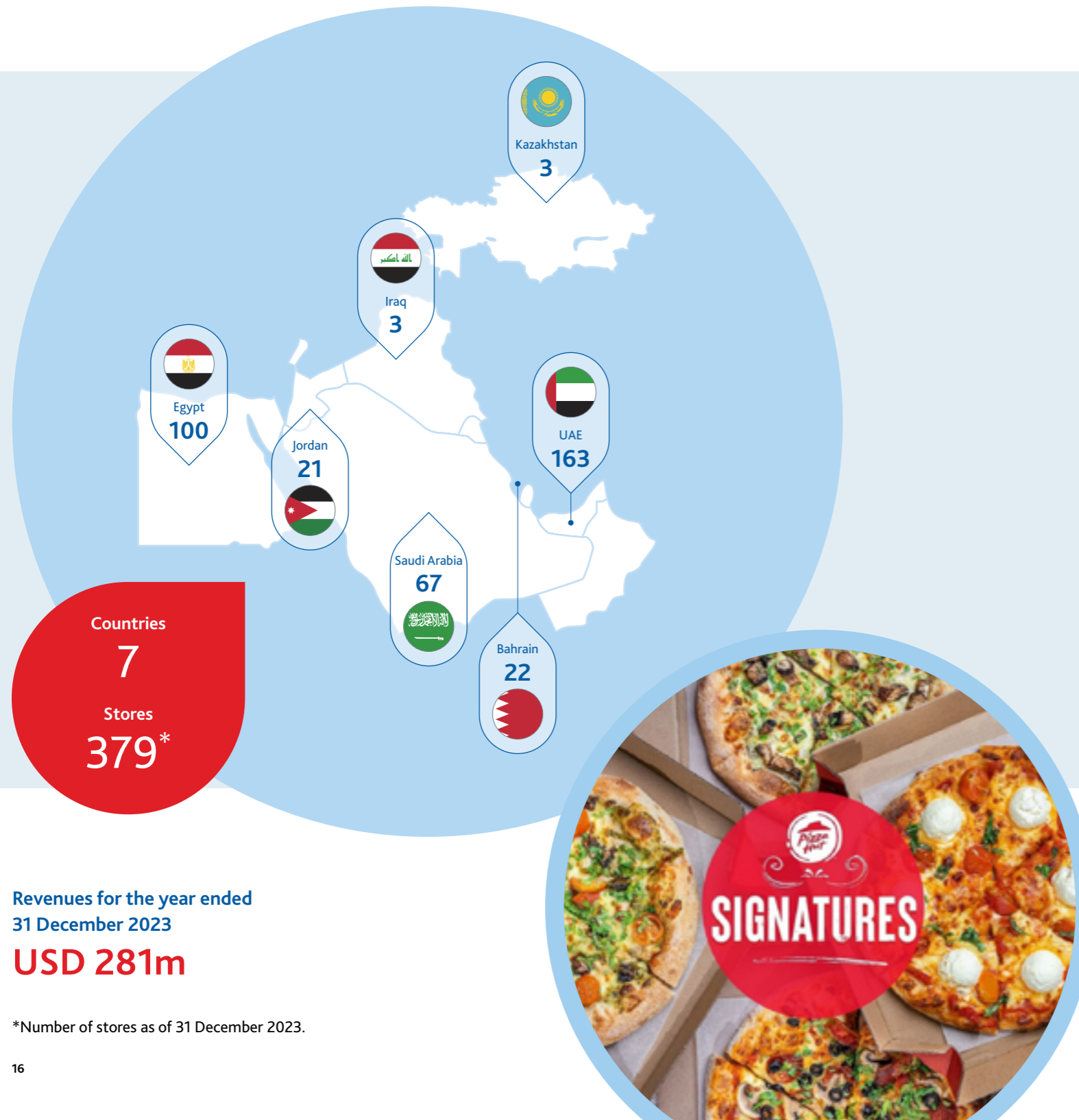
**USD 395m**

\*Number of stores as of 31 December 2023.

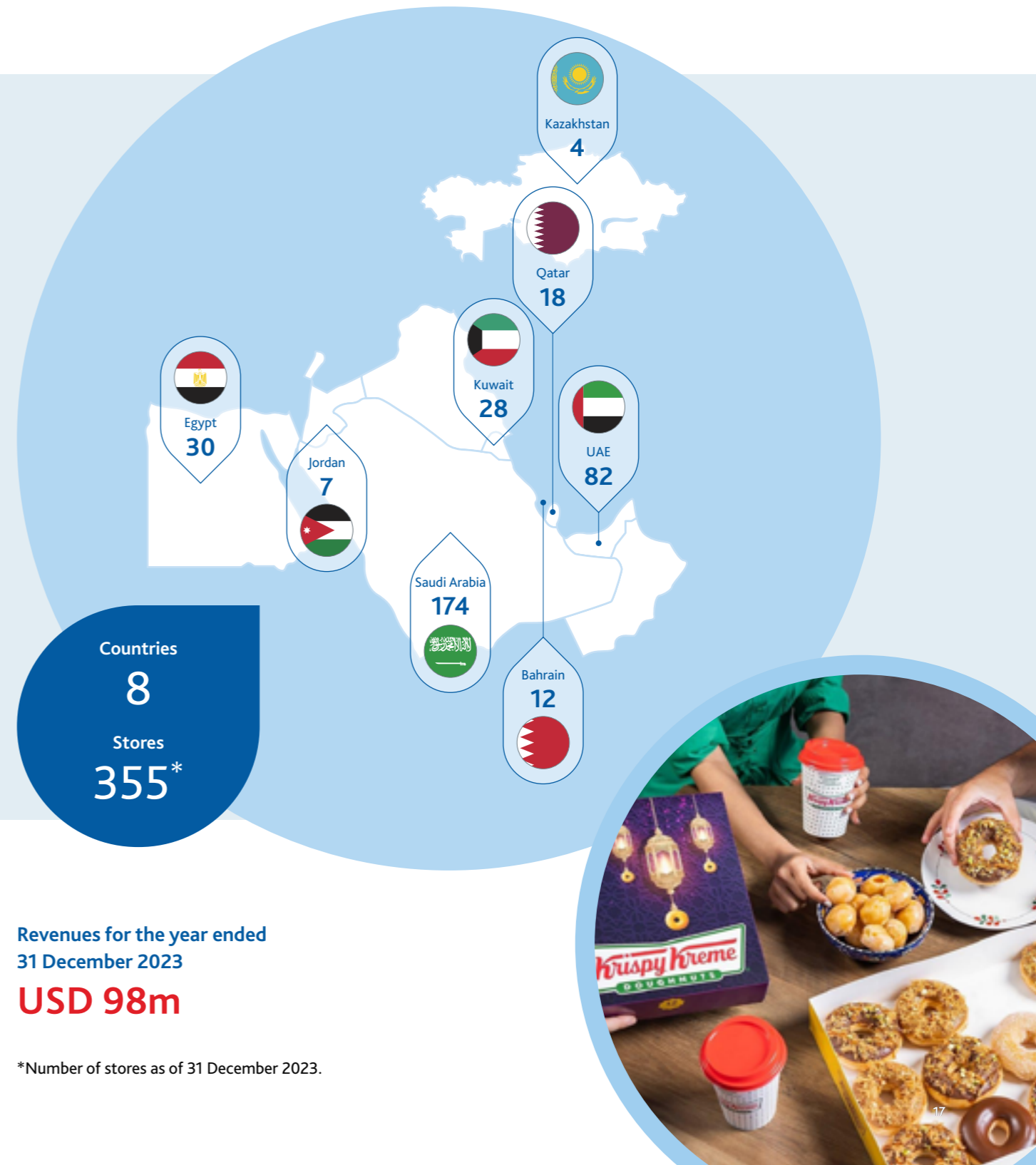
## Our Brands continued



The pizza leader with an expanding footprint across the region's key markets



The sweet sensation in the Middle East accelerating on its journey to win in indulgence



## Our Brands continued

### Other franchise brands

In addition to the Power Brands (KFC, Hardee's, Pizza Hut and Krispy Kreme), Americana Restaurants operates other franchise brands, which accounted for around 7% of the Company's revenues in 2023.

#### FRIDAYS

Americana Restaurants operates 48 stores\* across the region. The brand focuses on introducing local flavours to complement our iconic American-style cuisine served in a modern and stylish dining environment.

#### COSTA COFFEE

We operate 68 Costa Coffee stores\* across Egypt, Kazakhstan, and Jordan. The brand focuses on barista expertise as well as menu innovation, such as serving plant-based alternatives to its classic coffees and treats.

#### BR

We operate 67 stores\* across Kuwait and Egypt.

#### Peet's Coffee

Launched in January 2023 with first opening in Dubai Mall, we currently operate ten Peet's Coffee stores\* in the UAE and KSA.

The specialty coffee chain is known for its bold rich flavour and commitment to quality.

### Our proprietary brands

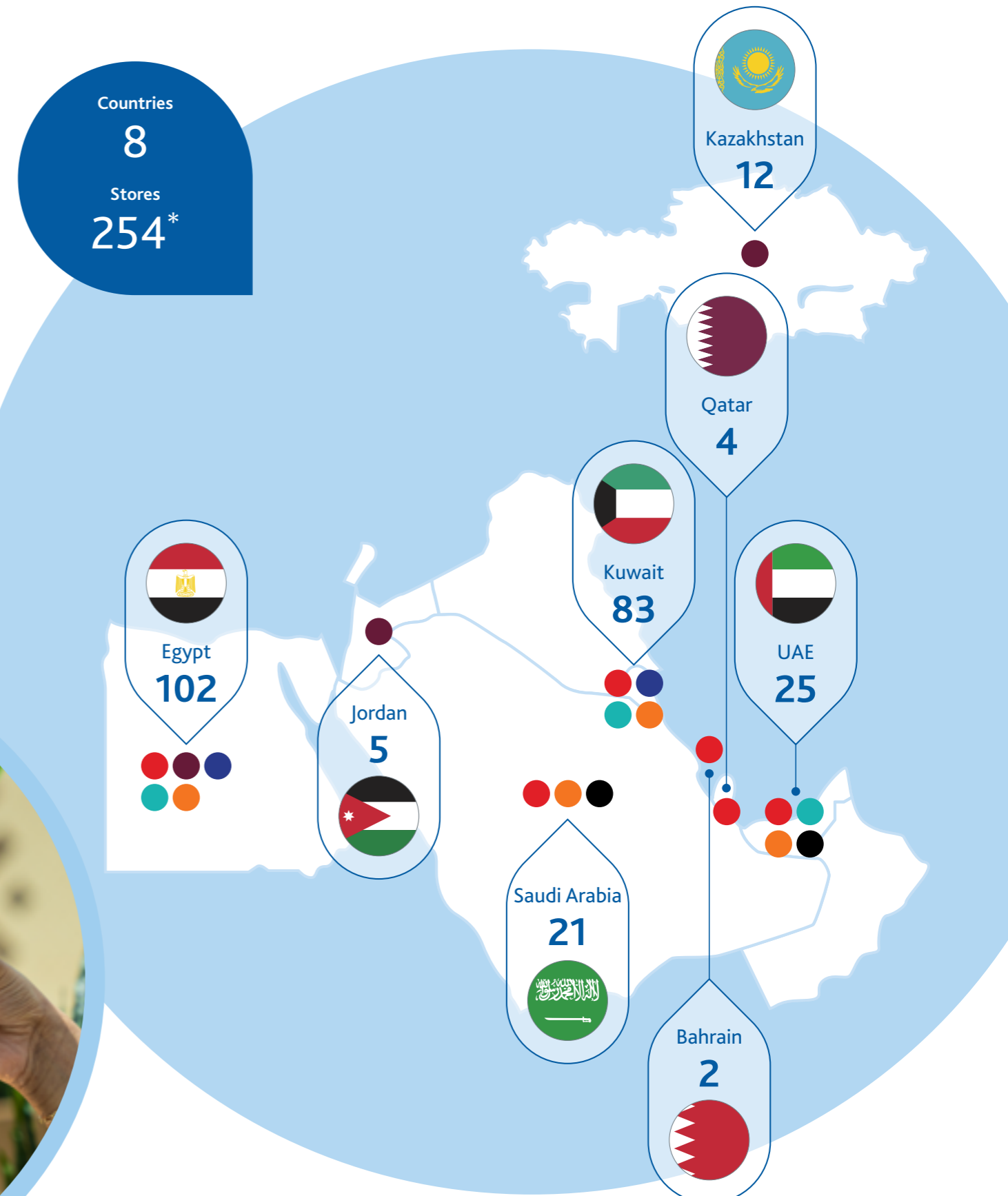
Americana Restaurants owns two proprietary brands: Wimpy and Chicken Tikka.

#### wimpy

We currently have 33 stores\* across Kuwait, Egypt, and the UAE. Wimpy aims to disrupt the industry with great-tasting burgers at affordable prices. We wear our mission on our sleeve – disrupt the business of overpriced burgers. We use our in-house innovation capabilities, great operational systems, and quirky communication style to stay lean and highly efficient.

#### chicken TIKKA

We operate 28 stores\* across four countries in the MENA region. Chicken Tikka offers a variety of chicken-based dishes, including grilled whole chicken, chicken sandwiches, wraps, and rice bowls.



FRIDAYS

COSTA COFFEE

BR

wimpy

chicken TIKKA

Peet's Coffee

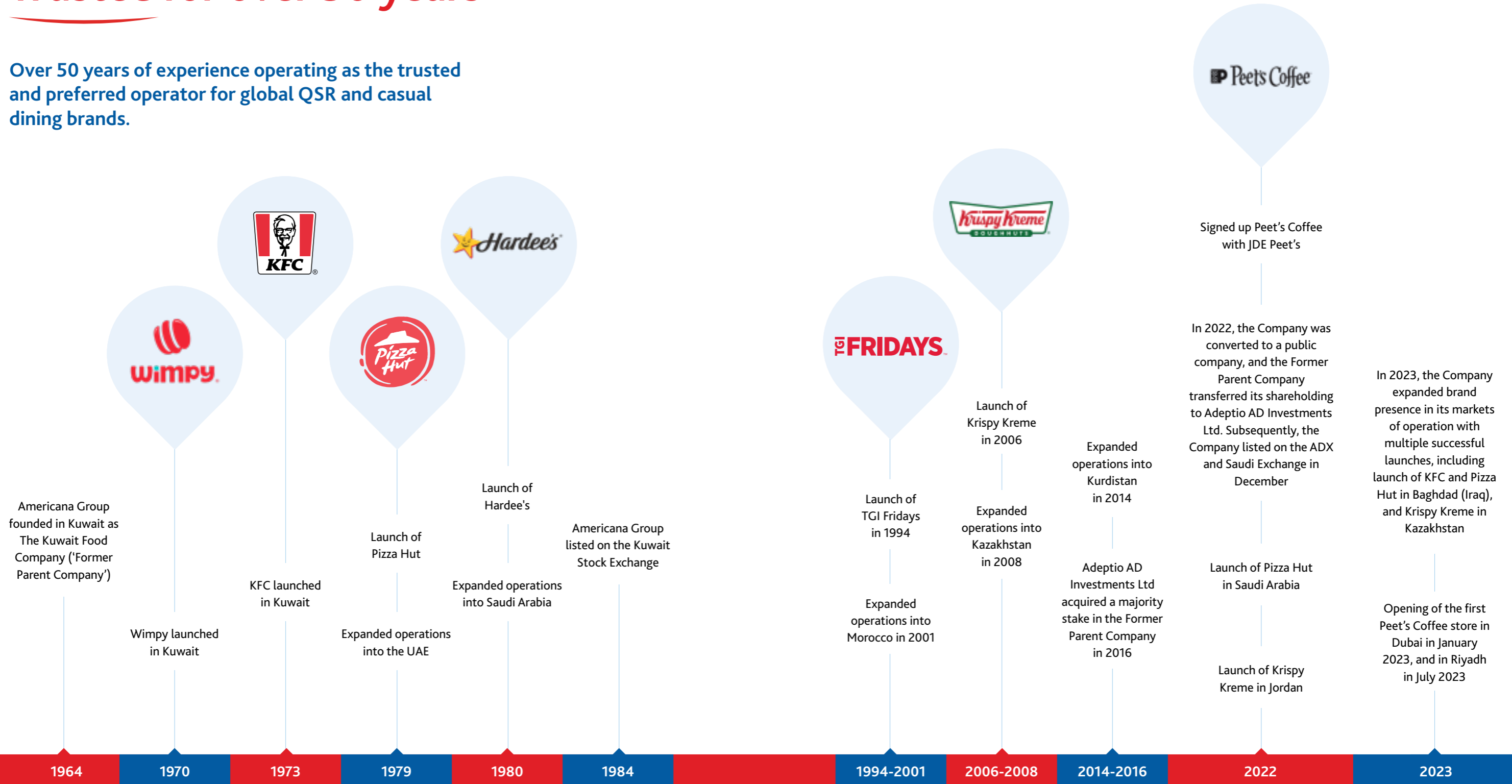
\*As at 31 December 2023.

\*Number of stores as of 31 December 2023.

## Our Journey

# Trusted for over 50 years

Over 50 years of experience operating as the trusted and preferred operator for global QSR and casual dining brands.



Americana Group was founded in Kuwait

We expanded operations into the UAE, Saudi Arabia, Morocco, Kazakstan, and Kurdistan

Americana Restaurants continues to be the operator of choice for international brands entering MENA

## Year in Review

# A year of expansion and achievement

January

### Americana Restaurants launched Peet's Coffee

Successful opening of the first location in the Middle East of coffee pioneer Peet's Coffee in Dubai Mall.

February

### Yum! Digital Disruptor Award

Americana Restaurants conferred the Digital Disruptor Award by Yum! at the International Franchise Convention in recognition of our digital transformation and digital first mindset.

March

### Gallup 'Exceptional Workplace' Award 2023

Honoured with the Gallup 'Exceptional Workplace' Award 2023. Being a two-time winner in consecutive years is an achievement and a testament of the continued efforts of the Company's 40,000 members to make Americana Restaurants an exceptional place to work and an employer of choice.

April

### KFC and Pizza Hut launched in Baghdad

Successfully launched KFC and Pizza Hut in Baghdad.

May

### Digital Excellence Award from CKE Global

Americana Restaurants awarded Digital Excellence Award by CKE Global for delivering transformational digital experiences for Hardee's.

June

### Americana Restaurants joined the MSCI UAE Index

Inclusion into the MSCI UAE Index, a widely recognised benchmark for investment decision-making in emerging markets, including the Middle East.

August

### Peet's Coffee entered its second market in the Middle East

Opened two Peet's Coffee outlets in Riyadh, marking the specialty coffee chain's debut in Saudi Arabia.

### Global Pizza Hut EFTX Championship

Pizza Hut Bahrain secured third place in the Global Pizza Hut EFTX Championship, a worldwide competition hosted by Yum!

September

### Krispy Kreme launch in Kazakhstan

Krispy Kreme successfully launched in Almaty, Kazakhstan with the Hot Light™ theatre store.

October

### All-women-led Pizza Hut restaurant

Under our Unleash Her Greatness initiative, Americana Restaurants opened first all-women-led Pizza Hut store in the MENA in Dubai.

November

### Opening of 1,000<sup>th</sup> KFC store

Successfully launched 1,000<sup>th</sup> KFC store; with new store opening in Saudi Arabia.



All-women-led Pizza Hut store

People award



Americana Restaurants received the Gallup 'Exceptional Workplace' Award 2023 for second year in a row

## Investment Case

# A unique investment proposition

**A scaled consumer business with strong performance, world-class management, and a significant upside for growth.**

Americana Restaurants is a scaled consumer business with strong performance, high-quality and world-class operations, and management delivering best-in-class profitability with significant upside for growth.



Our substantial investment case is built on our core strengths



### Standout operator of iconic global brands...

...with a customer-centric operating culture and multiple platform efficiencies.

With our proven track-record of success of over 50 years, the platform attracts internationally successful brands. Americana Restaurants replicates, improves, and adapts to local tastes with tried-and-tested dining solutions from some of the world's most popular brands such as KFC, Pizza Hut, Hardee's, and Krispy Kreme. Additionally, the Company enjoys multi-decade global brand equity and highly embedded customer trust, appeal, and preference in its countries of operations.



### Attractive financial model...

...with strong unit economics and efficient capital deployment.

Americana Restaurants is a growth and customer-focused organisation, with a deeply inculcated cost-conscious and frugal culture. This has helped to improve margins in parallel to making significant investments. The Company applies the same rigour and discipline to new store openings that delivers an attractive payback period.



### Market leader...

...in an attractive region, supported by structural tailwinds.

We are the market leader in the 12 countries in which we operate across the MENA region and Kazakhstan. Americana Restaurants' markets of operation benefit from strong macro and socio-economic tailwinds that are supporting consumer disposable income growth and changing consumption habits, giving impetus to further development of the out-of-home dining (OOHD) market and its sub-segments.



### Significant growth potential...

...in core and new business, through continued format evolution and rigour in site selection.

Our strategy is focused on unlocking our full potential as a leading QSR and OOHD restaurant operator and capturing an increasing share of consumers' wallet by leveraging our unrivalled heritage and scale to expand into new territories and segments. To achieve our vision and mission, we will continue our development through four principal strategic levers: growth in our restaurant portfolio, revenue growth, margin expansion, and optionality on the platform.



### Powerful digital platform...

...with an advanced technology stack.

Americana Restaurants owns best-in-class digital assets, offering a seamless experience: Super Apps with multi-country functionality. These create a single view of the customer across brands and countries, enabling the Company to serve different occasions and cuisine types, backed by a wide offering across categories. The Company has a strong CRM layer, enabling hyper-personalised marketing campaigns that promote frequency and increase customer lifetime value. Americana Restaurants also operates robust, scalable, back-end technologies, which are a key enabler of growth, providing a unified data layer that gives access to data in real time.



### World-class management team...

...supported by strong shareholders.

Through the support of our shareholders and the efforts of the current management, the Company has seen significant improvements in terms of its portfolio, progression, and profitability. Transformational changes introduced by the management have been accompanied by a comprehensive shift towards a values-led culture driven by performance and KPIs.

## Stakeholder Engagement

# Sustainable value creation for all our stakeholders



Americana Restaurants is an active and engaged corporate citizen, applying a holistic approach to stakeholder engagement that encompasses community support, employee wellbeing, customer satisfaction, supplier and partner relationships, and shareholder communication. We work closely and collaboratively with all our valued stakeholders to build sustainable relationships, enhance our mutual interests, and support our shared success.

## Our community



We take pride in our efforts to give back to the community through a wide range of events and initiatives throughout the year across our markets.

- Collaborated with Sharjah Municipality for a beach clean-up drive, involving our employees in waste segregation and cleaning activities
- Supported Dubai Police in distributing Iftar meals during Ramadan
- Hosted children from Al Ihsan Charity (UAE) at Pizza Hut, offering them a day filled with fun activities under our initiative, Give Kids a Smile
- Conducted a two-day virtual talent fair in a metaverse room to facilitate the hiring of Emirati nationals
- Participated in the Almaty and Astana Running Marathons in Kazakhstan, contributing registration fees to support sports for individuals with special needs and Paralympic athletes
- Supported Saudi Centre for Down Syndrome by celebrating its 12<sup>th</sup> anniversary and providing complimentary meals from Hardee's and KFC
- Supported earthquake victims in Morocco by providing temporary accommodation in the form of large fully equipped tents
- Established collaboration with the Ministry of Education in Egypt, engaging in dual education programmes with nine vocational schools and three universities
- Provided essential goods and financial support to Gaza relief efforts, working with Emirates Red Crescent, King Salman Humanitarian Aid and Relief, and the Jordanian Hashemite Charity Organisation
- Engaged with various authorities and charity organisations including municipalities, orphanages, and government authorities to support them in their organised events, in addition to arranging our own events

We are proud of our commitment to give back to the community



## Stakeholder Engagement continued



### Our employees

**Our commitment to employee engagement and wellbeing is focused on enhancing work-life balance, personal growth, and the overall health of our people, reinforcing Americana Restaurants' reputation as an exemplary employer dedicated to fostering a positive and progressive workplace. As a testament to our efforts, we won the 'Exceptional Workplace' award by Gallup in 2023 for the second consecutive year.**

- Enhanced employee engagement and career advancement through training initiatives such as Grow, a development programme for restaurant general managers
- Launched AmWell, an employee assistance programme for the overall wellbeing of our employees; organised various health and fitness programmes, and sports events throughout the year
- Implemented Moms Work-from-Home Day for our female employees with young children, which enables them to work from home one day a week
- Held 'Americana's Got Talent' event in the UAE and other team-building activities across markets for employee engagement



### Our suppliers and partners

**We are committed to strengthening our relationships with suppliers and partners through a structured and collaborative approach that builds sustainable and mutually beneficial partnerships.**

- Hosted an annual partner summit in Dubai, bringing together our top leadership with partners and key strategic suppliers. The summit served as a platform to share and discuss various business aspects, including growth plans. This collaborative approach instils confidence in our suppliers and provides an opportunity for sustained engagement with our Company
- Established a comprehensive vendor management process, encompassing identification, evaluation, negotiations, and onboarding, which drives transparency and ensures trust with our suppliers
- Participated in industry events such as Gulfood and GITEX to engage with current and potential suppliers. This proactive approach not only facilitates a deeper understanding of our specific requirements, but also creates a platform for suppliers to explore potential supply opportunities



### Our customers

**We work tirelessly to serve our customers, implementing a range of customer engagement strategies focused on enhancing customer experience through innovative offers, digital initiatives, and personalised offerings across various markets and brands.**

- Launched a digital loyalty program for KFC in six countries, including the UAE and KSA, offering exclusive products, promotions, and rewards
- Added 39 new kiosks to elevate customer experience in the UAE and KSA markets for KFC and Hardee's
- Added value layers in the menu through KFC Crunchers and Hardee's Wraptor
- Improved customer service with our voice of the customer (VOC) platform, active in nine out of 12 markets, significantly reducing complaint resolution times
- Developed a channel-level calendar to engage consumers with offers, benefits, and awareness campaigns



### Our shareholders

**We prioritise transparent and open communication with our investor community, focusing on providing comprehensive information about the Company's performance, plans, and achievements to facilitate informed decision-making among investors and foster a culture of trust and confidence.**

- Maintained active engagement with shareholders, ensuring prompt response to queries and information parity
- Engaged with shareholders and investor community through various channels such as the Annual General Meeting, non-deal roadshows, field trips, and regular meetings (both physical and virtual), and participated in international and regional conferences
- Conducted earnings calls following financial results announcements to provide regular updates to investors and analysts on Company performance, financials, expansion plans, strategic focus, and near-term outlook





## Shareholders' Information

# Engaging with our shareholders

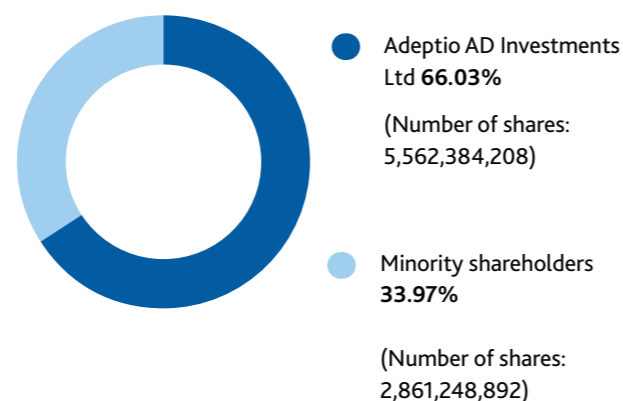
### Share information

Listing date:	12 December 2022
Exchange:	Abu Dhabi Exchange (UAE)/Tadawul (KSA)
ADX Symbol:	AMR
ADX ISIN:	AEE01135A222
Tadawul symbol:	6015
Number of shares issued:	8,423,633,100
Closing price on ADX:	AED 3.13 <sup>1</sup>
Closing price on Tadawul:	SAR 3.23 <sup>2</sup>
<b>Market capitalisation</b>	
ADX Exchange:	AED 26.4 billion <sup>1</sup>
Tadawul Exchange:	SAR 27.2 billion <sup>2</sup>
Free float:	33.97%

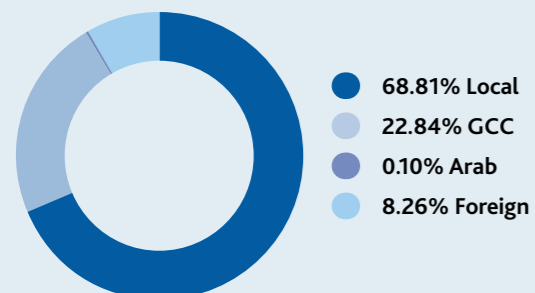
<sup>1</sup> As at 29 December 2023.

<sup>2</sup> As at 31 December 2023.

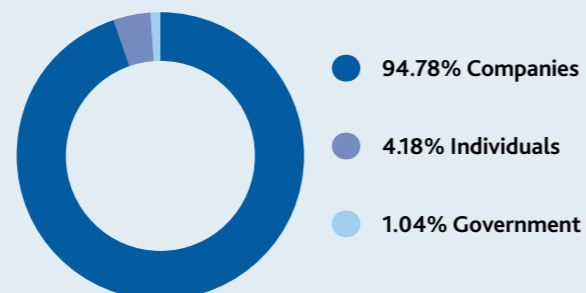
### Shareholding details



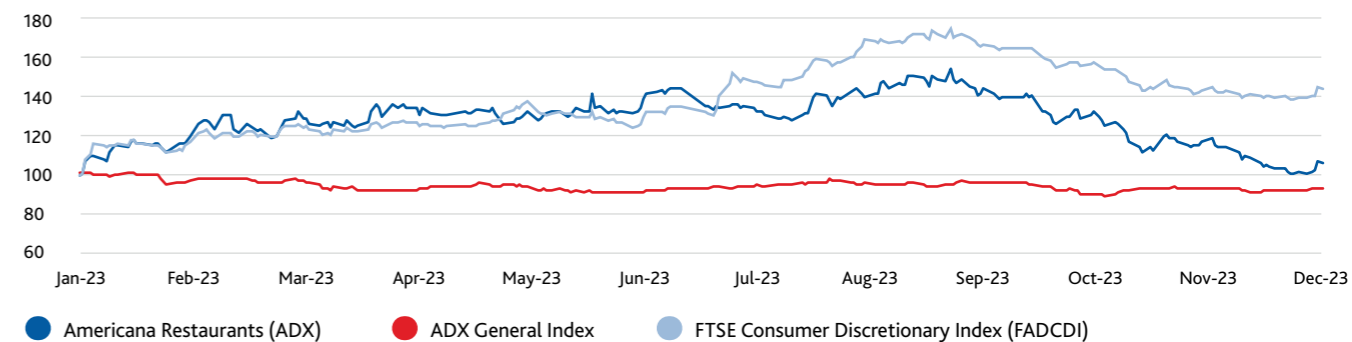
### Statement of distribution of shareholders' ownership on ADX as at 31 December 2023



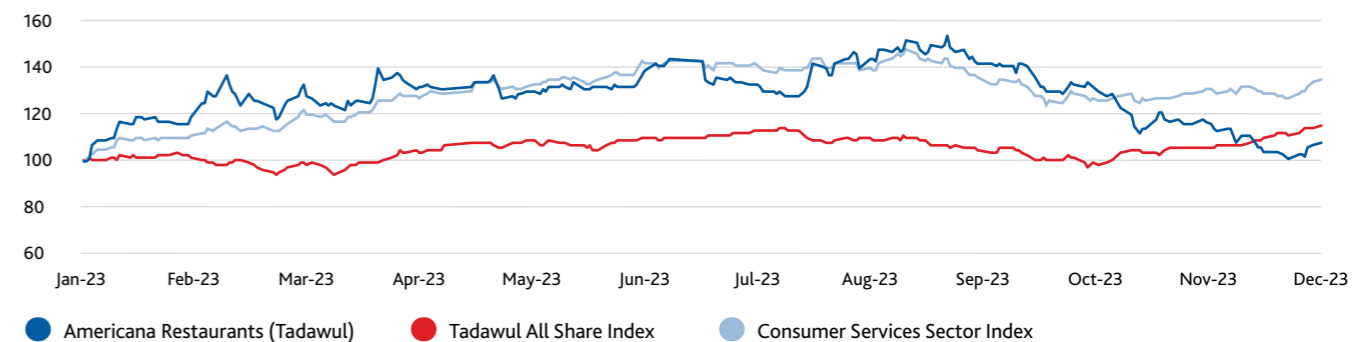
### Shareholding by type (ADX)



### Americana Restaurants (ADX) vs ADX General Index vs FTSE Consumer Discretionary Index



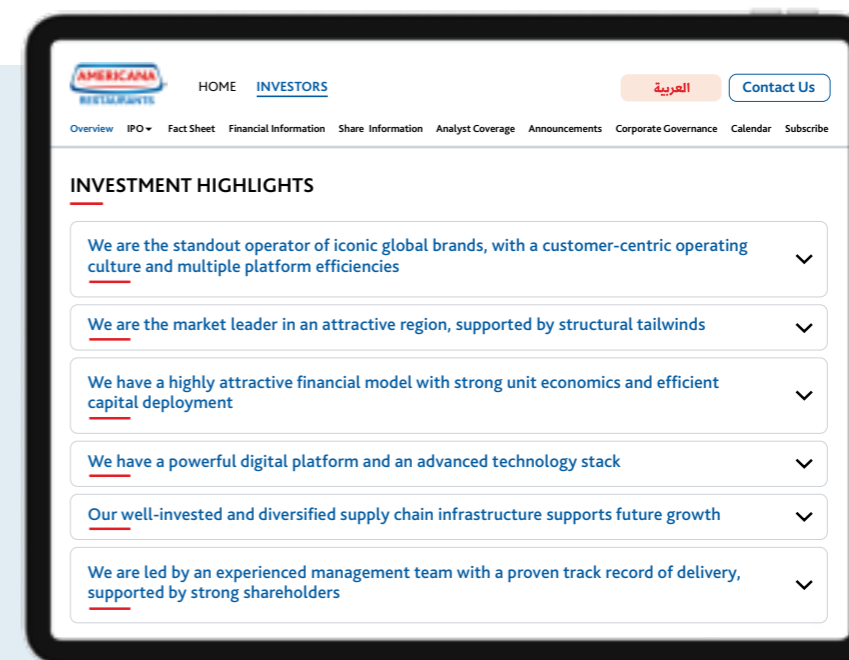
### Americana Restaurants (Tadawul) vs Tadawul All Share Index vs Consumer Services Sector Index

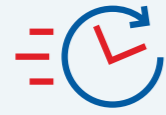


### 2023 financial events calendar

14 February 2023	23 February 2023	28 March 2023	6 April 2023	7 April 2023	4 May 2023	3 August 2023	2 November 2023
FY 22 Preliminary Unaudited Results	FY 22 Financial Results Announcement	Annual General Meeting	Ex-Dividend Date <sup>1</sup>	Shareholders' Registry Closing Date	Q1 23 Financial Results Announcement	Q2/H1 23 Financial Results Announcement	Q3/9M 23 Financial Results Announcement

<sup>1</sup> Dividends for the financial year ended 31 December 2022.





Over 50 years, Americana Restaurants has been a pioneering leader in the QSR industry in our markets of operation

# Strategic Review

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## Chairman's Message

# Elevating experiences. Driving growth.

Americana Restaurants has maintained its leading position in the MENA region and Kazakhstan while steadfastly pursuing its vision of becoming the fastest-growing and most trusted food operator globally. With a sense of purpose and unwavering determination, the Company has made significant strides in 2023 towards realising this ambitious vision.

For over five decades, Americana Restaurants has consistently delivered exceptional culinary experiences, positioning us as regional industry leaders, within a dynamic industry through innovation and unwavering commitment to excellence.

In 2023, the Company continued to evolve, diversify, and innovate, setting new standards for customer satisfaction, operational excellence, and digitalisation. Our portfolio of globally renowned brands including KFC, Pizza Hut, Krispy Kreme, and Hardee's reflects our assurance of quality and service. Moreover, we expanded our offerings by partnering exclusively with Peet's

Coffee in the GCC, solidifying our reputation as the preferred destination for discerning consumers seeking unparalleled quality and variety in dining experiences. Today, we proudly serve a vast and expanding population of over 270 million individuals, providing them with access to a diverse portfolio of global iconic food brands.

### Fostering local talent and community empowerment

Americana Restaurants is deeply committed to its strategy of hiring and nurturing local talent across all its markets of operations. Our approach goes beyond just providing jobs; it is about investing in the communities we serve and empowering individuals to thrive in their careers. By prioritising local hiring, we not only contribute to the economic prosperity of each region, but also ensure our workforce reflects the diverse cultures and perspectives of our customers. We believe that by fostering a strong sense of belonging and opportunity, we can create a positive impact that extends far beyond our restaurants.

### Stable and resilient financial performance

During the year, the Company confronted macro challenges such as inflation in some markets as well as unfavourable foreign exchange movements in Egypt and Lebanon. Additionally, the volatile market dynamics influenced by regional geopolitical tensions later in the year presented further challenges and impacted fourth quarter performance.

Despite a dynamic and challenging market environment, Americana Restaurants demonstrated financial stability and resilience. In 2023, our total revenues amounted to USD 2.4 billion, representing a 1.5% growth compared to 2022. Building on the success of our initial public offering in 2022, we achieved a net profit attributable to the shareholders of the Parent Company totaling USD 259.5 million, maintaining a stable net margin of 10.8%.

Our dedication to prudent financial management and strategic capital allocation has resulted in a strong balance sheet,

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Our commitment to investing in digitalisation and technology will drive increasing efficiency, productivity, and financial performance, positioning us for sustained growth and success in the years to come.

Mr. Mohamed Ali  
Rashed Alabbar  
Chairman



characterised by zero debt and a healthy cash position. This financial strength provides us with the flexibility to fund our expansion initiatives and positions us optimistically for the medium- and long-term outlooks.

The Company now proudly operates

**2,435**  
stores



#### Strategic focus

In 2023, Americana Restaurants remained steadfast in its strategic focus of unlocking its full potential in the industry, with a dedicated emphasis on increasing its presence and share of the regional consumer market. I am pleased to report commendable progress made throughout the year, as we leveraged our unrivalled heritage and scale to expand in existing markets and diversify our brands portfolio.

The Company now proudly operates 2,435 stores and continues to pursue growth opportunities through the expansion of Power Brands in existing markets, as well as exploration in new segments. In 2023, we launched more than 140

gross new stores in Saudi Arabia, marking significant progress in one of our key markets.

Additionally, we successfully introduced the first Pizza Hut and KFC stores in Baghdad, as well as the first Krispy Kreme outlet in Kazakhstan. Strengthening our coffee vertical in key markets, we launched Peet's Coffee in the UAE and Saudi Arabia, further enhancing our diverse portfolio of offerings.

With a future-focused mindset, we accelerated our shift towards digital and social media marketing, recognising the importance of embracing technology to meet the evolving needs of our customers.

Our commitment to investing in digitisation and technology will drive increasing efficiency, productivity, and financial performance, positioning us for sustained growth and success in the years to come.

#### Growing sustainably and responsibly

At Americana Restaurants, we are deeply committed to growing sustainably and responsibly, guided by our core purpose of building communities around the joy of food.

In 2023, we took steps to integrate more sustainable practices into our operations. This includes using eco-friendly products and packaging, streamlining processes for efficiency, and investing in energy-saving initiatives. We're committed to minimising our environmental footprint and supporting a sustainable future.

In addition to our focus on sustainability, the Company remains steadfast in its commitment to create an exceptional workplace for our more than 40,000 employees, who are an integral part of our success. I am proud to announce that in 2023, we were honoured to receive the Gallup 'Exceptional Workplace' Award for the second consecutive year. This recognition is a testament to our unwavering commitment to putting people first and fostering a culture of high employee engagement and satisfaction.

#### Robust governance and risk management

At the core of our sustainable success is a commitment to governance principles that uphold transparency, accountability, and ethical conduct at every level of our organisation. We recognise that sound governance practices

are essential for maintaining the trust of our stakeholders and ensuring the long-term success of our business.

The Board of Directors continues to oversee the effective implementation of governance frameworks, ensuring alignment with industry best practices and regulatory requirements. This ongoing oversight supports sustainable excellence and responsible operations throughout our Company.

Furthermore, the Company remains dedicated to long-term scalability through robust risk management practices. Effectively managing risks is critical to safeguarding our operations, preserving shareholder interests, and fostering long-term value creation.

#### Acknowledgements

In closing, I would like to extend my gratitude to our esteemed Board of Directors for their invaluable strategic direction and support throughout a year filled with both challenges and opportunities. Their guidance has been instrumental in navigating the complexities of the business landscape and charting a course for continued success.

I also want to express my sincere appreciation to Americana Restaurants' shareholders for their trust and support. Your confidence in our Company's strategy and performance is truly appreciated, and it serves as a driving force behind our determination to deliver value and achieve our goals.

Finally, I would like to recognise and commend the dedication and contributions of every Americana Restaurants employee. Your hard work, passion, and commitment are the cornerstone of our sustained success, and it is your

collective efforts that propel Americana Restaurants to new heights year after year.

As we embark on the journey ahead, I am confident that, together, we will overcome challenges, seize opportunities, and continue to drive Americana Restaurants towards even greater achievements.

Thank you once again for your trust, support, and collaboration.

**Mr. Mohamed Ali Rashed Alabbar**  
Chairman

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The Board of Directors continues to oversee the effective implementation of governance frameworks, ensuring alignment with industry best practices and regulatory requirements.

## Chief Executive Officer's Message

# Achieving growth through people and purpose

Dear Shareholders and Stakeholders

Looking at 2023, I find myself humbled by the continued resilience and dedication demonstrated by Americana Restaurants teams across our 12 countries of operations. The year, woven with triumphs and trials, once again demanded organizational dexterity and shared humanity to meet the challenges thrust upon us.

On the business front, 2023 marked the successful completion of our first full year as a publicly listed company, a milestone deserving collective recognition. Particularly notable was the exceptional performance demonstrated by Americana Restaurants' "Development Machine", as well as the agility and resilience shown by our supply chain and operations teams to nimbly navigate the logistics and volume volatility caused by the geopolitical conflict in the region.

### Fulfilling commitments, driving growth

In 2023, we achieved significant milestones that reflect our commitment to growth and innovation. With record 300 new restaurants, we expanded our footprint to 2,435 locations across MENA and Kazakhstan, marked by 143 new openings in KSA. Pizza Hut's rapid expansion in KSA, with 67 new restaurants in just 18 months from launch, showcases our execution capabilities. The opening of our 1,000<sup>th</sup> KFC store and the introduction of KFC and Pizza Hut in Baghdad mark pivotal moments in our journey. Additionally, we introduced the finest craft coffee in the world with the launch of Peet's Coffee in UAE and Saudi Arabia, underscoring our regional knowledge and overall team capability.

While we don't operate the company with our eyes glued to the stock price, we take our responsibility for shareholder value creation with utmost seriousness. Management's repeated ability to deliver sustainable growth and profits is reflected in Americana Restaurants' inclusion in the MSCI index during the first year of listing. This stamps the company's position as a high-quality asset with strong performance and balance sheet, that is also well positioned for growth in the years ahead.

### Geopolitics and business dynamics

Just when we thought we had navigated through the major crises of this decade, unforeseen geopolitical conflict in the region disrupted our business in October 2023, as well as the lives of millions of innocent people in the conflict zones. Their suffering weighs heavily on us, driving home the stark reality of human hardship. Every team member at Americana is praying for peace to prevail and the suffering of innocent people to end.

We engaged with our internal teams to reaffirm our shared feelings, we empathized with their concerns and channelled these sentiments into our core objective: offering our customers exceptional value by serving great tasting food and delivering awesome experiences, while mobilizing the organization on relief efforts for those affected. Subsequently, we remain focused on rebuilding trust with our customers and protecting the reputation of our brands.

The fact that geopolitical factors have a direct impact on businesses like ours, heavily reliant on people and customers is never lost upon us. This necessitates proactive risk management, strategic

adaptation, and customer-centric approaches to sustain growth and competitiveness in a dynamic global landscape. We want to provide assurance that Americana Restaurants has sturdy crisis, risk and business continuity frameworks, as well as agility and flexibility built into the plans to deal with such disruptions effectively.

### Building communities around the "Joy of Food"

As we look ahead, our purpose "building communities around the joy of food" takes on a richer meaning. Americana Restaurants will continue to be a force for equal opportunities, spreading kindness and championing causes for underprivileged and underserved individuals and communities, who otherwise would not get a fair shake in life.

The recent graduation of 110 students from our dual Program scholarship in Egypt and the operation of six stores staffed entirely by individuals of determination highlight our dedication to building capabilities and transforming lives. We're committing to do more, whether it's providing education to employees, empowering women, supporting the education of displaced children, or equipping the local population, and our employees from developing countries outside the region, with valuable employability, life skills and career growth opportunities.

### Celebrating diversity and cultural richness

At Americana Restaurants, we cherish the diverse traditions that make each of our 12 countries unique. Our 40,000 internal ambassadors, scattered across countries, and our broader network of partners

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We believe that in a world of rapid change, the winners are those who can see around the corners, move quickly, and execute with precision.

Mr. Amarpal Singh Sandhu  
CEO



worldwide, embrace this diversity wholeheartedly. Internally, our culture thrives on a delicate balance between collectivism, where team and company come before self, and individualism, fostering creativity, entrepreneurial mindset, and individual genius.

The cultural richness and heritage of MENA region and Kazakhstan is truly awe-inspiring. Saudi Arabia the birthplace of Islam, UAE's 6000-year-old Neolithic civilisation, Kuwait known for its rich maritime history and trading traditions, Egypt's majestic pyramids and ancient civilizations to Mesopotamia's (present-day Iraq) inventions of writing and the wheel are just a few examples of our markets' incredible history and cultural richness.

Recognising the importance of culture in brands, we have challenged our marketers to amplify and weave our region's rich cultural tapestry in interesting and celebratory ways in advertising and communication strategies. Celebrating food, communities and culture lends itself to building lasting bonds with our customers and communities, which in turn continues to strengthen the local relevance and love of our brands.

### Encouraging entrepreneurial minds and innovation

At Americana Restaurants, we adopt a comprehensive approach to innovation, encompassing every aspect of our business, from products, processes, and

technology to designing and building restaurants of the future. Our history of pioneering global system experimentation, such as introducing Wraptors for Hardee's, Melts for Pizza Hut, and innovative Lays offerings with KFC, exemplifies our commitment to pushing boundaries to serve great tasting and locally relevant food.

We have also made significant strides in technology, building a proprietary last mile logistics platform, launching a digital loyalty program for KFC and advancing our dynamic pricing and omni-channel capabilities. Recognition with Yum! Digital Disruptor, and CKE's Digital Excellence Award highlights Americana Restaurants' continued leadership in digital innovation.

### Pioneering tomorrow's paradigms through foresight, agility, and execution

We believe that in a world of rapid change, the winners are those who can see around the corners, move quickly, and execute with precision. To that end, to maintain our dominance and solidify our No.1 position in the Out-of-Home dining space, we deeply understand and embrace these three components: as foresight envisions the future and sets direction, agility adapts to evolving consumer dynamics in diverse markets, and execution propels ideas across the finish line.

Reflecting on our journey, crafting our Vision statement amidst the turbulence of 2020, demonstrated our foresight and resilience. Whether it's opening 300

restaurants in a year or implementing ERP systems across 11 countries, our track record speaks to our executional prowess. Throughout the Covid crisis and more recently during the geopolitical tensions, our agility was put to test. Yet our flat organizational structure and extensive institutional memory enabled swift decisions and uncertainty navigation. We are assured to emerge stronger, always stitching together the silver linings of adversity.

### Acknowledgments

As we conclude this chapter, I extend heartfelt thanks to the entire Americana Restaurants family. Your resilience and Junoon (unreasonable passion) continue to be the foundation of our success. To our shareholders and Board of Directors, thank you for your belief in our vision. And to our loyal customers, your support drives us to excel. I'm also grateful to our suppliers and partners for their valuable support helping us achieve our goals. A special shout-out to our Franchisors, for their partnership and collaboration during good and bad times. Your trust has been key to our mutual success.

Thank you all for your trust, partnership, and dedication.

Mr. Amarpal Singh Sandhu  
CEO

## Our Business Model

# Leveraging our strengths to achieve our ambitions

**Americana Restaurants is a dominant restaurant operator in the MENA region and Kazakhstan.**

Our strength is in the diversity of our portfolio, which replicates, improves, and adapts to the local tastes, the tried-and-tested dining solutions from some of the world's most popular brands, with multi-decade global brand equity, and deeply embedded customer trust, appeal, and preference.

Our digital-first mindset and cutting-edge tech capabilities drive better decisions made by our experienced management teams across our business. Our powerful digital platform is underpinned by a payback-driven financial model, robust infrastructure, and best-in-class investments, along with our broad regional reach, strong balance sheet, and operating culture.

### Iconic global brands



A diverse portfolio of iconic and leading global brands across key food categories that are growing customer wallet share on a single platform.

- Strong franchisor relationships and top quartile performer for Yum! Brands, CKE Holdings, and Krispy Kreme doughnut company
- Market-leading position with 2,435 restaurants in operation as at 31 December 2023

### Unrivalled customer experience



A customer-centric operation that aims to exceed customer expectations every day by providing quality food products and exceptional service.

- Marketing and product innovation
- Omnichannel multi-format digital platforms

### Financial focus



An attractive financial model with efficient capital deployment that competes strongly against international restaurant operators and local peers.

- Healthy portfolio
- Steady revenue growth potential driven by like-for-like revenues and contributions from new restaurants
- Best-in-class payback period
- Top quartile margins and attractive profitability
- Focus on cash generation

### Synergies of scale



An optimised CAPEX process that enables efficient, timely, and high-quality project delivery, which ultimately delivers growth.

- Single operational platform
- Strategic supplier partnerships and sourcing synergies, providing bargaining power
- Optimised and lean shared services
- Multi-brand warehousing and last-mile capabilities

### Performance-driven culture



A principled performance management framework that motivates and rewards.

- Complaint resolution time
- Speed of service



## Our Strategy

**To achieve our vision and mission, we will continue our growth and development**

**Our strategy is focused on unlocking our full potential as a leading QSR and OOH restaurant operator and capturing an increasing share of consumers' wallet by leveraging our unrivalled heritage and scale to expand into new territories and segments.**

To realise our vision and mission, we will continue our progress through four primary strategic mechanisms: growth in our restaurant portfolio, increased revenue, margin expansion, and optionality in the platform.

Strategic pillar	1	2	3	4
	 <p><b>New restaurant growth</b></p>	 <p><b>Drive revenue growth at existing restaurants</b></p>	 <p><b>Improve margins with focus on cost optimisation and margin enhancement</b></p>	 <p><b>Organic and inorganic avenues for long-term platform development</b></p>
Description	<p>There is significant potential to further roll out restaurants across our portfolio and the region because of low levels of penetration and gaps in brand presence across our markets.</p> <p>We aim to drive our portfolio development through three vectors: deeper penetration of existing markets, expansion (in existing and new markets), and entry into new categories.</p>	<p>We continue to drive revenue growth in our existing restaurants through marketing and pricing, as well as product and service innovation. We have rigorous and regular review processes in place to evaluate and improve the product, price and experience offerings.</p> <p>A strong value proposition for each of our brands is central to staying ahead of ever-changing consumer needs. Marketing, smart pricing and innovation execution are critical drivers of revenue growth, while we will continue to invest in digitisation to gain additional customer wallet share across our existing footprint.</p>	<p>We continuously aim to identify opportunities for efficiencies in operating expenses and to drive value through matrixed driver-based budgets, dual ownership and accountability.</p> <p>Expanding profitability margins is a KPI across the business.</p> <p>We focus on cost discipline that is reflected in our zero-based budgeting approach and use of real-time integrated software systems to maintain and strengthen restaurant-level profitability.</p>	<p>We have the infrastructure, pan-regional presence and know-how to operate in a wide range of occasions and formats.</p> <p>We intend to leverage this for other potential additions to the platform, in the short to medium term.</p>
Strategic objectives	<ul style="list-style-type: none"> <li>• Increase market penetration and segment expansion</li> <li>• Leverage the platform to drive into new territories</li> <li>• Launch existing brands in existing countries.</li> <li>• Maximise opportunities within new urban developments, regional mega projects, and significant infrastructure investments</li> </ul>	<ul style="list-style-type: none"> <li>• Leverage the trend to smaller and more efficient restaurants focused on off-premises consumption, as well as new concepts such as drive-thru and carhops</li> <li>• Drive an omnichannel approach to boost reach, retention, and frequency</li> <li>• Accelerate the shift towards digital and social media marketing</li> <li>• Expand our recently launched digital loyalty program to enhance our loyalty and retention toolkit</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain strict discipline on restaurant portfolio quality</li> <li>• Drive restaurant management efficiencies, such as labour scheduling and demand forecasting</li> </ul>	<ul style="list-style-type: none"> <li>• Assess new potential franchising opportunities on an ongoing basis</li> <li>• Enter new segments/cuisines, such as Healthy, Arabic, etc</li> <li>• Consolidate brands across existing geographies</li> <li>• Organically enter new emerging markets with existing brands</li> </ul>
Progress and achievements in 2023	<ul style="list-style-type: none"> <li>• Successfully opened 252 net new stores across our countries of operation</li> <li>• Launched Peet's Coffee in the UAE and KSA</li> <li>• Launched Krispy Kreme in Kazakhstan</li> <li>• Launched KFC and Pizza Hut in Baghdad</li> <li>• Expanded Pizza Hut into the western region of KSA, with successful openings in Madina, Mecca, Taif, and Yanbu; doubled our stores vs. last year in the Kingdom</li> </ul>	<ul style="list-style-type: none"> <li>• Launched digital loyalty program for KFC.</li> <li>• Introduced dynamic pricing allowing us to have differential pricing across restaurants. This enables us to have the ability to price products and services based on demand elasticities across restaurants, clusters, channels, and day parts</li> <li>• Added digital kiosks and QR menus for Pizza Hut to further elevate customer experience</li> </ul>	<ul style="list-style-type: none"> <li>• Adjusted EBITDA margin of 22.8%</li> <li>• Implemented Oracle Fusion enterprise resource planning (ERP) system in another eight markets (ten in total as at 31 December 2023), supporting real-time information availability, thus aiding informed and quick decision-making. We further benefited from digitalising a lot of manual paperwork</li> </ul>	<ul style="list-style-type: none"> <li>• Delivered organic growth in existing markets; launched first Pizza Hut and KFC stores in Baghdad</li> <li>• Conducted discussions to onboard new brands into the portfolio</li> </ul>

## Strategy in Action: Case Studies

# ERP Implementation: Integrating systems for greater efficiency and impact

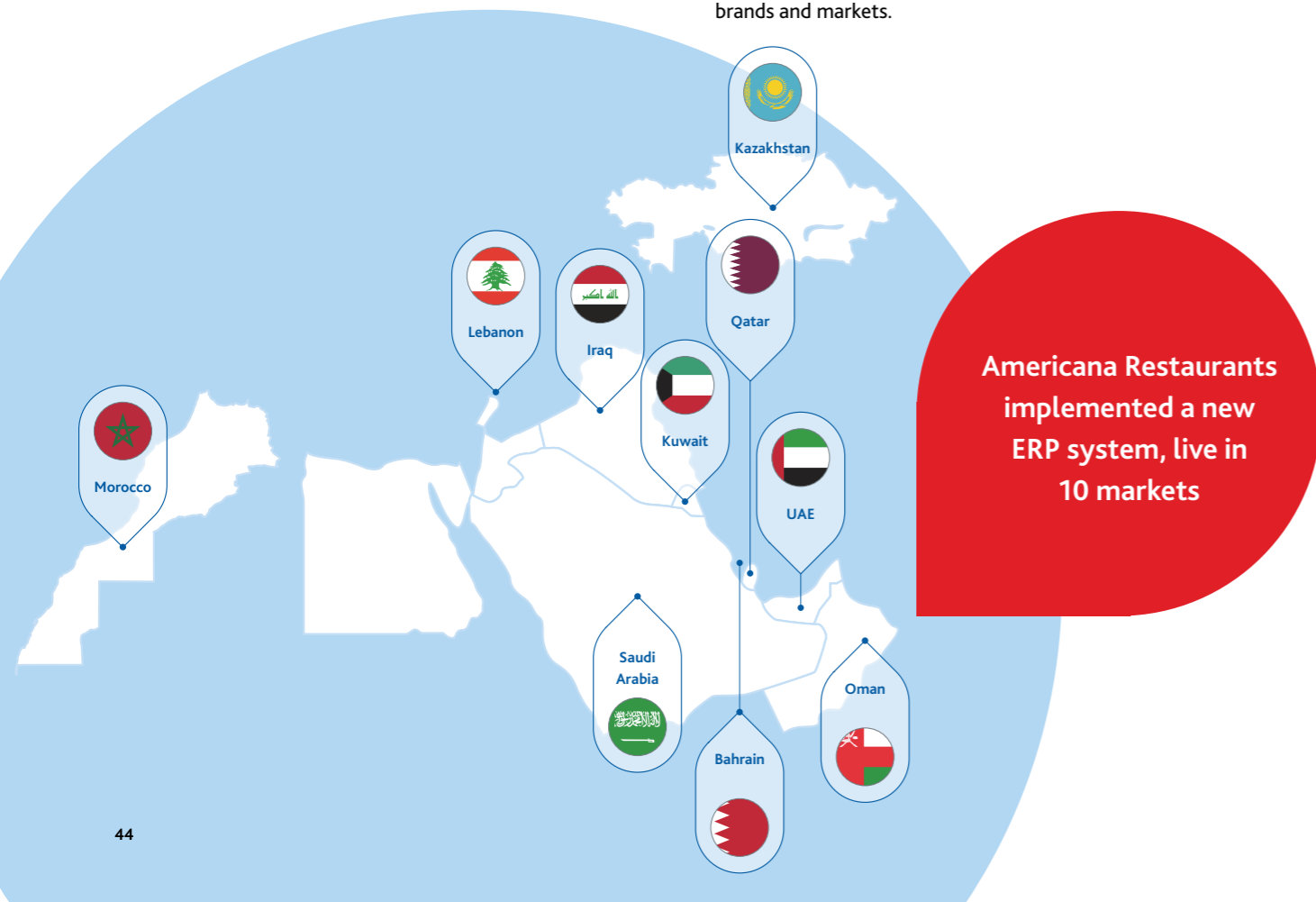
Across our restaurants' footprint in 12 countries, Americana Restaurants relied on a highly customised, home-grown Oracle-based ERP platform for more than 20 years.

This legacy system created limits to our future scalability, alignment with best practices, and adaptability with rapidly evolving business needs. It also led to dependency on the specific expertise and skills of our internal team.

### Our journey to ERP implementation

In 2020, an initial assessment of Americana Restaurants' foundational systems highlighted these and other challenges with the existing ERP, and recommended migrating to a cloud-based ERP to resolve these issues and make the systems future ready.

Following Americana Restaurants' successful initial public offering (IPO) in 2022, and in line with our goal to implement fully integrated processes, we ventured to migrate to a world-class and state-of-the-art ERP system. After due diligence and preparation, we made the switch by appointing a world-class system integrator to execute the project. The goal was to deliver this project and fully automate end-to-end processes across our brands and markets.



### Key benefits of Americana Restaurants' state-of-the-art, cloud-based system

Our newly implemented cloud-based Oracle ERP system is designed to deliver a wide range of functionalities to support the Company's continued growth and success.

#### Enhanced efficiency and governance through digitalisation

The new system, with the supporting bespoke ecosystem, improves digitalisation and automation, enabling us to make formerly manual processes more efficient with improvements in control and visibility. With further centralisation, it also enhances our internal governance mechanisms with the additional benefit of auto-compliance with best industry practices. Moreover, it enables us to track decision-making, to bring improved accountability and better insight for future decision-making. All this ensures Americana Restaurants to have a greater focus on value-add activities, giving us a strong competitive edge in terms of costs, governance, and employee satisfaction.



#### Enhanced agility, scalability, and reporting for future readiness

The system will increase agility through improved computation power, storage, and networking capabilities. It will also help Americana Restaurants with speedier access and earlier adoption of upcoming technologies, providing us with a strategic edge over our competitors. Moving to the cloud-based system provides access to a highly advanced technology stack, including predictive analytics tools, dashboards, and reporting on critical business processes and functionalities, thereby improving our strategic decision-making capabilities both onsite or on-the-go through mobile applications.



#### Enhanced business continuity and data security

Our cloud-based application has inherent advantages with scalable remote access, helping us perform mission-critical activities with limited disruption. The new system also facilitates scaling up or down with minimum impact to operations and business as usual. Adoption of this state-of-the-art technology, paired with the ability to implement robust access controls and other governance mechanisms, also improves our data and cybersecurity posture.



### A strong technological foundation for accelerating growth

Recognising the diverse benefits of the new ERP to Americana Restaurants' operations and success, we took an accelerated approach to successfully implement the system across ten of our 12 markets by end of 2023.

As Americana Restaurants continues its rapid upward trajectory over the coming years, this solution will continue to provide outstanding value and support the Company's strategic success.



## Strategy in Action: Case Studies

# Loyalty Program: Celebrating the joy of food

Americana Restaurants has been a part of joyful experiences around food for millions of customers across the Middle East region and Kazakhstan for decades. It has been our endeavour to go beyond transactions and establish a lasting emotional connect with our customers.

With this objective in mind, we launched a Loyalty Program for our flagship brand KFC across six countries in 2023, helping us create better understanding of our customers and deepen our relationship.

### The problem statement

At Americana Restaurants, customers interact with our brands through multiple touchpoints each day, but the majority of these interactions have been transactional, either online or at the restaurants.

- While we persuade customers to return using offers, these transactional interactions are not able to sustain a lasting relationship, which drives repeat engagements with our brands
- There was limited focus on identifying, understanding or rewarding customers who transact with us on an ongoing basis
- Given the competitive nature of the market, we needed a lever to drive retention for our brands and a way for our assets to avoid attrition and win back our most profitable customers

### The solution

Starting with our flagship brand KFC, Americana Restaurants decided to bridge the gap and engage customers with a Loyalty Program that was launched in six countries across our markets of operation. The programme has received an overwhelming response with millions of customers signing up within a span of six months.

The popularity of the programme stems from a simple flow integrated into the KFC Super App and a catalogue-based redemption that amplifies the rewards for increasingly loyal behaviour.

Unlike a simple earn-and-burn programme, the benefits realised by the customer increases with each engagement and our understanding of customer profile and preferences deepens with each interaction. As time passes, the relationship evolves from transactional interaction to a lifelong connect with the brand.

### Some of the salient features are as follows:

- **Curated rewards catalogue:** Included a diverse range of rewards in our catalogue, carefully chosen based on what our KFC customers love the most. It is our little way of making sure their rewards are as special and unique as them


- **Seamless multichannel experience:** Enrol, earn, and burn - all seamlessly across multiple order channels available on the KFC App. The experience is smooth and hassle-free, ensuring customers can make the most of our loyalty rewards whenever and wherever they choose
- **Instantly redeemable welcome bonus:** To make this loyalty journey special for our customers, we provided a lucrative and instantly redeemable welcome bonus as our way of saying thank you for being a part of the Americana Restaurants family
- **Earn points with every purchase:** Each time a loyalty customer makes a purchase through the KFC App, they are not just savouring their favourite meals, but also earning valuable points, bringing them closer to exciting rewards
- **More spendings, more earnings, more rewards:** With our programme, loyalty is acknowledged and rewarded proportionally. The more the customer spends, the more they earn, leading to a cascade of exciting rewards tailored just for them

- **Save more with higher valued rewards:** The programme provides customers with the ability to gain twice the benefits when they redeem higher valued rewards using their points

### Rewarding loyalty

- At Americana Restaurants, we are committed not only to providing exceptional meals, but also ensuring customers' loyalty does not go unnoticed. We are proud to have millions of customers in our loyalty journey, where every point earned and burned is a testament to the value we place on our customers' continued trust and patronage.
- We are constantly listening to our customers to learn how to enhance the programme and strengthen the relationship we have built with them, to bond with Americana Restaurants and our brands
  - Building on the early success of Americana Restaurants' Loyalty Program with KFC, we will look to roll out the programme to more brands and markets, subsequently targeting Hardee's and Pizza Hut
  - In addition, we have planned to include service-based rewards in the programme like free delivery to enrich overall experience and provide added value to loyalty customers

## Americana Restaurants' Loyalty Program in 2023

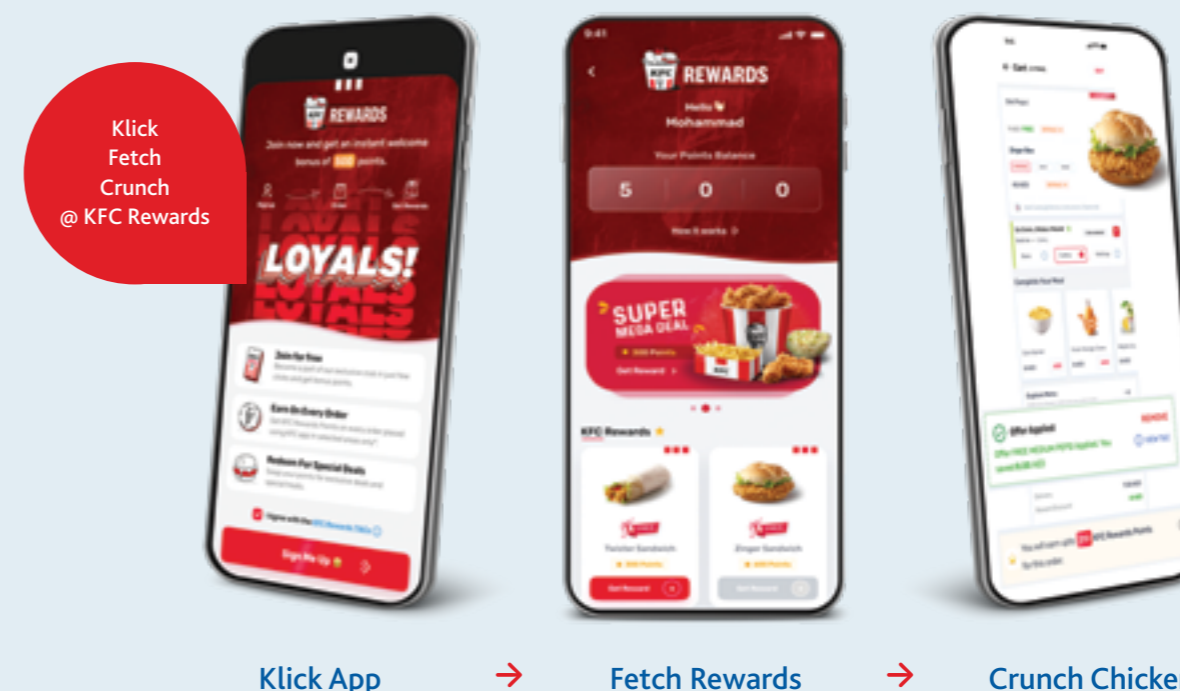
 **1.3 million+**  
enrolled members

 **2 million+**  
transactions

**6**  
Countries



**One**  
Americana Restaurants' customer



Klick App



Fetch Rewards



Crunch Chicken

## Market Overview

# A resilient economy and ambitious vision

**The Gulf Cooperation Council (GCC) region, which represents Americana Restaurants' core market within the MENA region, experienced a moderation in economic growth in 2023.**

This was primarily the result of reduced oil sector activity, along with sustained inflationary pressures in key markets that influenced consumer consumption patterns.

Further, the ongoing geopolitical tensions in the Middle East pose a risk and are impacting the broader outlook for the MENA region. The potential ramifications are especially pronounced if tensions escalate. This uncertainty introduces short-term challenges to the growth environment of countries closer to the conflict zone.

**Americana Restaurants is uniquely positioned to capitalise on the growth trends within our markets of operation**

Despite these challenges, the GCC market is expected to grow by 3.6% and 3.7% in 2024<sup>1</sup> and 2025<sup>1</sup>, respectively, reflecting a multifaceted approach to economic expansion. This growth projection is supported by strategic government investments, sustained private consumption, strategic fixed investments, and accommodative fiscal policies, among other drivers.

### Where we operate

Within our key markets of operation, particularly the UAE and Saudi Arabia, government-driven strategic initiatives, aimed at sustaining economic growth and diversifying their economies, continued in 2023. Additionally, the favourable demographic landscape in these markets characterised by a substantial young population, a burgeoning middle class, rising participation of women in the workforce, higher disposable incomes, and flourishing tourism sectors, further contributes to positive economic environment.

Moreover, country-specific economic reforms, such as the Saudi Vision 2030, aim to further expand the middle-class base, leading to increased domestic consumption and economic diversification. The UAE market also benefits from a diverse and cosmopolitan population, creating a favourable environment for business, cultural exchange, and innovation.

### Food service market

In the regional food service market, the Quick Service Restaurants (QSR) segment, which comprises fast food chains and restaurants, holds the second largest

share. This dynamic industry is characterised by a mix of global fast-food giants coexisting alongside local, region-specific establishments.

The demographic trend in our markets aligns well with the fast-paced nature of QSRs, as they cater to the preferences and lifestyles of younger consumers who seek quick and convenient food options. Rapid urbanisation and changing lifestyles in our markets have led to an increased demand for on-the-go food options.

Further, the presence of a vibrant tourism sector especially in the UAE and diverse expatriate communities contributes to a dynamic consumer base for QSRs. Tourists and expats often seek familiar and quick dining options, driving the success of international QSR chains.

The pandemic has accelerated the adoption of digital platforms. Among the service channels, delivery has the highest market share<sup>2</sup>, driven by urbanisation and the convenience offered by food delivery services.

As the largest operator in the MENA region and Kazakhstan, Americana Restaurants is uniquely positioned to capitalise on the growth trends within our markets of operations. This position is reinforced by our strong financial performance and strategic expansion plans, as well as our portfolio of powerful brands and a robust growth strategy.

<sup>1</sup> World Bank – November 2023.

<sup>2</sup> Virtue Market Research – MENA.

The demographic trend in our markets aligns well with the fast-paced nature of QSRs, as they cater to the preferences and lifestyles of younger consumers who seek quick and convenient food options



## Chief Financial Officer's Review

# Resilience amidst challenges

Dear Shareholders

I am pleased to present Americana Restaurants' performance for the year 2023, a testament to our resilience and determination in navigating regional geopolitical tensions and currency fluctuations. Despite facing various challenges, we have achieved noteworthy milestones and maintained our financial stability.

In 2023, Americana Restaurants demonstrated resilience by expanding our store network and establishing a distinguished presence in Saudi Arabia with record new openings. Additionally, we entered new segments in our core markets and expanded the reach of our Power Brands in our countries of operation. Our financial stability remained strong, supported by stable profitability driven by prudent financial management practices.

### Gross new stores

**+300**

accounting for 252 net additions



Prior to the commencement of the regional conflict, we registered steady like-for-like growth of 6% in the first nine months of 2023. Furthermore, we maintained a robust balance sheet supported by healthy cash flows, ensuring our ability to fund future growth initiatives while delivering consistent returns to our valued shareholders.

### Unlocking opportunities for strategic growth

Aligned with our strategic growth plans, 2023 marked a significant milestone as we opened 300 gross new stores, accounting for 252 net additions. Notably, this expansion included the opening of 143 stores in Saudi Arabia, a market poised for substantial growth owing to favourable demographics.

In addition to expanding our store network, we diversified our portfolio by introducing Peet's Coffee in both the UAE and Saudi Arabia, venturing into the Baghdad market with the inauguration of Pizza Hut and KFC stores, and entering the market for Krispy Kreme in Kazakhstan. These strategic expansion plans have bolstered our growth trajectory and strengthened our footprint across our markets of operation.

### Financial stability

In 2023, we generated revenues of USD 2,413.1 million, representing 1.5% growth compared to 2022. Despite achieving solid revenue growth of 7.1% in the first nine months compared to the same period last year, the fourth quarter was significantly affected by regional geopolitical tensions, impacting our full-year performance. Additionally, currency movements in Egypt and Lebanon further impacted our top-line figures.

Our Power Brands, KFC and Hardee's, maintained similar revenues year-on-year, while Pizza Hut and Krispy Kreme recorded revenue growth of 6.4% and 8.3%, respectively. Furthermore, our commitment to fiscal prudence was evident as we adhered to a zero-based budgeting approach, meticulously scrutinising every expense item. Consequently, our gross margins improved to 68.9%, despite higher inventory costs in the first two quarters attributed to inventory carried over from 2022.

Our robust financial position is strengthened by

**USD 383.5m**

in cash and bank balances



Our consistent efforts to optimise labour costs and operational efficiencies, driven by strategic initiatives, led to the delivery of an adjusted EBITDA of USD 550.8 million, with healthy margins of 22.8%, representing an improvement on 2022 margins of 22.5%. With operational excellence and prudent financial management as our guiding principles, we successfully navigated challenges, resulting in a net income of USD 259.5 million in 2023.

Our robust financial position is strengthened by USD 383.5 million in cash and bank balances, coupled with a healthy adjusted free cash flow of USD 182.8 million.

Our commitment to delivering shareholder value remains steadfast, as we plan to distribute dividends in accordance with our guidance. The Company will be paying dividends of USD 179.4 million (subject to shareholder approval at the AGM) for 2023.

### Outlook

Despite the impact of regional geopolitical events, we remain optimistic about a promising growth trajectory. To bring customers back to our brands, our recovery pillars will focus on value, crave, and familiarity. While commodity prices reduced in H2 2023, there is an expectation that prices of agri-based products will escalate in 2024, further aggravated by the recent increase in logistics costs.

Our strategic initiatives, including digitalisation efforts and product innovation, will continue to propel our growth. Our capital allocation strategy remains agile and return-driven, with a commitment to keeping capital expenditure within the current range, focusing on new store openings, remodels, and digital enhancements.

In conclusion, I want to extend my gratitude to all stakeholders, including employees, shareholders, franchisors, and supplier partners, for their continued support.

Sincerely,

**Mr. Harsh Bansal**  
Chief Financial Officer

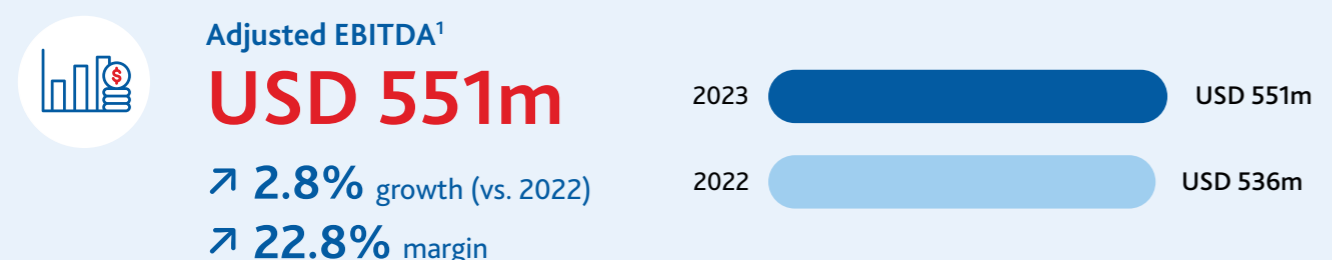
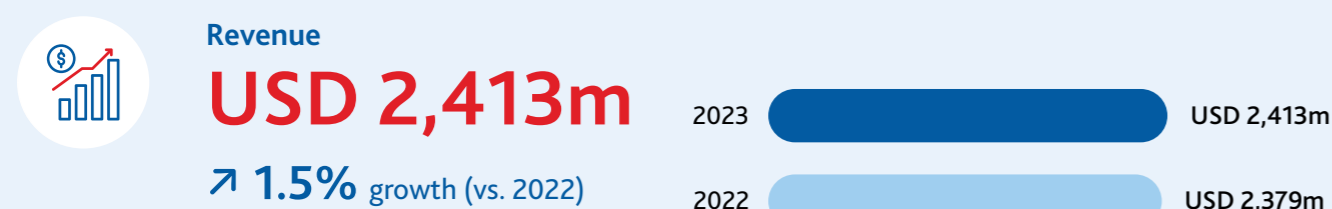
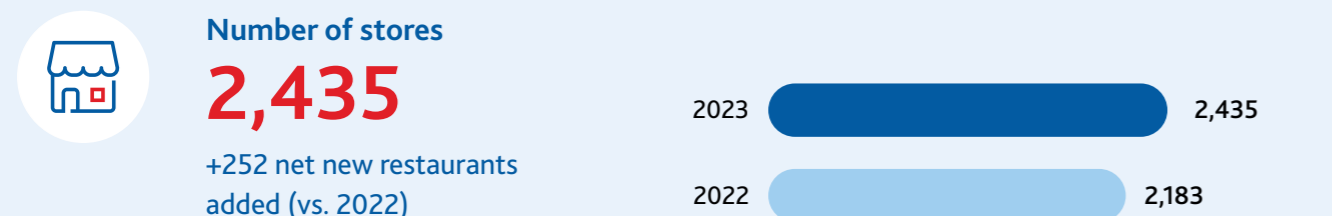


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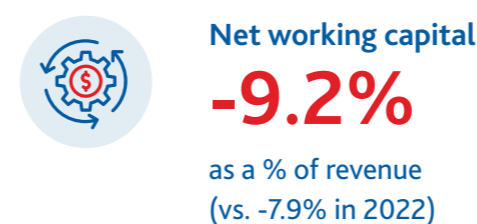
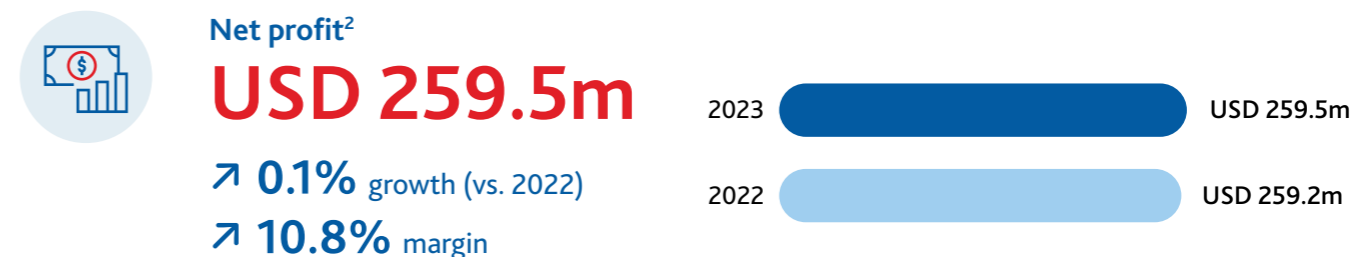
### Adjusted EBITDA margins



## Key Performance Indicators – 2023



<sup>1</sup> Adjusted EBITDA post-IFRS-16 is defined as net profit for the year plus finance cost (net), plus income tax and zakat and contribution to Kuwait Foundation for the Advancement of Science (KFAS), plus depreciation and amortisation expenses and other adjustments such as tax provisions, staff restructuring cost and a Lebanon IAS 29 adjustment.



<sup>2</sup> Refers to net profit attributable to the shareholders of the Parent Company/Net Parent Investment attributable to Former Parent Company.

<sup>3</sup> Adjusted free cash flow (FCF) defined as Adjusted EBITDA post IFRS-16 less capital expenditure, income tax and zakat and contribution to KFAS, change in net working capital, change in non-current portion of trade payables, change in non-current portion of trade receivables, and lease payments (including both principal and interest on lease liabilities).



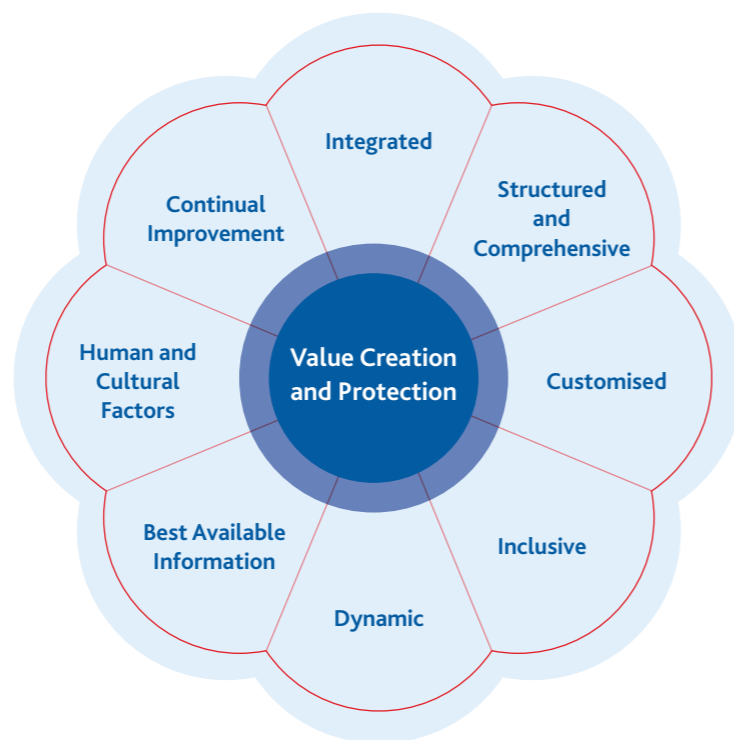
## Risk Management

# Safeguarding our business

Americana Restaurants' risk management culture is focused on early identification of risks that may hinder the delivery of our strategic objectives.

### Risk management philosophy

We recognise that calibrated risk-taking is an integral part of any business decision – hence building resilience in our operations is vital. This is ever more important given the rapid changes in the political, economic, and social environment both globally and in MENA. We view being agile and prepared for any kind of disruption, therefore, as an essential business activity. We consider the full breadth of risks, including financial and non-financial impacts, to improve our risk management preparedness.



### Our risk management framework

Risk strategy and appetite	Risk governance	Risk culture	Risk assessment and measurement	Risk management and monitoring	Risk reporting and insight	Data and technology
Linkage to corporate strategy	Board oversight and committee	Knowledge and understanding	Risk definition and taxonomy	Risk mitigation, response and action plans	Risk reporting	Data quality and governance
Risk strategy	Company risk operating structure	Belief and commitment	Risk identification	Testing, validation and management's assurance	Business/operational requirements	Risk analytics
Risk appetite and tolerance	Risk guidance	Competencies and context	Assessment and prioritisation	Monitoring	Board and senior management requirements	Technology enablement
	Roles and responsibilities	Action and determination	Risk aggregation, correlation and concentration	Risk in projects/initiatives	External requirements	
	Decision support					

In building our risk management framework and processes, we were inspired by broader International Organization for Standardization ("ISO") 31000 and Committee of Sponsoring Organisations of the Treadway Commission ("COSO") risk management principles. Our framework is agile and dynamic, allowing us the freedom to adopt the latest risk management techniques. It also acts as a guide towards uniformly implementing risk management across our brands, markets and functions.

### Oversight

Our Board retains overall responsibility and oversight of risk management of our business and determines the nature and extent of risk we undertake in consultation with the CEO. The Audit Committee (the "AC") nominated by the Board assists the Board in carrying out its oversight role. Each of our senior leaders are risk owners and are ultimately responsible for identifying, assessing, and managing risks in their respective area of responsibility. The Enterprise Risk Management function (or Risk Management function, either "ERM") is led by an ERM leader who reports administratively and functionally to the CEO and a board level committee, respectively, in order to help assess and

manage risks. The ERM leader also facilitates regular review of risk mitigation strategies with the AC.

### Risk management process

Americana Restaurants follows a risk management process aligned with ISO 31000 principles. We regularly scan the external and internal operating environment to identify risks that may hinder the achievement of our strategic objectives. All risks are categorised under four major categories: Strategic, Operational, Compliance and Financial Risks. We evaluate the risk based on likelihood (possibility that a risk could occur) and impact (effect of a risk event on the achievement of the company's objectives). All material risks are recorded in our risk registers along with controls to be implemented, risk mitigation action plan, timelines and assigned to specific risk owners. ERM function tracks progress on risk mitigation actions through the year, and a formal review of existing and emerging risks is performed at least twice every year. The ERM leader also presents an overview of key risks and mitigation plans at least once a year to the Board, and in each quarter to the Board nominated AC.

Management and our employees form the first line of defence as they are ultimately

responsible for identifying and managing risks as part of their accountability for achieving their strategic goals. We have implemented requisite board approved policies and management approved guidelines, standard operating procedures, and delegation of authority matrices to establish strong guardrails and minimise risks to our operations.

Financial Controls, Compliance and Risk Management form our second line of defence. We have a robust compliance program which includes regular training and education for employees, and a system for reporting and addressing potential violations, including secure whistleblowing channels.

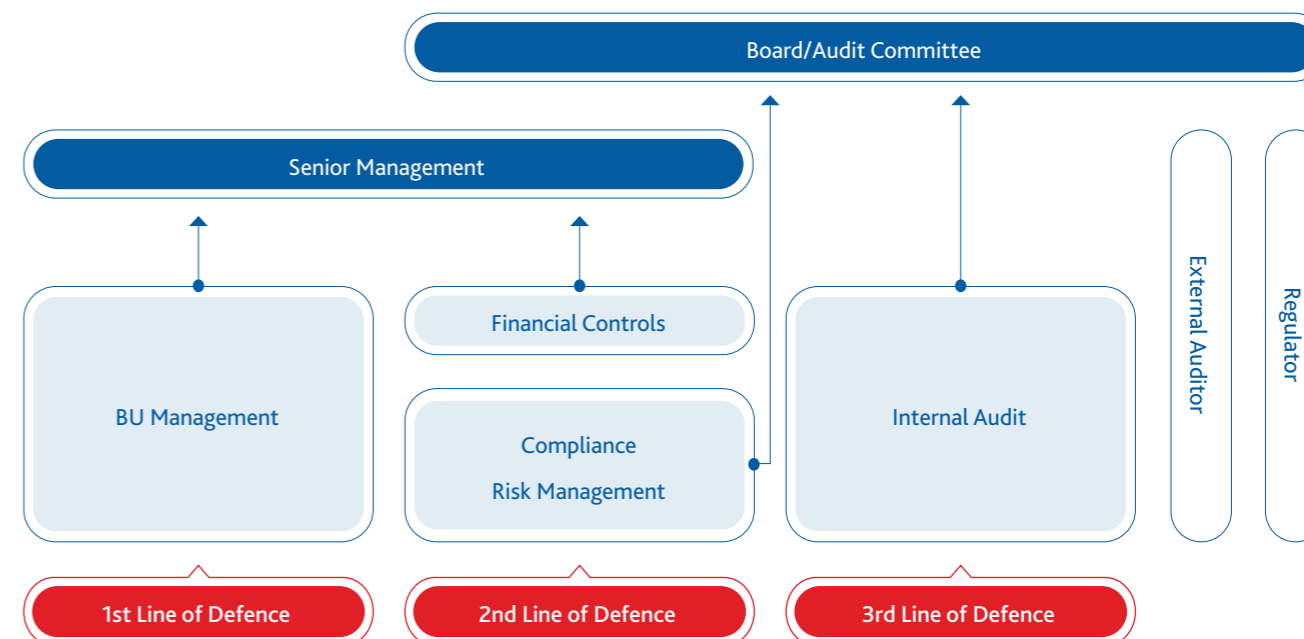
Our ERM team conducts ongoing monitoring and reporting of potential risks and risk mitigation strategies.

Internal Audit is our third line of defence.

Americana Restaurants has an independent Internal Audit function that follows a risk-based audit approach and reports directly to the Board nominated AC. Internal Audit provides independent review and assurance on adequacy of controls and governance to the management and the Board and provides a quarterly update on the control environment to the AC.

### Three Lines of Defence

The Company uses the 'Three Lines of Defence' principle for implementing risk governance.



## Risk Management continued

### Food safety and workplace safety

Given the nature of our business, the Company's management maintains a high degree of focus on Quality, Food Safety and Health & Safety related controls to protect our customers, our employees, and our brand.

We have a Quality Assurance team that monitors and enforces food safety practices and compliance across our markets. Our Health & Safety advisors are certified in the UK, including by the National Examination Board in Occupational Safety and Health ('NEBOSH') and Institution of Occupational Safety and Health ('IOSH'). Within our stores, we are also governed by our franchisors, who enforce their own food safety and health and safety standards and requirements. Our Quality Assurance team conducts comprehensive audits to ensure the compliance of all our brands with both food safety and health and safety standards. These inhouse audits are supplemented by franchisor and third-party audits, and extend beyond our stores to our central production facilities and distribution centers.

In our supply chain, our food and beverage suppliers comply with either an international third-party scheme recognized by Global Food Safety Initiative ('GFSI'), or the brand's bespoke standards, e.g., Yum! Food Standards Agency ('FSA') and Qualified Security Assessor ('QSA') standards. As a result, many of the suppliers have GFSI-recognized food safety certification in place (e.g., Food Safety System Certification ('FSSC') 22000 standards). Our multibrand commissaries are franchisor certified and in addition a majority have FSSC 22000 or ISC 22000 certification. Our Quality Assurance team monitors and enforces food safety practices and compliance across our markets.

All of the Company's Power Brands are recognized as high-performers in their respective franchisor audits for Food Safety and Health & Safety. For instance, the Company's score from its latest Yum Brands restaurant operations compliance check ('ROCC') audit in 2023 was 93 per cent, which was further improvement from top-quartile 92 per cent ROCC score in the previous year.

### Key developments during the year

**Risk Policy and Framework updated:** We undertook a comprehensive revision of our ERM policies this year. The policies were revised to ensure alignment with applicable regulations, industry best practices and internationally accepted ISO & COSO ERM guidelines and principles. This proactive step ensures that our approach to managing risks is up-to-date and in line with the latest industry standards.

**Review of Risk Appetite and Tolerance:** The ERM team and the Company's senior leadership collaborated closely to review our risk appetite and risk tolerance levels for each of our critical risk areas including Health & Safety, Food Safety and Cyber risks amongst others. Key changes included new requirements that material food safety and health and safety events must be escalated to CEO and must be addressed per the Company's policies, including Business Continuity and Crisis Communication Policy. Cyber risk thresholds were also defined, and metrics agreed. These changes were Board-approved. We monitor these key risks metrics through the year and by doing so empower our leadership to make informed and risk-aware decisions, promoting a culture of responsibility and accountability.

### Strengthening our Resilience

**Capabilities:** Given the dynamic global and regional operating environment building our resilience capabilities has been our core focus. We invested significant time in revising and updating our business continuity management and crisis management policy and approach. We shortlisted potentially disruptive scenarios that could impact our operations and performed business impact analysis of such scenarios. Based on the outcome of such scenario analysis, business continuity plans were created to address these potential challenges. To further strengthen our preparedness, we have established comprehensive guidelines and customizable templates on crisis communication, empowering us to be better prepared to respond to any potential crises in future.



High degree of focus on quality, food safety, and health and safety-related controls to protect our customers, our employees, and our brand

## Risk Management continued

### Key risks and mitigating factors

The following table is an assessment of our principal and emerging risks. The table also summarises, at a high-level, the mitigating actions undertaken and our approach to manage these risks:

Risk	Description	Mitigating factors
<b>Strategic</b>		
<b>Reliance on franchisors</b>	The Company's business operations are dependent on our agreements with key franchisors and any related issues could materially impact the Company's performance.	We have partnered with leading global franchisors, and our portfolio of partnerships continues to grow. The Company has a 100% International Franchise Agreement (IFA) retention record (other than brands that it exited voluntarily and intentionally). The Company has a long-standing relationship spanning several decades with Yum! Brands and CKE Holdings, and more recently, with Krispy Kreme Doughnuts, Co. since 2006. These partnerships are inter-dependent and symbiotic, with Americana Restaurants being the largest global franchisee for CKE Holdings, the largest and dominant franchisee operator in MENA for Yum! Brands, and the sole operator in MENA for Krispy Kreme.
<b>Geopolitical risk</b>	MENA region is characterised by complex political, economic, and social dynamics. Events such as regional geopolitical tensions can impact the Company's brand and operations.	Our priority is to ensure the safety of our customers, employees and assets, and safeguard the reputation of our brand. We have set up an in-house crisis management and communication taskforce, and engage PR external consultants, where required. We have aligned our crisis management plans with respective franchisors and prioritise transparent communication with all key stakeholders to safeguard our brand and interests.
<b>Competition</b>	The QSR industry in MENA is highly competitive, and the Company's performance may be adversely affected by actions of our competitors.	Although we are the leading Out of Home Delivery ('OOHD') and Quick Service Restaurants ('QSR') operator in MENA and Kazakhstan, there is significant headroom for growth in the markets we operate in. We also undertake various measures to assess changes in consumer preferences in the markets we operate and collaborate with our franchisors to create tailored product offerings suiting local and regional tastes.
<b>Aggregators</b>	Any deterioration in the Company's relationship with third party food delivery aggregators, as well as the performance of those aggregators, may adversely affect the Company's business.	Typically, we have long-term (typically five-year contracts) with strategic aggregator partners. We work with aggregator partners to ensure food safety and efficiency of deliveries.

Risk	Description	Mitigating Factors
<b>Operational</b>		
<b>Supply chain</b>	Failure of suppliers to provide adequate or timely delivery of quality ingredients may adversely affect the Company's operations.	We have a global network of suppliers. Suppliers are typically shortlisted in partnership with our franchisors and evaluated on their ability to meet brand standards. We use mix of in-house and third-party 3PL/4PL (i.e., third- and fourth-party logistics, respectively) providers for logistics and distribution, and annually assess the Business Continuity Planning ('BCP') readiness of these providers to meet our standards. We are implementing an ERP solution which will further strengthen the efficiency of our supply chain.
<b>Key employee retention</b>	Inability to attract or retain skilled professionals could adversely affect our business operations.	We have holistic human capital initiatives on promoting employee engagement and leadership development. We won the 'Exceptional Workplace' award by Gallup in 2023, for a second year in a row. Our engagement standing is at 73% on the Gallup Global Database compared to Gallup Top Quartile at 64%.
<b>Cybersecurity</b>	Major cybersecurity breaches or the inability to protect sensitive data could result in litigation, reputational harm or loss of consumer confidence.	Our 24/7 Safety Operation Center monitors all Americana Restaurants systems for cyber threats. Our IT team has also implemented end-user protection controls on our IT assets and proactively performs periodic vulnerability assessment and penetration testing across the Company's network to identify and mitigate potential cybersecurity threats and vulnerabilities.
<b>Compliance</b>		
<b>Health and safety</b>	Real or perceived health concerns arising from food quality could have an adverse affect on the Company's reputation and its business.	The Company has comprehensive food safety systems in place which are enforced by a dedicated quality assurance team across markets. The Company's stores are audited, often multiple times each year, by franchisors as well as in-house quality teams. All of the Company's Power Brands have shown strong performance in operational compliance checks by their respective franchisors.
<b>Financial</b>		
<b>Foreign exchange exposure</b>	Foreign exchange volatility in overseas markets may affect the Company's profits and investments.	Operations in stable or dollar-pegged currencies account for 82% of our revenues in 2023.  In partnership with our franchisors, we are pursuing a concerted strategy of localisation to build higher resilience in our supply chain and reduce net forex exposures in exposed markets. The finance team monitors, manages, and reports such exposures.
<b>Other financial exposure</b>	The Company is exposed to risks associated with inflation that could adversely affect our business and the results of operations.	The Company continues to sustain growth and profitability in the face of inflationary headwinds. This has been achieved through a twin strategy of calibrated pricing actions, as well as increased localisation, especially in markets experiencing high inflation.

## Business Review

# Delivering operational excellence across our growing footprint



**With the expansion and diversification of our iconic brands portfolio, commitment to operational excellence, and drive for digitalisation to elevate consumer experience, Americana Restaurants continues to deliver steady returns and is poised for exponential growth in the long term.**

### Resilient and stable revenue growth

Despite the impact from regional geopolitical tensions and currency devaluations in some of our markets, Americana Restaurants delivered stable financial performance in 2023, with a 1.5% increase in total revenues to USD 2.4 billion and a 0.1% increase in net profit to USD 259 million. The Company maintained a healthy net margin of 10.8% and achieved an adjusted EBITDA margin of 22.8%, reflecting our operational excellence and prudent financial management.

### Exponential expansion

In 2023, Americana Restaurants experienced remarkable growth by opening 300 gross new restaurants, bringing the total number of restaurants to 2,435 across MENA and Kazakhstan.

The Company accelerated expansion in Saudi Arabia with opening of 143 gross new stores. We further expanded our brand portfolio with the launch of Peet's Coffee in the UAE and Saudi Arabia. Moreover, we strengthened our Power Brand presence with the launch of Pizza Hut and KFC in Baghdad, and Krispy Kreme in Kazakhstan.

### Strengthening the supply chain

Americana Restaurants' performance in 2023 was boosted by our strategic focus on ensuring supply chain stability and optimising inventory management across all markets of operation. This resulted in improvement in gross margins compared to the previous year. Further, the Company demonstrated agility and resilience in the face of a challenging geopolitical environment that emerged in Q4 2023, by taking preventive measures to maintain optimal inventory levels.

Our teams expanded the sales and operations planning process to cover more markets, which enhanced our supply planning and inventory management capabilities. We achieved several key milestones, such as implementing a hub-and-spoke model for efficient intercountry transfers and onboarding new suppliers across essential categories and markets, as well as executed effective localisation initiatives. In addition, the Company optimised its delivery routes and scheduling to control supply chain costs.

### Brand Portfolio

Operating with the purpose of building communities around the joy of food, Americana Restaurants operates 12 iconic brands. The Company has a strong brand presence across multiple segments in our 12 markets of operation, catering to different consumer needs and occasions. These include key QSR categories (chicken, burger, and pizza), fast casual, casual dining, indulgence, and coffee concepts.

Americana Restaurants' portfolio centres on four Power Brands, which accounted for 93% of our sales in 2023. KFC, Pizza Hut, Hardee's, and Krispy Kreme are iconic brands with substantial brand equity, high-quality taste, and competitive pricing. They have a long-standing presence in the region and a loyal customer base. This year marked the opening of the 1,000<sup>th</sup> KFC store in our markets of operation, demonstrating the legacy Americana Restaurants has built since we opened our first KFC in 1973.

Americana Restaurants also operates TGI Friday's in the casual dining segment, Costa Coffee and Baskin Robbins in select countries, and two proprietary brands: Wimpy and Chicken Tikka. In 2023, the Company added Peet's Coffee to its portfolio, a premium coffee brand with a strong heritage and reputation.

### Innovation and digitalisation

In 2023, Americana Restaurants continued to invest in digitalisation and shifted its marketing strategy towards digital and social media channels.

### Loyalty Program

We launched a Loyalty Program for our flagship brand KFC in six countries, aiming to foster a lasting emotional connection with our customers. This programme attracted millions of sign-ups within six months, enhancing Americana Restaurants' customer understanding and brand loyalty.

### ERP platform

The Company migrated from a home-grown Oracle-based ERP platform to a cloud-based Oracle ERP system. This state-of-the-art system supports Americana Restaurants' continued growth and success by providing enhanced efficiency, governance, agility, scalability, reporting, business continuity, and data security. The system has been implemented across ten operational markets as at December 2023 and is poised to deliver exceptional value and strategic advantage in the coming years.

### Americana Restaurants' Last Mile Delivery programme

Americana Restaurants expanded its in-house platform for automating and optimising its delivery fleet, which is operational in 1,263 stores across seven countries and six brands. This platform showcases Americana Restaurants' strength as a food technology company and our commitment to fortifying its home delivery capabilities.

### The year ahead

Looking forward, Americana Restaurants plans to roll out our Loyalty Program to more brands and markets, targeting Hardee's and Pizza Hut. We will also continue to enhance our delivery platform by adding artificial intelligence and machine learning-based forecasting, rostering, and analytics modules, as well as IoT device integration for rider safety.



12 markets of operation



## Business Review continued



KFC is the Company's largest brand and the number one chicken brand in the MENA region and Kazakhstan. In 2023, the Company celebrated our 50<sup>th</sup> year of operating KFC and the opening of our 1,000<sup>th</sup> store.

### Financial performance

#### Stores

**1,027\***

#### 2023 Revenue

**USD 1,479m**

\*As at 31 December 2023.

### Strategic focus

Combined with its heritage, our strategy ensures KFC remains a modern brand relevant to a young and growing population across our markets. Continuing our commitment of digital transformation, we introduced self-serve

kiosks in the UAE and Saudi Arabia this year. Additionally, we are enhancing our stores by incorporating innovative features, such as double-lane drive-throughs, aimed at enhancing efficiency and convenience for our customers. To provide a distinctive and immersive experience, we are also integrating entertainment options in our stores, such as Gen Z gaming zones in partnership with Sony PlayStation. These are currently undergoing trials in some of our key markets.

We witnessed a historic shift in consumer behaviour this year as digital ordering channels surpassed offline channels for the first time in certain markets such as Kuwait. To capitalise on this trend, we launched KFC's Loyalty Program, which is now available in six markets, making the programme accessible to over 90% of our consumers. The mobile App continues to grow in popularity and contribution.

### 2023 highlights and milestones

KFC experienced notable growth this year, reaching a milestone of 1,000+ restaurants in our markets of operation. KFC opened 97 gross new stores in 2023, with expansion primarily focused on Saudi Arabia, Morocco, and the UAE. Further, Saudi Arabia witnessed significant expansion with 40 new stores. We also expanded our geographic coverage with the opening of KFC in Baghdad.

Continuous product innovation is in our DNA. This year, we continued our highly successful partnership with Lay's, launching KFC Flaming Hot Lay's. The product appealed to young and adventurous consumers, especially in the UAE, where we saw a significant increase in trials and purchase intent among 16 to 24 year olds.

In addition, the brand continued to make its menu more accessible to broaden our audience and become more inclusive. This included the launch of the KFC Crunchers range catered to value-conscious consumers, offering value burgers at highly competitive prices.

**97**  
gross new stores  
opened in 2023



In 2023, Hardee's, our second largest brand by revenues, showcased notable innovation and a strategic emphasis, making substantial progress in enhancing both in-store and digital customer experiences. The brand was awarded the CKE Global Digital Excellence award for delivering transformational digital experiences.

### Financial performance

#### Stores

**414\***

#### 2023 Revenue

**USD 395m**

\*As at 31 December 2023.

### Strategic focus

Our strategy for Hardee's is focused on innovation, operational excellence, and digitalisation, with a specific focus on engaging a younger audience, particularly the Gen Z.

Our goal is to captivate and involve our primary target audience, Gen Z, by offering distinctive experiences, unparalleled quality, and daring flavours. This shift in emphasis underscores our commitment to staying in tune with the changing preferences of younger demographics, ensuring we remain relevant to their evolving tastes.

Further, we are directing efforts towards digital engagement, specifically by leveraging mobile App ordering and adopting an omnichannel approach to elevate customer interaction and convenience.

### 2023 highlights and milestones

Throughout 2023, Hardee's was distinguished as a standard of excellence in terms of product quality, execution, digital interactions, and overall customer service. Our significant accomplishment for the year was advancing innovation, exemplified by the successful introduction of hand-breaded chicken, a distinctive offering unparalleled among QSR burger brands.

One of the most successful innovations for Hardee's in 2023 was the introduction of the Wraptor Sandwich, which was a huge success among diverse customer groups. This not only filled a void in the entry-level category, but also reshaped the brand's perception.

The collaboration between Hardee's and renowned brands such as Pepsi and Doritos for limited-time offers, including the highly successful Doritos burger, highlights the brand's dedication to innovation.

On the expansion front, we concluded the year by opening 33 gross new stores. This expansion primarily targeted our key markets such as the UAE, Saudi Arabia, and Kuwait.

In the digital landscape, we strategically applied omnichannel strategies for Hardee's, particularly focusing on mobile App ordering in the Kingdom. This initiative yielded favourable results as average daily transactions enjoyed a significant increase over last year.

**33**  
gross new stores  
opened in 2023



## Business Review continued



**Pizza Hut achieved revenue growth of 6.4% in 2023. The brand solidified its dominant position by introducing innovative products like Melts across all markets. Furthermore, Pizza Hut continued its strategic expansion into Iraq and Saudi Arabia, achieving record-breaking new store openings in the Kingdom.**

### Financial performance

Stores  
**379\***

2023 Revenue  
**USD 281m**

\*As at 31 December 2023.

### Strategic focus

Pizza Hut's strategic emphasis revolves around solidifying its leadership position in all markets and further building brand love through a focus on digital ordering and product innovation. With an eye on affinity with the youth, the brand is driving digitisation and enhancing the end-to-end customer experience. To distance the brand in a commoditised and discount-driven category, the brand continued to innovate on product and media content to build affinity with our audience. The brand will continue to penetrate into new categories while increasing dominance in its core pizza category.

### 2023 highlights and milestones

In a highly competitive and commoditised segment, Pizza Hut maintained its dominant position in its core markets in 2023. This year, enhancements of digital capabilities and product innovation were key focus areas.

Our passion to further drive leadership in our markets through enhanced relevance for our customers continued in 2023. For example, the UAE saw further elevation of our Pizza Hut offerings with the addition of the Signature range of artisan pizzas and the new South Asian flavours. The year also saw an innovative strategic collaboration with Nestle KitKat on our signature Super Limo Pizza in our markets.

Throughout the region, we enhanced the brand's relevance into new occasions and created a stable new menu layer by launching Melts as a new product platform. This not only drove incremental transactions and contributed significantly to our momentum, but also helped expand the growth of the individual category across the menu.

We accelerated Pizza Hut's new store growth to further enhance the brand's position as the category leader in the region. In line with our efforts to quickly build scale in our newly launched business in KSA, we doubled our footprint by opening 37 gross new stores. The new openings included successful openings in Madina, Mecca, Taif, and Yanbu to

establish the brand in the western region of the Kingdom. To ensure financially stable and sustainable growth, we continued to enhance the profitability of our stores in the Kingdom.

We further demonstrated our commitment to growth by expanding our presence into a new country and successfully opened three stores in Iraq. These stores are flagship experiential stores that capture the essence and core values of the brand, attracting strong footfall and delivering impressive performance.

Furthermore, as a testament to our execution capabilities, our teams in Bahrain secured third position this year in the Global Pizza Hut EFX championship.

The brand continued to stay focused on its purpose and drive diversity in its leadership, by launching three woman-led stores. This was the successful outcome of our Unleash Her Greatness programme, which is designed to support and grow the brand's amazing female talent.

Digital innovation continued to play a pivotal role in elevating both customer experience and operational efficiency over the course of the year. Key highlights included launch of the gamified 'Build your Own' feature on the App; the introduction of digital kiosks as a test launch in Saudi Arabia; and digital QR menus across all our markets.



**Krispy Kreme leveraged its robust presence and prominent market position, the brand achieved 8.3% growth, inaugurated new stores, and fostered innovative partnerships.**

### Financial performance

Stores  
**355\***

2023 Revenue  
**USD 98m**

\*As at 31 December 2023.

### Strategic focus

In 2023, Krispy Kreme's strategic emphasis persisted in broadening its presence, accompanied by a commitment to innovating its product line-up across its operational markets. Specifically in Saudi Arabia, the brand increased its presence in new, burgeoning cities where the brand was underrepresented, with the objective to secure a larger market share.

### 2023 highlights and milestones

In 2023, Krispy Kreme expanded its presence in the Kingdom by inaugurating 39 gross new locations. We extended our presence to new regions such as Tabuk and Taif, aligning with our strategy to thrive in underpenetrated areas. These successful launches also featured new and enticing experiences such as opening of our flagship Hot Light™ stores.

Further, the brand successfully marked its debut in Kazakhstan, reaching out to a new consumer base. Simultaneously, Krispy Kreme advanced its growth in Egypt and opened the first factory store in Alexandria, achieving a total of 12 new store openings in the country.

To stimulate innovation and offer unique products, the brand established significant partnerships, notably with KitKat and Nutella. Additionally, a groundbreaking global campaign marked Krispy Kreme's inaugural collaboration with M&M.

These collaborations were instrumental in generating enthusiasm and increasing awareness within our markets. By presenting co-branded doughnuts in conjunction with both international and local brands, Krispy Kreme effectively utilised the combined appeal of its brand and that of its partners.

Furthermore, during Ramadan, Krispy Kreme provided a distinctive delight by introducing doughnuts featuring chocolate Kunafa and salted caramel options, showcasing innovation that resonates with local preferences.

**84**  
gross new stores  
opened in 2023



**56**  
gross new stores  
opened in 2023

## Business Review continued



In a year of continued progress and achievements, TGI Fridays renewed the brand and enhanced operational efficiency to deliver a strong performance and create fun and memorable experiences for its customers.

### Stores

48\*

\*As at 31 December 2023.

### Strategic focus

With an ultimate objective to operate as a leading American casual dining restaurant in the MENA region, TGI Fridays' focus is on developing the business through service excellence and creating moments of joy for our customers via signature menus, tailored value propositions for our markets, and striving for an outstanding guest experience.

### 2023 highlights and milestones

As a legacy brand, 2023 marked a strategic effort to deepen TGI Fridays' ties with its core customers and contemporize the brand for the upcoming generation of patrons.

Every aspect of the brand was closely examined to determine areas of potential innovation and evolution, from the product and service to restaurant ambience to establish the brand's journey for growth in coming years. The brand understands the evolving preferences of today's diners and strives to create an inviting setting that appeals to a broad range of tastes. The brand aims to elevate the overall dining experience, making it not just about the food, but also about the atmosphere and aesthetics.

This resulted in the launch of a new look and feel of the TGIF restaurants, which is connected to the brand's DNA with signature menus and warm, rich-looking assets. The test launch of the new design was executed at Doha Festival City in Qatar, and in TGIF's Riyadh store in Euromarche.

The brand is now working towards crafting the ultimate host experience within each of its stores to create unforgettable lasting celebrations and moments. It also continued to focus on operations and customer service, to optimise resources and achieving efficiencies across its supply chain. To this end, it introduced Wooqer, an innovative kitchen system for simplifying tracking, completing, and reviewing of operation details, thus driving store level efficiency in real time.

This commitment to upgrading the brand and delivering outstanding service paid off, with efficient performance across core markets.



In the dynamic world of fast-casual dining, the past 12 months have been remarkable for Wimpy, filled with substantial growth, groundbreaking product innovation, and the unwavering strengthening of our brand identity.

### Stores

33\*

\*As at 31 December 2023.

### Strategic focus

At the heart of our success lies innovation and this year, we have truly raised the bar. With a relentless focus on culinary excellence, we have unveiled hype-inducing new burger creations with premium ingredients like Truffle and Candied Bacon, which quickly became best sellers and earned a permanent place on our menu.

A brand is more than just a logo. It is an experience, a promise, and a connection with our customers. Over the past year, we have gone above and beyond to ensure Wimpy embodies its position as a disruptor in the fast casual segment. We will continue to deliver on our customers' demand for better quality

burgers at an affordable price point. Our proteins are procured from a curated list of global suppliers to ensure they are free of preservatives, additives, and colourants. We prepare our products fresh and on order. By value engineering our operating model, we now have a proven ability to deliver honest value to a new generation of burger lovers.

### 2023 highlights and milestones

In an era of challenges, we have not only endured, but thrived. Wimpy has expanded its footprint to 30+ stores in three countries, witnessing an impressive surge in both customer foot traffic and revenue. Our strategic approach to location expansion and market

penetration has reaped rewards, firmly establishing us as a disruptive fast-casual burger chain.

As we reflect on the past year's accomplishments, we remain resolutely focused on the future. For the next 12 months, we are excited to embark on a journey of expansion in the UAE and Kuwait, confident that our recipe for success – a blend of growth, innovation, and unwavering brand identity – will continue to drive Wimpy to new heights.



## Business Review *continued*



In 2023, Peet's Coffee embarked on an extraordinary journey in the Middle East to carve out a distinctive niche in the coffee industry. This journey goes beyond simply serving coffee – we aim to create an immersive coffee experience, while cultivating a community that values freshness, quality, sustainability, and a great cup of coffee!

### Strategic focus

Americana Restaurants launched the Peet's brand in the Middle East with a focus on driving innovation to serve better coffee, for the planet and for coffee people. This dedication to sustainability and quality was a driving force behind our remarkable achievements throughout the year.

A notable highlight was the introduction of the drive-thru concept in the Kingdom. This strategic move demonstrated our innovative approach to ensuring Peet's caters to the diverse needs of its customers.

Internally, we focused on embedding Peet's core values within the growing team. The integration of the service commitment and Peet's in-action values into the culture played a crucial role in strengthening the entire team's dedication to these core principles.

Peet's pledge extends beyond each cup of coffee. We are dedicated to improving conditions on coffee farms, ensuring 100% of our coffee purchases are responsibly sourced, in line with Enveritas standards.

### 2023 highlights and milestones

We inaugurated the first Peet's Coffee in the region at Dubai Mall's Fashion Avenue on 5 January 2023. This was followed by the successful launch of five stores in the UAE and five more in Saudi Arabia by the end of 2023. This is a testament to our knowledge of our markets and the enormous potential of the Peet's brand.

Looking ahead to 2024 and beyond, we are focused on expanding Peet's Coffee to reach more coffee lovers. With a strategy anchored in three pillars – Great Location, Great Product, and Great People – we are poised to continue our journey in creating a legacy built around exceptional coffee experiences.

10  
stores launched  
in 2023



Building communities  
around the joy of food



# Sustainability

# 3



Our efforts have been dedicated to fostering a more sustainable future, adding value at every level for our stakeholders and customers.



Sustainability at Americana Restaurants 72



## Sustainability at Americana Restaurants

# Fostering a sustainable future

**In 2023, Americana Restaurants made significant efforts to adopt and enhance sustainable practices across the business and our brands. These initiatives reflect our ongoing dedication to sustainability and our commitment to integrating environmentally responsible practices across all levels of the organisation and across our growing footprint.**

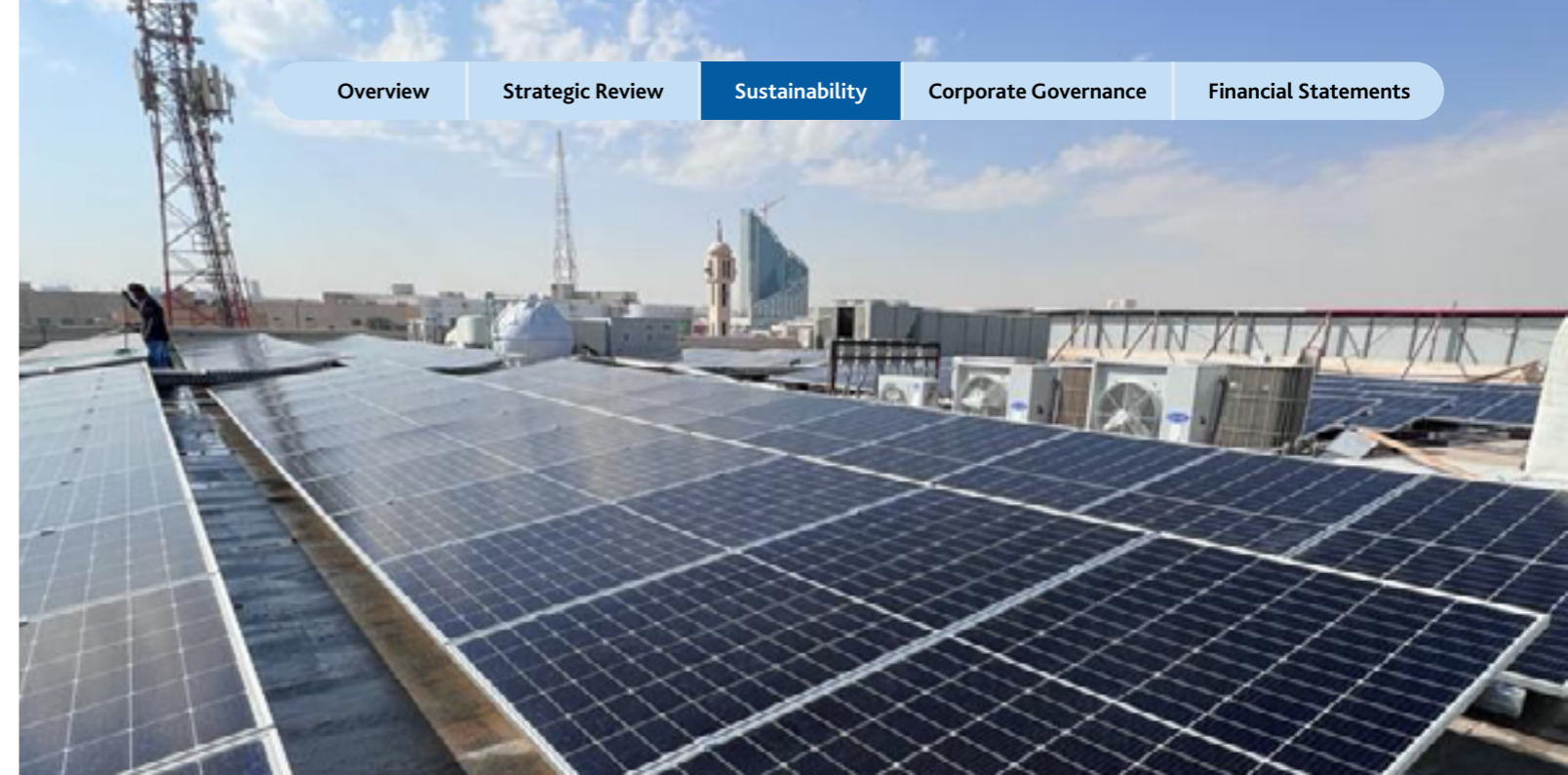
As the leading restaurant operator in the MENA region and Kazakhstan, Americana Restaurants understands and embraces our responsibility to promote sustainable operations, do our part in uplifting the communities where we operate, and protecting our natural environment.

Through our multi-stakeholder and multi-faceted approach to corporate sustainability, we have made progress over the years in reducing our environmental footprint, contributing to the wellbeing of society, and in putting our people at the forefront of everything we do. Our efforts have been dedicated to fostering a more sustainable future, adding value at every level for our stakeholders and customers.

At Americana Restaurants, we continue to encourage positive contributions to our community, and foster a positive environment for our employees. Our commitment to sustainable practices is evident in our social initiatives. In 2023, we focused our efforts on promoting solidary and wellbeing in our community, as well as empowering our employees through professional development, skill enhancement, and inclusivity. Through our efforts, we continue to leave a positive impact on society across our markets.

We are committed to using our resources responsibly and continue to develop initiatives that will help us reduce our carbon footprint and ensure a better future for our planet. This year, we invested in renewable energy, improved waste management, and transitioned to more sustainable packaging. We also ensured our suppliers adhere to sustainability standards through regular audits, as well as worked with them to ensure sustainable sourcing. Further, we continued to grow our local supplier base to reduce our logistics footprint.

As we continue our sustainability journey, one of our key priorities is to develop our ESG vision and long-term strategy. These critical initiatives are currently underway, with buy-in and commitments at every level of the organisation. We are also devising an ESG framework to support us in accomplishing our objectives.



### Alignment with Sustainability Guidelines and Frameworks

At Americana Restaurants, we have taken necessary steps to ensure we're managing our impacts related to Environmental, Social, and Governance (ESG) matters both responsibly and efficiently. The initiatives are guided by ESG priorities, which are aligned with the United Nations Sustainable Development Goals (UNSDG).

The UNSDGs represent a set of 17 overarching and interconnected social, economic, and environmental sustainability goals that are a global call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. These global goals are designed to create a more sustainable future for all by addressing issues such as climate change, access to clean water and affordable energy, and reduced inequalities, among others.

Aligned with the following UNSDGs, Americana Restaurants strives to make a positive impact on the planet and society, ensuring a sustainable future for us all.



## Sustainability at Americana Restaurants continued

# Protecting our environment

Enhancing energy efficiency and using environment-friendly alternatives in our operations



Managing and rationalising water consumption



Managing our waste and utilising environmentally friendly disposal methods and handling



Sustainable sourcing of raw materials



Goal 7:  
**Ensure access to affordable, reliable, sustainable and modern energy for all.**

Goal 12:  
**Ensure sustainable consumption and production patterns.**

Goal 13:  
**Take urgent action to combat climate change and its impacts.**

In 2023, Americana Restaurants took steps to reduce our ecological footprint. One of our key initiatives was to eliminate the use of Styrofoam cups across all KFC markets. In addition, our switch to paper straws and bags in KFC UAE was a step towards further minimising plastic waste and reducing environmental impact.

Another key achievement in 2023 was the successful launch of a new fleet of e-bikes for delivery in the UAE for KFC, Pizza Hut, and Hardee's. Americana Restaurants' Last Mile Delivery Operations crossed a milestone mark of 100,000+ EV-powered deliveries within a few months of its launch.

**100,000+**  
EV-powered deliveries



Additional initiatives undertaken this year included:

- Sale of 5.2 million litres of used oil for conversion into biofuels, ensuring safe disposal of waste and contributing to the reduction of fossil fuel usage
- Investing in energy efficiency and renewable energy by installing demand control kitchen ventilation (DCKV) systems in 15 stores in the UAE. Setting up a 150kW solar PV plant at our regional office in Riyadh, KSA, with further plans to extend it to our stores
- Working with our supply partners to ensure sustainable sourcing, such as using RSPO-certified palm oil, including development of local supplier base to reduce our logistics footprint

Moving forward, we plan to set up an Environmental Policy and Environment Management System (EMS) as part of our ESG framework. We will build upon these initiatives and make progress in reducing our environmental footprint and embracing sustainable practices across our operations. In 2024, we are looking to install IoT systems in additional stores across all markets to enhance operational efficiency and reduce energy consumption. Moreover, we plan to extend solar energy projects to our stores as we migrate to renewable energy sources.

# Prioritising our people

Promoting gender equality, diversity and inclusion



Fostering employee wellbeing, engagement, and development



Shine mentorship programme to support female colleagues



Goal 5:  
**Achieve gender equality and empower all women and girls.**

Goal 8:  
**Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.**

Goal 10:  
**Reduce inequality within and among countries.**

At Americana Restaurants, we firmly believe our people are our most valuable asset and are at the heart of everything we do. We maintain our dedication to fostering a supportive, engaged, and skilled workforce.

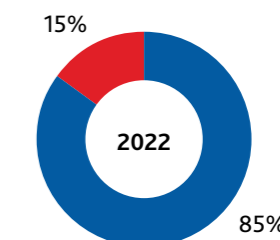
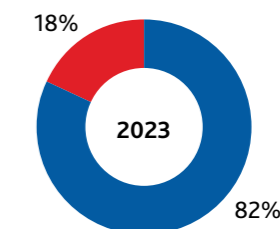
### Growing the Americana Restaurants team

During the year, we continued to expand our team to ensure we had the right people, with the motivation, skills, and commitment to continue to deliver our high-quality standards and exceptional customer service.

Our commitment to the local economies is unwavering, demonstrated through our focus on local employment. The majority of our workforce hails from the MENA region, reflecting our dedication to supporting local talent. In addition, we continue to make focused efforts towards nationalization in our key markets such as KSA and the UAE. Our nationalisation initiatives in these countries have achieved noteworthy outcomes, with national FTEs now representing 27% of our workforce in KSA and 5% in the UAE (excluding contracted employees).

### Gender diversity

● Male ● Female



### Americana Restaurants employees

**40,183\***

As at 31 December 2023.

**40,546\***

As at 31 December 2022.

\*Includes full-time, part-time, and contract employees.

## Sustainability at Americana Restaurants continued

# Prioritising our people (continued)

### Training and development

In 2023, we expanded training programmes across our organisation, with several key achievements, including those within our Americana Development Centre (ADC). These aim to elevate organisational culture, drive employee engagement, and advance professional development, while reflecting our commitments to inclusivity and excellence within the workforce.

<p><b>Grow</b></p> <p>Grow is an internal development programme designed to nurture and support growth of our restaurant general managers. Participants undergo a series of workshops and specialised training sessions tailored to their individual needs and career aspirations to become area coaches. The programme covers a diverse range of topics, including leadership development, strategic thinking, financial acumen, and effective communication.</p>	<p><b>Unleash Her Greatness</b></p> <p>The Unleash Her Greatness programme focuses on nurturing our in-store female colleagues by providing a better understanding of the business, its challenges, and nuances, and developing the skills to look for sustainable solutions. Under this programme, we opened our first all-women-led Pizza Hut store in the Middle East.</p>	<p><b>UAE Nationals Development Programme (UNDP)</b></p> <p>The UNDP is a one-year fast-track programme targeting young and ambitious UAE nationals to learn the craftsmanship of restaurant operations. During this journey, Emiratis go through well-structured and comprehensive on-the-job training for various roles in our restaurants. In addition, they undergo regular assessments and performance evaluations, gradually moving into shift supervisor and assistant restaurant manager positions, to eventually become restaurant general managers.</p>	<p><b>Shine</b></p> <p>Shine is a mentorship programme for our high-potential female colleagues, which fosters gender diversification. The programme aims to develop their careers within Americana Restaurants.</p>
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### Wellness, engagement, and recognition

At Americana Restaurants, employee wellbeing has always been one of our key priorities. During the year, we rolled out AM Well, an employee wellness programme, across all our brands. The programme supports employees by facilitating access to expert consultants in case they are facing mental, financial, or physical issues.

In addition, we enhanced engagement and communication across all the store-level employees with the use of our AM Connected App, an online communication platform. The App enables employees to

connect and engage with one another and encourages them to share best practices and key learnings in a collaborative environment. It serves as a channel for sharing timely and important business updates, making certain that each employee is well informed about the latest developments within the organisation.

Americana Restaurants takes various steps to celebrate our employees for their contributions to the organisation. In this regard, monthly and quarterly store-level employee awards and recognition programmes are held to reward high-performing individuals in the workforce.

In recognition of our efforts this year, Americana Restaurants won in three categories of the Emirates Labour Market Award organised by the Ministry of Human Resources and Emiratisation (MoHRE) in the UAE. The award aims to recognise private sector establishments for exhibiting successful practices in the UAE labour market.

We were presented with the 'Exceptional Workplace' award 2023 by Gallup for the second year in a row. This prestigious award is given to world-class organisations that maintain a commitment to their employees, putting strong workplace culture at the forefront of operations.

# Ensuring food safety and quality

### Promoting quality food and safety culture



In 2023, Americana Restaurants continued our food safety and quality programmes to maintain our commitment to excellence. We revised and implemented Americana Quality Management System (AQMS) to make sure that the highest standards of quality are upheld across our operations. In addition, we conducted regular in-house product evaluations for KFC, TGIF, Hardee's, Pizza Hut, and Wimpy, to ensure continued improvement and quality in our offerings. We also conducted third-party audits to maintain the rigorous standards set by the franchisors.

Our commitment to world-class food safety standards was evident in 2023, where our UAE and Qatar commissaries achieved the prestigious FSSC 22000 certification.

### Vendors and supply chain quality assurance



In 2024, we will continue to enhance our food safety and quality standards through a series of initiatives. We plan to automate food and health safety audits to streamline our monitoring and compliance processes. In addition, we plan to implement a more efficient system to assess and improve supplier performance, to confirm they meet our stringent quality criteria.

Our commitment to world-class food safety standards was evident in 2023, where our UAE and Qatar commissaries achieved the prestigious FSSC 22000 certification.

Implemented Americana Quality Management System (AQMS)





## Sustainability at Americana Restaurants continued

# Contributing to our community

### Promoting solidarity and engagement among communities



### Fostering education and vocational training



Goal 3:  
**Ensure healthy lives and promote wellbeing for all at all ages.**

Goal 16:  
**Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable, and inclusive institutions at all levels.**

Americana Restaurants extended the reach of corporate social responsibility (CSR) initiatives throughout 2023, demonstrating our unwavering dedication to community support through a series of notable efforts.

In September, the KFC Morocco team rapidly responded to the earthquake, undertaking a 48-hour journey to deliver crucial aid and comfort to remote villages impacted by the calamity. Further, Americana Restaurants provided monetary aid through our Donation to Help Gaza campaign, where our employees were also actively engaged, including contributing 100 Red Crescent boxes to the cause.

We continued our educational tours for underprivileged children, offering hands-on culinary experiences with brands including Krispy Kreme and Pizza Hut. In addition, in partnership with Al Ihsan Charity Association in Sharjah, our Employee Experience team volunteered to distribute food boxes to drivers passing through the streets.

We maintained our commitment to environmental stewardship across various markets of operation. In the UAE, we partnered with the local government to conduct a cleanup drive at Mamzar Beach in Dubai, as part of the Save the Environment programme.

Americana Restaurants also participated in the 12<sup>th</sup> anniversary of the Saudi Centre for Down Syndrome, by distributing free meals from Hardee's and KFC. In Egypt, we strengthened our commitment to education through dual education programmes, establishing protocols with vocational schools and universities to provide students with practical training and accredited qualifications.

The mobilisation of resources and employee participation in these campaigns emphasize a strong sense of corporate solidarity with global issues, and we will continue to engage with our community in the years to come.



Donation to Help Gaza campaign



University graduation



Beach cleaning initiative



Our robust corporate governance protects stakeholder value through a firm commitment to effective leadership, board diversity, ethical standards, stakeholder engagement, and proactive risk management.

# Corporate Governance

# 4

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## Board of Directors



Mr. Mohamed Ali  
Rashed Alabbar  
Chairman



Dr. Abdulmalik  
Abdullah Al-Hogail  
Vice Chairman



Mr. Arif Abdulla  
Abdulrahman  
Alharmi Albastaki  
Director



Mr. Raid  
Abdullah Ismail  
Director



Mr. Kesri Singh  
Director



Mr. Graham  
Denis Allan  
Director



Mrs. Tracy  
Ann Gehlan  
Director

## Senior Management



Mr. Amarpal  
Singh Sandhu  
CEO



Mr. Harsh Bansal  
CFO & CGO



Mr. Vishal Bhatia  
COO Yum Brands



Mr. Ramandeep  
Singh Virdi  
CIO



Mr. Dusan Folta  
CDO

## Introduction

Americana Restaurants International PLC (the “Company” or “Americana Restaurants”), recognises that good corporate governance is our stakeholders’ cornerstone and shared foundation, and is key to stakeholder confidence. As such, the Company and its board of directors (the “Board”) are committed to implementing and adhering to corporate governance best practices and requirements, including the decision of the Chairman of the Securities and Commodities Authority No. (03/RM) of 2020 on the standards of the Corporate Governance Manual of Public Joint Stock Companies (as amended from time to time, the “SCA CG Regulations”).

The Company was incorporated in the Abu Dhabi Global Markets (“ADGM”) as a free zone entity on 27 May 2022 as a private company (registered under the name of ‘Americana Restaurants LTD’), then converted on 29 August 2022 into a public company limited by shares (a free zone company), under Licence number (000007712). The Company is subject to the ADGM Companies Regulations 2020 (as amended, the “ADGM Companies Regulations”). Although the Company is ADGM domiciled (i.e., non-Saudi) and subject to the

ADGM Companies Regulations and SCA CG Regulations, it is (albeit with limited exceptions) also subject to the Corporate Governance Regulations issued pursuant to Saudi Capital Markets Authority (“CMA”) Board Resolution No. 8-16-2017, dated 16/05/1438H, as amended pursuant to the CMA’s Board Resolution No. 1-94-2022 dated 24/01/1444H (corresponding to 22/08/2022G) (as amended, “CMA CG Regulations”). However, the Company is not subject to the Companies Law of the Kingdom of Saudi Arabia (“KSA”).

This corporate governance report (the “CG Report”) for the year ended 31 December 2023, is presented by the Board to the Company’s shareholders in accordance with Applicable Laws (as defined below). This CG Report, published as required by law, provides an overview of the Company’s corporate governance systems as of 31 December 2023, including an overview of the Company’s policies and governance mechanisms, its Board and committees, senior management, audit and internal control systems, and other general information.

## Implementation of Governance Rules

The Company is listed on the Abu Dhabi Securities Exchange (“ADX”) in the United Arab Emirates (“UAE”), and on the Saudi Stock Exchange (Tadawul) (“Tadawul”) in the KSA, and is regulated by the Securities and Commodities Authority in the UAE (“SCA”) and the Capital Market Authority in the KSA (“CMA”). Therefore, the Company’s corporate governance framework (including its committees, policies and other corporate governance mechanisms, the “Company CG Framework”) was designed to meet the: (i) ADGM Companies Regulations, (ii) SCA CG Regulations and (iii) CMA CG Regulations (together, “Applicable Laws”).

The Company CG Framework was reviewed and revised again throughout 2023, the year after its 12 December 2022 concurrent, dual initial public offering (the “2022 Public Offering”). It was the result of a collaboration between multiple internal and external stakeholders including legal, risk, audit and compliance specialists,

senior management and the Board. The Company CG Framework is reviewed annually, and any amendments are subject to Board approval.

The Company CG Framework’s ultimate objective is to protect all stakeholders’ rights, enhance fairness, competitiveness and transparency on the ADX and Tadawul. It does so by, among other things, establishing rules and procedures to facilitate decision-making processes and regulating relationships between the Board, executive management, shareholders and other stakeholders.

The Company implemented all provisions of the CMA CG Regulations, except for the provisions listed in Appendix A to this CG Report. Where it has not complied with such provisions, the Company has provided brief explanations.

# Corporate Governance Framework

The Company is governed by Applicable Laws, its articles of association (“**Articles of Association**”) and the Company CG Framework and its policies. The Company’s principal decision-making constituents are its shareholders and the Board, pursuant to the Company CG Framework.

The Company CG Framework is supported by the following pillars:

## 1 Transparency 2 Accountability 3 Responsibility 4 Agility and Resilience

Ensuring all relevant information of Americana Restaurants are disclosed accurately and on a timely basis to various stakeholders (such as regulators, investors, customers, etc.)

Clearly defined roles and responsibilities are defined to hold the Americana Restaurants’ management and Board of Directors responsible for their action and decisions.

Embedding socially and environmentally responsible business model to create impact on communities and the environment in which Americana Restaurants operates.

Ensuring the Americana Restaurants business model is agile and resilient to support sustainability and continuity in a dynamic business environment.

The Board, the Company Secretary, and members of the AC and NRC (as defined below) were appointed by shareholder resolution on 25 August 2022 when the Company was owned by its former parent company, Kuwait Food Company (Americana) K.S.C.C. (“**Former Parent Company**”). The Company CG Framework policies (detailed below), were endorsed and approved by the shareholders on 06 October 2022, and, in 2023, subsequently reviewed, with certain policies being duly updated and Board-approved.

### Articles of Association

The Articles of Association, approved by the Company’s shareholders upon conversion of the Company into a public company limited by shares on 29 August 2022, is the Company’s constitutional document that outlines the governance of the organisation, including decision making by shareholders (e.g., voting at general meetings) and Board matters (e.g., director appointments, powers and responsibilities).

### The Board

The Board was formed in accordance with Applicable Laws and the Articles of Association, and is also governed by the Company CG Framework. The Board’s membership has remained unchanged from the Company’s 2022 annual report (“**2022 Annual Report**”), and consists of: Mr. Mohamed Alabbar, Mr. Arif Abdulla Alharmi Albastaki, Dr. Abdulmalik Al Hogail, Mr. Raid Ismail, Mr. Kesri Singh, Ms. Tracy Gehlan and Mr. Graham Allan as Directors in the Company.

### Board Committees

To ensure the Company’s efficient operation and to facilitate decision-making on key issues, the Board has delegated specific responsibilities to the Company’s Audit Committee and Nomination and Remuneration Committee. Each committee is

governed by specific terms of reference which set out the relevant committee’s purpose, responsibilities, composition, and any reporting requirements.

These committees are discussed further below.

### Corporate Governance Policies

One of the Board’s responsibilities is ensuring the Company is managed in an efficient manner consistent with leading corporate governance practices. The Company CG Framework has a number of other corporate governance policies that are necessary for the functioning of the Company and Board.

Prior to the 2022 Public Offering, the following policies were duly approved: (1) Annual General Meeting Protocols; (2) Anti-Money Laundering; (3) Anti-Bribery and Corruption Policy; (4) Board Evaluation Policies; (5) Corporate Governance Handbook; (6) Conflict of Interest and Related Parties Policy; (7) Crisis Communication Policy; (8) Data Security Standards Policy; (9) Disclosure and Transparency Policy; (10) Dividends Distribution Policy; (11) Enterprise Risk Management Policy and Process; (12) Fraud Risk Management Policy; (13) Gender Equality and Diversity Policy; (14) Insider Trading Policy; (15) Internal Audit Charter; (16) Investor Relations Policy; (17) Sanctions Policy; (18) Corporate Social Responsibility; (19) Standards and Procedures for Board Membership; and (20) Whistleblower Policy.

Based on the 2023 annual review of the Company CG Framework policies, the following Company CG Framework policies were duly updated or created, and Board-approved: (1) ERM Policy; (2) ERM Framework; (3) Whistleblower Policy; (4) Conflicts of Interest Policy; (5) Insider Trading Policy; (6) Investor Relations Policy; (7) Related Party Policy; (8) AML, Sanction and Due Diligence Policy; (9) Gifts and Entertainment & ABC Policy; (10) Board Evaluation

Policies; (11) Corporate Governance Manual; (12) Investigation Management and Case Resolution Policy; (13) Compliance Policy and (14) Fraud Risk Management Policy.

The updated (i) Dividends Distribution Policy and (ii) Remuneration Policy (which are disclosed, in line with the Company’s prior annual general assembly, and will subsequently be published) will be submitted for shareholder approval at the Company’s 2024 annual general assembly (“**2024 Annual General Assembly**”).

Highlighted below are a few key Board level policies falling under the Company CG Framework:

- A **Corporate Governance Handbook**, that provides, among other things: Board members (each a “**Director**”) and employees of the Company and its subsidiaries with an understanding of the governance framework within which the Company operates, as well as outlining the supporting policies and process documents; sets out an overview of the Company’s Board and committee structure (and the role and responsibilities of each); includes mechanisms to regulate the various relationships between the Board, Directors, shareholders and stakeholders, by establishing rules and procedures to facilitate the decision making process and add transparency and credibility to it with the objective of protecting the rights of shareholders and stakeholders and achieving fairness, competitiveness and transparency on the ADX and Tadawul;
- A **Conflicts of Interest Policy**, that establishes the Company’s conflict of interest standards, and provides guidance on how to manage conflicts of interest. The policy was developed to protect the Company from the negative consequences of conflicted ‘Relevant Decision Maker(s)’, and to provide guidance to ‘Relevant Decision Makers’ to ensure compliance with their obligations to take all reasonable steps to avoid actual, potential or perceived conflicts of interest;
- A **Related Party Policy** establishes the Company’s Related Party standards and provides guidelines and principles to identify, track and report related parties and related party transactions considering applicable rules, laws, and regulations and to take appropriate actions to safeguard the Company’s interest;
- A **Dividends Distribution Policy** that sets out the Company’s policy for the distribution of profits to shareholders in such a manner that, inter alia, achieves interests of the Company and shareholders, and provides guidance on the Company and its subsidiaries’ dividend distribution philosophy and principles. It provides a clear policy statement on the determination of how

much dividend to pay, the frequency of payments and the approval model. Further details of the Dividends Distribution Policy are set out below;

- An **Insider Trading Policy**, that provides guidelines for ‘Insiders’ who have access to Insider Information, with respect to transactions in the Company’s securities. It identifies the Company’s procedures on all important matters relating to insider trading while in possession of ‘Insider Information.’ The policy aims at preserving the reputation and integrity of the Company as well as that of all persons affiliated with the Company. Further details of the Insider Trading Policy are set out below;
- A **Gifts and Entertainment, and Anti-Bribery and Corruption Policy**, that provides guidance on identifying and dealing with bribery and corruption and protecting the Company and its stakeholders against bribery and corruption risks. The policy also sets out principles relating to giving and receiving gifts and entertainment, and ensuring compliance with legal requirements, with a commitment of adhering to the highest ethical standards of conduct within the Company;
- An **Anti-Money Laundering (“AML”), Sanctions and Due Diligence Policy**, that establishes clear guidelines and procedures, to the extent applicable to the Company’s nature of business and activities, to meet AML regulatory requirements and guide staff therein, and sets standards for the Company’s sanctions compliance program;
- A **Whistleblower Policy**, that establishes the standards and provides guidance related to whistleblowing. The policy provides safe and dedicated channels to report identified cases of fraud and ensures confidential whistleblowing and protection of the whistleblower;
- The **Investor Relations Policy** guides the Investor Relations function to ensure that shareholders, potential investors, and other stakeholders gain simultaneous access to accurate, clear, relevant, comprehensive, and up-to-date information about the Company. Open, honest, and timely dialogue with shareholders, potential investors, analysts, and other participants of the capital markets, help build trust and contribute to fair pricing of the Company’s securities; and

# Corporate Governance Framework (continued)

- A **Disclosure and Transparency Policy**, promulgated pursuant to Applicable Laws, to ensure that timely and accurate disclosure are made on all material matters, including the financial and non-financial situation, performance, equity ownership, governance, reporting of rules pertaining to disclosure of information, methods of classification of information, the frequency of disclosure and any other disclosure requirements provided for by the applicable regulations.

## Delegation of Authority Framework

Pursuant to Applicable Laws and the Articles of Association, the Board may, to facilitate the Company's effective management, delegate certain duties to its committees or to the Company's management. Such delegations may be by way of a delegation of authority ("DOA") or power of attorney ("POA") based on functional requirements, and may be further limited and/or sub-delegated. Further, such delegations would include clear authorisation guidelines and limitations, such as a limited duration, and are intended to be working documents, revised in accordance with changes in the Company structure or its commercial needs. During 2023, the Board delegated: (i) certain banking authorisations to its management to address various banking requirements; and (ii) certain powers in a POA (dated 28 February 2023) to Mr. Amarpal Sandhu, Mr. Harsh Bansal and Mr. Kesri Singh (for business continuity / contingency purposes), to act on behalf of the Company (and its subsidiaries) and address business requirements and (iii) a governance DOA, as part of the governance and internal control system of the Company, which outlines guidelines and principles of authorization for various decisions, effective 04 May 2023, and which also authorizes the CEO and CFO to approve a separate operational DOA.

## Dividends Distribution Policy

The Company's Dividends Distribution Policy governs the Company's procedures related to its dividend distribution. The Dividends Distribution Policy has been prepared in such a manner that achieves the interests of both the Company and its shareholders, in accordance with Applicable Laws and the Articles of Association.

Pursuant to this policy, the Company shall endeavour to pay a minimum dividend of 50 per cent of the relevant current year net income. Dividend payments are subject to the Board's discretion and the shareholders' approval. The Board may recommend increasing or decreasing the dividend depending on several factors including annual profits, cash flow requirements (short and long term) and availability, business needs, investment opportunities, capital structure, funding requirements, market or economic conditions, or other financial or non-financial conditions that may impact the dividend distribution. The Board announced 2023 ordinary dividends of \$130 million (equivalent to \$0.0154 per share) in line with its previous guidance, and an additional one-

time special dividend of USD 50 million (equivalent to USD 0.0059 per share), for the approval of the 2024 Annual General Assembly). This dividend distribution is equivalent to 69 per cent of net income attributable to shareholders of the Company, for the year ended 31 December 2023.

The Board will endeavor to distribute dividends when possible. However, there are many factors affecting the Company's performance which are beyond its control and there can be no guarantee that in any given year a dividend will be proposed or declared.

In accordance with the Articles of Association and Applicable Laws, the Board shall implement the decision passed at the general assembly or Board meeting (in case of interim dividends), where the distribution of profits to the registered shareholders is decided.

On 26 April 2023, the Company paid dividends of USD 103.5 million (USD 0.0123 dividend per share) for the second half of 2022.

## Controls and Risk Management Policies

The Company CG Framework also includes a number of control and risk management policies, including:

- An **Internal Audit Charter**, that, among other things, describes the purpose, authority and responsibility of the Internal Audit function, consistent with the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing (the Standards) and is prepared in accordance with Applicable Laws;
- An **AML, Sanctions and Due Diligence Policy**, that establishes clear guidelines and procedures, to the extent applicable to the Company's nature of business and activities, to meet AML regulatory requirements and guide staff therein, and set standards for the Company's sanctions compliance programme;
- A **Conflicts of Interest Policy**, that establishes the Company's conflict of interest standards, and provides guidance on how to manage conflicts of interest. The policy was developed to protect the Company from the negative consequences of conflicted 'Relevant Decision Maker(s)', and to provide guidance to 'Relevant Decision Makers' to ensure compliance with their obligations to take all reasonable steps to avoid actual, potential or perceived conflicts of interest;
- A **Gifts and Entertainment and Anti-Bribery and Corruption Policy**, that provides guidance on identifying and dealing with bribery and corruption and protecting the Company and its stakeholders against bribery and corruption risks. The policy also sets out principles relating to giving and receiving gifts and entertainment, and ensuring compliance with legal requirements, with a commitment of adhering to the highest ethical standards of conduct within the Company;
- A **Whistleblower Policy**, that establishes the standards and provides guidance related to whistleblowing. The policy provides safe and dedicated channels to report identified cases of fraud and ensures confidential whistleblowing and protection of the whistleblower;
- An **Enterprise Risk Management Policy**, which provides the Board, senior management, and other internal stakeholders guidance to support effective risk management practices;
- A **Disclosure and Transparency Policy**, promulgated pursuant to Applicable Laws, to ensure that timely and accurate disclosure are made on all material matters, including the financial and non-financial situation, performance, equity ownership, governance, reporting of rules pertaining to disclosure of information, methods of classification of information, the frequency of disclosure and any other disclosure requirements provided for by the applicable regulations; and
- A **Compliance Policy**, that sets overall guidelines to help the Company comply with applicable laws, regulations and standards. The policy also promotes ethical behavior and integrity throughout the Company.

# Board of Directors

## Leadership Team

The Board oversees the Company's strategy and growth and must discharge all its duties under the Articles of Association and Applicable Laws.

As part of its control and risk management framework, details of which are provided further below, the Company also works with a number of third parties, including external auditors.

The Board's committees are governed by specific terms of reference which set out the relevant committee's purpose, responsibilities, composition, and any reporting requirements. In addition to the committees of the Board, there may also be additional management committees of the Company.

The Board has oversight over the Board committees, and a right to receive such information about the Company's performance and operations as is necessary to discharge its duties. The Board may delegate certain powers through a DOA or POA.

Pursuant to the Articles of Association and Applicable Laws, the Board is elected by the general assembly, and must comprise of seven directors, which must consist of at least one female member, and a non-executive majority including the chairman of the Board (the "Chairman").

The Board is currently comprised of seven non-executive directors, including three independent directors. The Board was appointed for a three-year term, by shareholder resolution on 25 August 2022 (when the Company was owned by the Former Parent Company), which was later endorsed and approved by way of a general assembly of the shareholders, on 06 October 2022.

## Directors' Responsibilities and Competencies

The Board's principal duties are to provide strategic leadership to the Company, establish its core management policies, and oversee its business performance. It serves as the main decision-making body for all significant matters, whether strategic, financial, or reputational, and holds final decision-making authority, except for issues reserved for the shareholders as per Applicable Laws or the Articles of Association.

Key responsibilities of the Board include:

- Determining the Company's strategy, budget, and structure;
- Driving and monitoring performance;
- Approving fundamental Company policies;

- Implementing and overseeing financial reporting procedures, risk management policies, and other internal and financial controls;
- Proposing the issuance of new ordinary shares and any restructuring of the Company;
- Appointing senior management;
- Establishing the Company's remuneration policies, ensuring Director independence, and managing potential conflicts of interest; and
- Calling shareholder meetings and ensuring effective shareholder communication.

The Directors collectively possess a balanced mix of skills, knowledge, competencies, experience, and industry expertise, particularly in sectors such as quick-service restaurants, food, finance, and technology.

The Board is committed to upholding corporate governance standards that align with international best practices. This includes compliance with matters related to the declaration of interest/conflict, maintaining confidentiality, and disclosure in relation to related party transactions.

In 2023, the Board completed its annual in-depth training workshop, on, among other things, Applicable Laws and their responsibilities as Directors of a listed entity. The workshop, conducted internally by the Company Secretary, ensured that the Board was thoroughly informed about the Company's obligations as dual-listed entity, with a particular emphasis on compliance, including SCA and CMA regulations. The Chairman of the Audit Committee also attended this training.

## Board Ownership and Transactions

Pursuant to Applicable Laws, the Company's Insider Trading Policy, as well as its Conflicts of Interest Policy, Related Party Policy, and Disclosure and Transparency Policy require Directors to make certain declarations and obtain relevant approvals in connection with the trading of any Company shares.

Except for Mr. Mohamed Alabbar (the Chairman), in the year ended 2023, no Director, nor their spouses or minor children, owned any Company securities.

Mr. Alabbar owns 50 per cent of Adeptio AD Holdings Ltd, which in turn owns 100 per cent of Adeptio AD Investments Ltd, which in turn owns 66.03 per cent of the Company.

## Current Board Formation

Details of current Board Members:

Name	Year of birth	Nationality	Capacity
Mr. Mohamed Ali Rashed Alabbar	1956	Emirati	Chairman (Non-Executive)
Dr. Abdulmalik Abdullah Al-Hogail	1973	Saudi	Vice Chairman (Non-Executive)
Mr. Raid Abdullah Ismail	1972	Saudi	Member (Non-Executive)
Mr. Kesri Singh	1966	Singapore	Member (Non-Executive)
Mr. Graham Denis Allan	1955	British	Member (Independent)
Mrs. Tracy Ann Gehlan	1968	British	Member (Independent)
Mr. Arif Abdulla Albastaki	1973	Emirati	Member (Independent)

Each Director was appointed on 25 August 2022 (later endorsed on 06 October 2022), for a three-year term, beginning 12 December 2022. Details of each Director's experience and qualifications, and their membership and positions at other companies (i.e., excluding Company positions) are set out in Appendix B hereto, and summarised below.

### Mr. Mohamed Ali Rashed Alabbar – Chairman

Mr. Mohamed Ali Rashed Alabbar is the Chairman of the Board of Directors of the Company and has been the Chairman of the Board of the Former Parent Company since June 2017. He is also the Chairman of the Nomination & Remuneration Committee of the Former Parent Company.

In addition to his roles in the Former Parent Company, Mr. Mohamed Ali Rashed Alabbar is the Founder & Managing Director of Emaar Properties PJSC, the Founder & Vice Chairman of Noon Investments LLC (Noon.com), the Chairman of Symphony Investment LLC, and the General Manager of Eagle Hills Properties LLC, as well as the Chairman of the Board of some of its subsidiaries.

Mr. Mohamed Ali Rashed Alabbar has driven the growth of Noon.com, a leading e-commerce platform in the region. He is also a shareholder and a Board member in Artstreet Limited, which owns interests in the real estate business, and he is the Chairman of Zand Bank PJSC, one of the world's first combined digital corporate and retail banks to launch from the UAE.

He is a graduate of Finance and Business Administration from Seattle University in the USA. He also holds an Honorary Doctorate from Seattle University, an Honorary Doctorate from the London School of Economics and Political Science, and an Honorary Doctorate from Sun Moon University in South Korea.

### Dr. Abdulmalik Abdullah Al-Hogail – Vice Chairman

Dr. Abdulmalik Al-Hogail is the Vice Chairman of the Board of Directors of the Company and a member of its Audit Committee. He has been the Vice Chairman of the Board and a member of the Audit Committee of the Former Parent Company (d/b/a Americana Foods) since June 2017.

In addition to his current roles in the Company and the Former Parent Company, Dr. Abdulmalik Al-Hogail is an Independent

Chairman of the Board of Directors, the Chairman of the Executive Committee, and a member of the Nomination & Compensation Committee at Alinma Bank. Also, he is an independent board member, the Vice Chairman of the Board, the Chairman of the Audit Committee, and a member of the Strategy & Investment Committee at the National Shipping Company of Saudi Arabia (Bahri).

Prior to his current roles, Dr. Abdulmalik Al-Hogail worked as the Vice President & CFO of Al Faisaliah Group, and he was a faculty member at the Institute of Public Education. In addition, he was the Independent Chairman of the Board of the National Chemical Carriers of Saudi Arabia (Bahri Chemicals), a board member of the Public Pension Agency (PPA) and chaired its Audit, Risk, Compliance & Governance Committees, a Board member at Saudi Electricity (SEC) where he chaired its Audit Committee and was a member of its Risk & Compliance Committee, and a Board member at Alinma Investment where he chaired its Audit Committee and was a member of its Nomination & Compensation Committee. He was a member of the Audit Committee at the Saudi Capital Market Authority (CMA) and a member of the Accounting Standards Committee at the Saudi Organization for Certified Public Accountants (SOCPA).

He was a board member in other companies such as Accenture Saudi Arabia, Philips Healthcare Saudi Arabia, Arabian International Healthcare Holding (Tibbiyah), and Electronics & Systems Holding.

He holds a Ph.D. and a Master's degree in Accountancy from Case Western Reserve University in the USA, and a Bachelor of Science in Accounting from King Saud University in the KSA. He also holds a Certified Public Accountant Licence from the USA, a Certified Public Accountant Licence from the KSA, a Certified Management Accountant Licence from the USA, and a Certified in Financial Management Licence from the USA.

## Board of Directors (continued)

### Mr. Arif Abdulla Abdulrahman Alharmi Albastaki – Director

Mr. Arif Albastaki is an independent member of the Company's Board and the Chairman of its Nomination and Remuneration Committee.

In addition to his current roles in the Company, Mr. Arif Albastaki is the Chief Executive Officer of Amlak Finance PJSC, is a Board member and a member of the Nomination & Remuneration Committee at Emaar the Economic City in Saudi Arabia, and is also a Board member and a member of the Audit Committee at Al Salam Bank Algeria.

Prior to his current roles, Mr. Arif Albastaki was a Board member, the Chairman of the Executive Committee, a member of the Investment Committee, a member of the Nomination & Remuneration Committee, and the Chairman of the Audit Committee at Daman – National Health Insurance Company. He also was a Board member, a member of the Strategy Committee, a member of the Nomination & Remuneration Committee, the Vice Chairman of the Board, and the Chairman of the Strategy Committee at Aramex PJSC.

In addition, he was the Chairman of the Board of Amlak Finance Egypt, EII Capital (formerly Emaar Industries & Investments), and EFS Financial Services LLC.

He served on the boards and committees of various companies such as TECOM Group PJSC, AWQAF & Minor Affairs Foundation, Al Salam Bank – Algeria, Amlak International for Real Estate Development & Finance Co., and Amlak Finance PJSC.

Mr. Arif Albastaki holds a High Diploma in Banking and Finance from the Higher Colleges of Technology in the UAE and a Master of International Business from the University of Wollongong in the UAE.

### Mr. Raid Abdullah Ismail – Director

Mr. Raid Abdullah Ismail is a member of the Company's Board and its Nomination & Remuneration Committee. He has been a member of the Board and a member of the Nomination & Remuneration Committee of the Former Parent Company since September 2020.

He is currently a Senior Director, Co-Head MENA Direct Investments & Head of Operational Value Creation Group at the Public Investment Fund of Saudi Arabia (PIF).

In addition, he is the Chairman of the Board of GDC Middle East, the Chairman of the Board of Tahakom Investments Company, the Chairman of the Board of the Helicopter Company (THC). He is the Vice Chairman of the Board and a member of the Nomination

& Remuneration Committee of Elm Company, the Vice Chairman of the Board and the Chairman of the Audit Committee of Saudi Company for Artificial Intelligence (SCAI), and a Board member and the Chairman of the Executive Committee of Al Nasser Company Club.

Also, he is in multiple Board and committees' memberships of other companies such as the National Shipping Company of Saudi Arabia (Bahri), the Red Sea Cruise Company, the National Unified Procurement Company (NUPCO), the Aviation Services Company (Riyadh Air), Noon Investment Company, Water Solutions Company, the Saudi Information Technology Company (SITE), the Saudi Electronic Gaming Holding Company (Savvy Games Group), and Kayanee Company.

Prior to his current roles, Mr. Raid Abdullah Ismail was a Board member at ACWA Power, the General Manager of Mawarid Food Company, the Founder & Managing Partner of House of Retail LLC, the CEO of Saudi Tadawi Health Care Group, the General Manager & Director of Finance and Strategy of Olayan Food Services Company, a Seconded of the Corporate Finance Department at the Saudi Capital Market Authority (CMA), and a Senior Manager at the Global Investment Banking Advisory of HSBC. Also, he was a member of the Investment Committee at Elm Company.

He holds a Master of Business Administration (MBA) from London Business School in the UK, and a Bachelor's degree in Finance Management from George Mason University in the USA.

### Mr. Kesri Singh – Director

Mr. Kesri Singh is a member of the Company's Board and is the CEO of the Former Parent Company group.

He has over 23 years of experience in retail across the Middle East and Australasia, including Singapore, UAE, Indonesia, Thailand, Australia, Brunei, and India.

Prior to his current role, Mr. Kesri Singh was the Head of Asia in Al Futtaim Group and the CEO of RSH & Robinsons Pte LTD, a multinational conglomerate specialising in the distribution, retailing, and operation of department stores, fashion, sports, and lifestyle apparel, footwear, and accessories. He began his career in sales and distribution management in India and joined RSH in Singapore back in 1995.

Mr. Singh holds a certificate in the General Management Program from Harvard Business School in the USA, a Master of Business Administration from the University of Rajasthan in India, and a Bachelor of Mechanical Engineering from Bangalore University in India.

### Mr. Graham Denis Allan – Director

Mr. Graham Denis Allan is an independent member of the Company's Board and its Nomination and Remuneration Committee. He was previously an independent Board member of the Former Parent Company from May 2019 until October 2022.

He is a seasoned non-executive director with over 40 years of prior executive experience, including more than 25 years as a CEO and senior executive in leading international companies.

Mr. Graham Denis Allan currently serves as the Chairman of the Board of Bata Footwear Company. He is also a Board member at Intertek PLC, IHG PLC, Associated British Foods PLC, and Ikano Retail Pte Ltd., and Chair of the Remuneration Committee at Associated British Foods PLC.

Prior to his current roles, Mr. Graham Denis Allan was CEO of DFI Retail from 2012 to 2017 where he led the growth of a USD 12 billion multi-format retailer with a presence in 12 Asian markets including Hong Kong, Singapore, China, Malaysia, and Indonesia.

Mr. Graham Denis Allan had previously served as CEO & President of Yum Restaurants International from 2003 to 2012 where he led the growth of KFC, Pizza Hut, and Taco Bell across the world (outside of the USA and China). He also held other senior roles at Yum Restaurants International (formerly PepsiCo Restaurants) from 1992 to 2003.

His earlier career included roles as a consultant with McKinsey & Co Inc. from 1983 to 1989 in Australia and New York, a consultant at Elders IXL Ltd from 1989 to 1992, and a solicitor at Corrs Australia from 1978 to 1982.

Mr. Graham Denis Allan earned a Bachelor of Economics and Bachelor of Laws (Hons) from Monash University in Australia, and his Master of Business Administration from the University of Melbourne.

### Mrs. Tracy Ann Gehlan – Director

Mrs. Tracy Ann Gehlan is an independent member of the Board of the Company, and a member of its Audit Committee. She was previously an independent Board member of the Former Parent Company from September 2020 until October 2022.

She is currently the President International at Driven Brands which is the largest automotive services company in North America.

Prior to her current roles, Mrs. Tracy Ann Gehlan served as the Senior Vice President EMEA & Chief Operating Officer International at Hertz from September 2018 to June 2020, a Managing Director & CEO of Smashburger UK from September 2016 to August 2018, the Group CEO & a Board member of

Jatomi Fitness (Pure Health and Fitness) from April 2015 to June 2016, and a Board member of Scottish Retail Consortium from 2008 to 2011.

She first joined Burger King Corporation as a Market Manager from 2004 to 2007, before getting promoted to Director of Company Operations (UK, Netherlands, and Italy) in 2007, then to Senior Director in Operations Excellence EMEA in 2010, and then she became the Vice President & COO of Burger King EMEA from 2011 to 2015.

Early in her career, she was an Area Manager at The Restaurant Group and served there from 1995 to 2004.

She holds a degree in Law and Welfare (Family Law) from Newcastle University in the UK, and an Advanced Food Hygiene Certification from Group Training Techniques GTT in the UK.

### Board Meetings

In 2023, the Board convened for six meetings on the following dates: February 22, February 28, May 3, August 2, November 1, and December 21.

These meetings adhered strictly to Applicable Laws, the Articles of Association, and the Company's CG Framework. Directors were offered the option to participate electronically. The Board's primary focus in 2023 was on evaluating the Company's operational performance, growth prospects, and strategic business direction. Additionally, the Board ratified the Company's 2022 Annual Report, appointed external auditors, established the Governance Delegation of Authority, set the agenda for the 2023 Annual General Assembly, and approved various financial statements, internal policies/manuals, and the dividend distribution plan.

Throughout the year, the Board considered numerous Company matters and resolutions. These included reviewing financial and operational matters, updating banking signatories, delegating authority, assessing the CEO's Key Performance Indicators, and discussing governance issues. Comprehensive materials were consistently provided to facilitate informed and effective decision-making aligned with the Company's interests.

Board meeting invitations and agendas are sent to Directors at least five days in advance of each meeting, and detailed meeting minutes are taken. To uphold transparency and ethical standards, any potential conflicts of interest or related party transactions are declared at the start of each meeting. These are also reconfirmed with the Board quarterly. Such declarations are meticulously recorded in the meeting minutes and subject to approval by the attending Directors, with any conflicted Director abstaining from voting.



## Board of Directors (continued)

The table below details the Board meetings held in 2023:

Name	Capacity	Meeting 1 – 22 February 2023)	Meeting 2 – 28 February 2023)	Meeting 3 – 3 May 2023)	Meeting 4 – 2 August 2023)	Meeting 5 – 1 November 2023)	Meeting 6 – 21 December 2023)	Total
Mr. Mohamed Ali Rashed Alabbar	Chairman (Non-Executive)	Absent	Present Remotely	Present Physically	Absent	Present Physically	Present Remotely	4
Dr. Abdulmalik Abdullah Al Hogail	Vice Chairman (Non-Executive)	Present Physically	Present Remotely	Present Physically	Present Physically	Present Physically	Present Physically	6
Mr. Raid Abdullah Ismail	Member (Non-Executive)	Present Remotely	Present Remotely	Present Remotely	Present Remotely	Present – partially Remotely	Present Remotely	6
Mr. Kesri Singh	Member (Non-Executive)	Present Physically	Present Remotely	Present Physically	Present Physically	Present Physically	Present Physically	6
Mr. Graham Denis Allan	Member (Independent)	Present Remotely	Present Remotely	Present Remotely	Present Remotely	Present – partially Remotely	Present Physically	6
Mrs. Tracy Ann Gehlan	Member (Independent)	Present Physically	Present Remotely	Present Physically	Present Remotely	Present Physically	Present Remotely	6
Mr. Arif Abdulla Albastaki	Member (Independent)	Present Physically	Present Remotely	Present Physically	Present Physically	Present Physically	Present Physically	6

### Remuneration of the Board

In accordance with the Articles of Association and the Company's Corporate Governance Framework, the shareholders at the Company's Annual General Assembly on 28 March 2023 approved a payment of USD 231,124 to both the Board and committee members. This remuneration was for services rendered in 2022 and was allocated on a pro-rata basis.

The proposed remuneration for the Directors in 2023 is detailed in the table below, effective from the day before the first Board meeting of 2023, 21 February 2023.

Name	Capacity	Proposed remuneration of Board Members 2023 (in capacity as Directors)	No of meetings (2023)
Mr. Mohamed Ali Rashed Alabbar	Chairman (Non-Executive)	USD 170,000	4
Dr. Abdulmalik Abdullah Al Hogail	Vice Chairman (Non-Executive)	USD 160,000	6
Mr. Raid Abdullah Ismail	Member (Non-Executive)	USD 140,000	6
Mr. Kesri Singh	Member (Non-Executive)	USD 140,000	6
Mr. Graham Denis Allan	Member (Independent)	USD 140,000	6
Mrs. Tracy Ann Gehlan	Member (Independent)	USD 140,000	6
Mr. Arif Abdulla Albastaki	Member (Independent)	USD 140,000	6

There were no attendance allowances provided to the Board in 2023. The proposed remuneration for the Company's Board for 2023, USD 1,030,000, will be submitted for shareholder approval at the 2024 Annual General Assembly.

### Board Resolutions

In 2023, the Board approved various operational and transactional matters in compliance with Applicable Laws and the Articles of Association. Some resolutions were initially approved through circulation and later ratified in Board meetings, while others were presented and approved directly in these meetings. All decisions were duly recorded in the minutes. In 2023, there were 12 resolutions passed by the Board, on: 22 February 2023 (four resolutions), 28 February 2023, 3 May 2023 (three resolutions), 2 August 2023 and 1 November 2023 (three resolutions).

### Induction Programme

New Directors are required to participate in an induction Programme, coordinated by the Company Secretary. This Programme is designed to assist new Directors in understanding and fulfilling their roles and responsibilities. To facilitate effective learning, the induction is phased, providing new Directors ample opportunity to assimilate information. While the Programme can be customized to meet individual needs, it covers key areas including:

1. Guidelines on maintaining confidentiality and prohibiting the sharing of restricted information.
2. An overview of the Company's business and strategic objectives.
3. An understanding of Board functions, duties, procedures, and obligations.
4. Other pertinent information.

### Annual Training Programme

In November 2023, the Company, with the support of the Company Secretary, provided an annual training Programme for the Directors, with mandatory attendance.

The Programme, tailored to specific needs, includes several fundamental components:

1. A review of Director duties.
2. Updates on Applicable Laws and corporate governance protocols.
3. Managing conflicts of interest and maintaining confidentiality.
4. Policies regarding related parties.
5. Codes of conduct.
6. Policies on disclosure and transparency.
7. Insider trading regulations.
8. Regulatory compliance.
9. A comprehensive overview of Board and committee functions, duties, procedures, and obligations.

### Board and Committee Assessment

To ensure compliance with Applicable Laws and guidelines, and in accordance with the Company CG Framework and policies, the following procedures are implemented: (i) under the Chairman's guidance, Board members conduct an annual self-evaluation as outlined in the Company's CG Framework; (ii) the Chairman is also responsible for the annual evaluation of the Board committees, ensuring their performance aligns with the terms specified in their charters; and (iii) at least once every three years, the Board engages an independent consultant to assist in the evaluation process. The complete processes, including actionable outcomes and recommendations, are detailed in the Company's Corporate Governance framework policies.

The annual assessment of both the Board and its committees was duly completed in December 2023.

# Board Committees

In compliance with Applicable Laws, the Board maintains two permanent committees:

1. The Audit Committee (“AC”), and
2. The Nomination and Remuneration Committee (“NRC”).

Should the need arise, and in accordance with the Articles of Association, the Board is authorized to establish additional committees as deemed necessary. Furthermore, per Applicable Laws, the Chairman is prohibited from being a member of either the AC or the NRC.

Below, the composition, remuneration, and a detailed overview of both the AC and the NRC are provided.

## AC and NRC Composition

Name	Capacity	AC	NRC	Remuneration of committee members (exc. board remuneration)	No. of meetings AC	No. of meetings NRC
Mr. Raid Abdullah Ismail	Member (Non-Executive)		Yes	USD 10,000 for NRC	n/a	4
Mr. Graham Denis Allan	Member (Independent)		Yes	USD 10,000 for NRC	n/a	4
Mr. Arif Abdulla Albastaki	Member (Independent)		Yes (Chairman)	USD 10,000 for NRC	n/a	4
Dr. Abdulmalik Abdullah Al Hogail	Vice Chairman (Non-Executive)	Yes		USD 10,000 for AC	4	n/a
Mrs. Tracy Ann Gehlan	Member (Independent)	Yes		USD 10,000 for AC	4	n/a
Mr. Subramanian Suryanarayan	Independent (non-director)	Yes (Chairman)		USD 30,000 for AC	4	n/a

The proposed remuneration for the Company’s Board committees for 2023, (i) USD 30,000 for the NRC and (ii) USD 50,000 for the AC (together with the Board’s remuneration, a total of USD 1,110,000), will be submitted for shareholder approval at the 2024 Annual General Assembly.

### Audit Committee

The AC, formed by the Board, is a permanent body that supports the Board in its responsibilities pertaining to financial reporting, risk management, compliance, and both external and internal audits and controls. Its primary duties include monitoring the integrity of the Company’s financial statements, reviewing, and overseeing the work of external auditors, advising on the appointment of such auditors, managing the relationship with the Company’s external auditors, and evaluating the effectiveness of the external audit process. Additionally, the committee reviews the effectiveness of the Company’s internal control and risk management functions, including key areas such as IT and cybersecurity, health, safety, and environmental concerns, tax matters, and the monitoring of significant claims and litigation.

The committee possesses adequate knowledge, resources, and experience to fulfill its responsibilities effectively.

The AC regularly updates the Board on its activities and proposes matters for Board approval as necessary. Annually, it also reviews its terms of reference and presents recommendations to the Board.

To ensure the committee’s effectiveness, the Board regularly reviews its composition, focusing on members’ knowledge and expertise in financial, accounting, legal, compliance, and regulatory matters.

The current members of the AC are:

Name	Title
Mr. Subramanian Suryanarayan	Chairman (Non-Executive)
Mr. Abdulmalik Abdullah Al Hogail	Member (Non-Executive)
Mrs. Tracy Ann Gehlan	Member (Independent)

In 2023, four AC meeting were held, as follows:

Name	Title	Meeting 1 – 20 February 2023	Meeting 2 – 2 May 2023	Meeting 3 – 31 July 2023	Meeting 4 – 30 October 2023
Mr. Subramanian Suryanarayan	Chairman (Non-Executive)	Present – Physical	Present – Physical	Present – Physical	Present – Physical
Mr. Abdulmalik Abdullah Al Hogail	Member (Non-Executive)	Present – Physical	Present – Physical	Present – Physical	Present – Physical
Mrs. Tracy Ann Gehlan	Member (Independent)	Present – Physical	Present – Physical	Present – Remote	Present – Physical

### Mr. Subramanian Suryanarayan – Audit Committee Chairman

Mr. Subramanian Suryanarayan serves as the Chairman of the AC and has held the same position at the Former Parent Company’s Audit Committee since August 2017. Beyond his role on the Audit Committee, he was also a board member of Network International Holdings PLC, a FTSE250 listed entity. Previously, he was a member of the IFRS Advisory Council and served as the Group Chief Financial Officer at Emirates NBD, where his responsibilities included membership in the Executive Committee, Asset Liability Committee, Group Risk Committee, Group Procurement Committee, Management Investment Committee, and as an observer on the board, board Audit Committee, and board Risk Committee. His earlier roles include Director in the Financial Reporting Oversight Division at the Accounting and Corporate Regulatory Authority (ACRA) of Singapore and Senior Technical Advisor at the Singapore Ministry of Finance. Mr. Suryanarayan is an Associate Member of the Institute of Chartered Accountants of India and a graduate of St. Xavier’s College, Calcutta University, with a Bachelor of Commerce (Honors).

As the AC Chairman, Mr. Subramanian Suryanarayan is responsible for overseeing the Committee’s responsibilities to the Company, reviewing its work mechanism, and ensuring its effectiveness.

### Nomination and Remuneration Committee

The NRC, is a permanent committee established by the Board, is responsible for various tasks including setting and reviewing policies related to the appointment, remuneration, benefits, incentives, and bonuses of Directors and Company employees in accordance with Applicable Laws. Its duties involve evaluating new executive management hires, assessing the balance of skills, knowledge, and experience within the Board and its committees, and monitoring the independence of the independent directors.

Additionally, the NRC periodically reviews the Board’s structure and identifies potential independent candidates for Director or committee member roles as needed. In line with the Articles of Association, the NRC aids the Board in determining its responsibilities concerning remuneration. This includes making recommendations on executive remuneration policies (note: the Company is developing its senior management remuneration policy), setting the principles, parameters, and governance framework of the Company’s remuneration policy, and determining the individual remuneration and benefits package for senior management. The NRC is equipped with sufficient resources to perform its duties effectively.

Members of the NRC are appointed according to the Company CG Framework. The NRC convenes twice annually and additionally as required by the Company’s needs.

The Board periodically reviews the composition of the NRC. The current members of the NRC are:

Name	Title
Mr. Arif Abdulla Albastaki	Chairman (Independent)
Mr. Graham Denis Allan	Member (Independent)
Mr. Raid Abdullah Ismail	Member (Non-Executive)

In 2023, four NRC meetings were held, as follows:

Name	Title	Meeting 1 – 22 February 2023	Meeting 2 – 19 March 2023	Meeting 3 – 19 July 2023	Meeting 4 – 16 October 2023
Mr. Arif Abdulla Albastaki	Chairman (Independent)	Present – Physical	Present – Remote	Present – Physical	Present – Remote
Mr. Graham Denis Allan	Member (Independent)	Present – Remote	Present – Remote	Present – Remote	Present – Remote
Mr. Raid Abdullah Ismail	Member (Non-Executive)	Present – Remote	Present – Remote	Present – Remote	Present – Remote

The Chairman of the Nomination and Remuneration Committee, Mr. Arif Abdulla Albastaki, acknowledges his responsibility for overseeing the committee’s system within the Company. He reviews its work mechanisms and ensures its effectiveness.

# Senior Management

The Company's senior management is responsible for the day-to-day management of the Company's operations, based on its delegated powers as well as pursuant to customary practice in the market. Senior management's performance is measured annually against Board approved targets, in addition to the Company's performance mechanisms.

The Company's senior management's details are below, including their position and year of appointment:

Name	Year of birth	Position	Date of appointment
Mr. Amarpal Singh Sandhu	1965	Chief Executive Officer	28 August 2022
Mr. Harsh Bansal	1986	Chief Financial Officer and Chief Growth Officer	28 August 2022
Mr. Vishal Bhatia	1975	Chief Operating Officer (Yum! Brands)	28 August 2022
Mr. Ramandeep Viridi	1968	Chief Information Officer	28 August 2022
Mr. Dusan Folta	1981	Chief Development Officer	28 August 2022

## Remuneration of the Senior Management

The total annual amount paid to the Company's senior management for the full year ended 31 December 2023 was USD 5.347 million.

\* Note 1: This figure: (i) consists of USD 2.752 million in total fixed salaries (actual basis) and USD 2.595 million in short-term incentive and cash-based long-term incentives (accrued in 2023), (ii) includes the senior management listed above and the Head of HR Transformation, and (iii) does not include other benefits, including end-of-service, educational allowance, medical insurance, life insurance and air-tickets.

\*\* Note 2: The Company has complied with the disclosure of the components of senior management's remuneration on aggregate in line with the requirements of paragraph (4) of Article 93 of the CMA CG Regulations, but to protect the interests of the Company, its shareholders and employees, the Company did not disclose the details as per Appendix (1) of the CMA CG Regulations.

## Senior Management Information

The management expertise and experience of each of the senior management team and is set out below:

### Mr. Amarpal Singh Sandhu – CEO

Mr. Amarpal Sandhu has been heading the restaurant business of the Former Parent Company since 2019, before his formal appointment as the Company's CEO in 2022. He joined as the COO of KFC in 2017 to lead the transformation and turnaround of KFC brand, with close to a thousand restaurants across 12 countries. He was also a director of Reef Technology Middle East Limited from 2021-2023.

As the CEO of the Company, Mr. Amarpal Singh Sandhu leads Americana Restaurant's multi-brand, multi-country restaurant portfolio across MENA and Kazakhstan. Before joining the restaurant business of the Former Parent Company, Mr. Amarpal Singh Sandhu served as Vice President and Brand Head, Texas Chicken International for Asia-Pacific, Middle East, and Europe. He was responsible for expansion of the brand in 10 international markets from 2011 to 2017.

During his 17-year career at Wendy's from 1994 to 2011, Mr. Amarpal Singh Sandhu managed both equity and franchise business portfolio for the brand across the USA and international markets. Mr. Amarpal Singh Sandhu holds a Master of Business Administration from the Richard Ivey Business School, University of Western Ontario, Canada.

### Mr. Harsh Bansal – CFO and Chief Growth Officer (CGO)

Mr. Harsh Bansal has been the CFO of the restaurant business of the Former Parent Company since July 2018, and CGO of its restaurant business since September 2021, before his formal appointment as the Company's CFO and CGO in 2022. He was also a director of Reef Technology Middle East Limited from 2021-2023.

He began his career in the Former Parent Company as a Senior Director and led the Corporate Finance & Strategy function for the wider Former Parent Company group. He was part of the transformation team post-acquisition in 2016. He was promoted to CFO of the restaurant business of the Former Parent Company in July 2018.

Prior to his role in the Former Parent Company, he served as an Associate – Investments at Alabbar Enterprises (Family Office of H.E. Mohamed Alabbar – Investments) in UAE from August 2015 to July 2016 and spearheaded multiple investments, including of the Former Parent Company. He served in Standard Chartered Bank in Mumbai as Analyst – M&A (South Asia) from July 2013 to August 2014, then worked in Standard Chartered Bank in Singapore as Analyst and Associate – M&A (Southeast Asia) from September 2014 to July 2015. He was an Oracle Consultant in Infosys Technologies Ltd in India from June 2008 to June 2010.

Mr. Harsh Bansal holds a Post Graduate Diploma in Business Management from the Indian Institute of Management, Lucknow, India, a CFA level-3 from the CFA Institute in the USA, and a Bachelor of Engineering in Electronics & Communication from Jaypee Institute of Information Technology in India.

### Mr. Vishal Bhatia – COO Yum! Brands

Mr. Vishal Bhatia has been COO of the restaurant business of the Former Parent Company and heading its KFC & Pizza Hut business across MENA since March 2022, before his formal appointment as the Company's COO in 2022. Mr. Vishal Bhatia is also responsible for operations. He joined the restaurant business of the Former Parent Company as the COO of KFC in MENA in 2020.

Before joining the restaurant business of the Former Parent Company, Mr. Vishal Bhatia was the CEO for New Supply Business, driving Cloud Kitchens, Private Brands, and Virtual Brands at Swiggy, India's leading food delivery operator.

Prior to Swiggy, Mr. Vishal Bhatia held multiple marketing roles across India, Indonesia and the UK in consumer goods companies such as Reckitt, PepsiCo and Britannia.

Mr. Vishal Bhatia holds a Master of Business Administration from Management Development Institute, Gurgaon, India, in addition to holding a Bachelor of Engineering in Electrical Engineering from Punjab Engineering College, Chandigarh, India.

### Mr. Ramandeep Singh Viridi – CIO

Mr. Ramandeep Singh Viridi joined the restaurant business of the Former Parent Company in 2018 as Chief Information Officer (CIO) for the restaurants business, before his formal appointment as the Company's CIO in 2022. His global career of more than 23 years spans business domains including retail, airlines, travel, R&D, hotels, business process outsourcing and products.

His last position was Senior Vice President IT with Jubilant Foodworks, the largest overseas franchisee for Dominos, USA. Prior to that he was the Vice President – Group IT for Interglobe Enterprises, a leader in aviation and hospitality.

Mr. Ramandeep Singh Viridi holds a Master of Business Administration from the University of Surrey, UK, and also holds a Master of Technology in Computer Sciences from Georgian Technical University, Tbilisi, Georgia.

### Mr. Dusan Folta – CDO

Mr. Dusan Folta joined the restaurant business of the Former Parent Company in early 2021 as Chief Development Officer (CDO), before his formal appointment as the Company's CDO in 2022, and is responsible for the Development function, including Real Estate, Design, Construction, Maintenance, Sales and Catering, across 12 countries.

Prior to joining the restaurant business of the Former Parent Company, Mr. Dusan Folta worked with AmRest for 19 years, where he went from team member to Shift Supervisor, District Coach, Market President and then to Brand Operations President (Brand COO) of KFC in Europe and Russia. Mr. Dusan Folta is also a founder of EyErne LLC, a US based social-media and e-commerce marketplace which was founded in 2018.

Mr. Dusan Folta holds a Bachelor of Economics and Management from College of Economic Studies in Prague.

Organisation Structure



# Insider Transactions

The Company adopts robust measures to monitor insider trading and ensure compliance in general. It intends to keep the market and regulators updated of its insiders list.

The Company Secretary, in collaboration with the Legal and Compliance function, maintains the insiders list, and the Legal and Compliance function is also committed to notifying and training relevant parties in terms of their obligations as insiders, including prohibition in dealings periods.

The Company's Insider Trading Policy, developed in accordance with Applicable Laws, provides guidelines for 'insiders' who have access to 'insider information', with respect to transactions in the Company's securities. It identifies the Company's procedures on all important matters relating to insider trading. The policy aims at preserving the reputation and integrity of the Company as well as that of its affiliated persons. The policy, inter alia, covers deemed and temporary insiders, prohibitions on insider trading, prohibition in dealings periods, notifications of trading, penalties, the insiders list and other provisions.

As per the Company CG Framework (namely, the Insider Trading Policy) and Applicable Laws, the Company announces and implements prohibition periods concerning the trading of Company shares ('blackout periods') on a quarterly and event-driven basis (i.e., based on material developments, etc.). Additionally, 'insiders' are required to sign an undertaking form, acknowledging their possession of material non-public information and responsibilities related thereto, and agreeing to comply with Company policies and Applicable Law concerning insider trading.

There were no purchases and sales of our shares undertaken by our Directors, their spouses and their children, or senior executive management, in 2023.

The Head of Legal and Compliance acknowledges his responsibility for the follow-up and supervision system on transactions of the insiders in the Company, review of its work mechanism and ensuring its effectiveness.

# Internal Controls and Audit

The Board has overall responsibility for ensuring the effectiveness of the internal control system of the Company. The Board is responsible for setting up a clear framework to ensure an effective internal control system. This allows effective and efficient operations, accurate financial reporting, and compliance with Applicable Laws. The Board acknowledges its responsibility for the Company's internal control system, review of its work mechanism and ensuring its effectiveness.

The Company's risk management culture is focused on the early identification of risks that may hinder the delivery of its strategic objectives. The Company recognises that calibrated risk-taking is an integral part of any business decision, hence building resilience in its operations is vital. This is even more important given the rapid changes in the political, economic, and social environment both globally and in MENA. The Company believes in being agile and prepared for any kind of disruption, therefore, the Company considers the full breadth of risks, including financial and non-financial impacts, to improve its risk management preparedness.

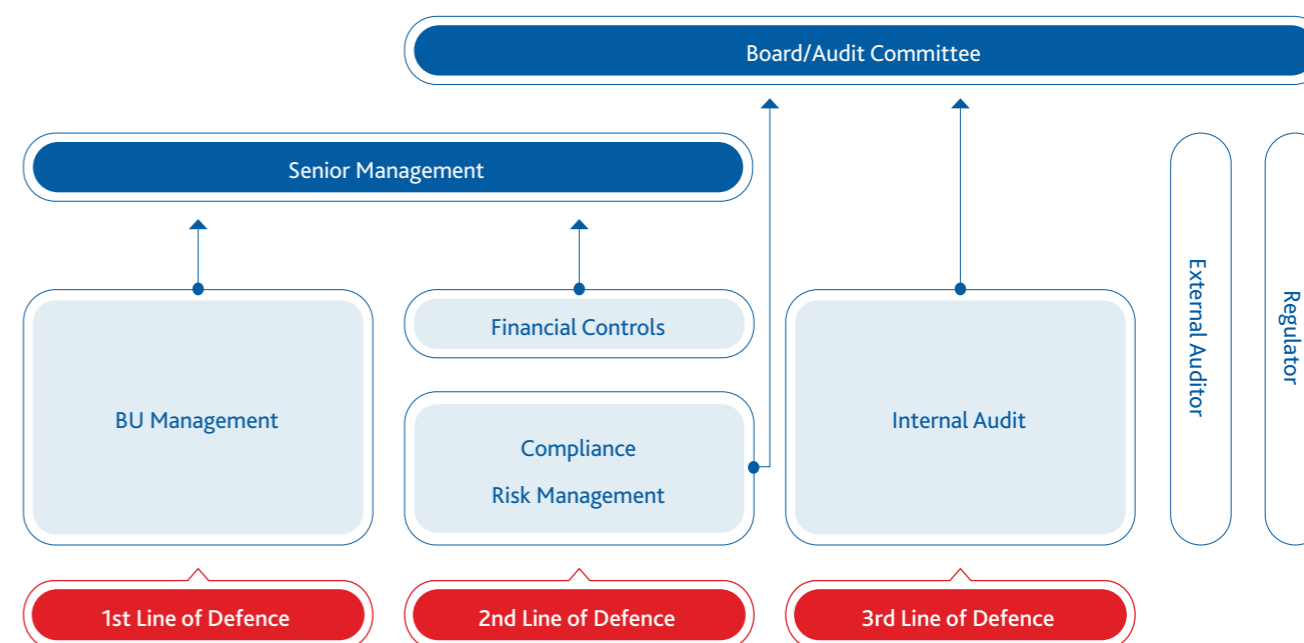
One example in 2023 of this catalyst and response was the geopolitical situation in Gaza. In the Company's Q3 2023 earnings release on 2 November 2023, we noted our concerns regarding then-recent geopolitical developments (i.e., in Gaza), writing, "[...] recent geopolitical developments may have some impact on short term performance, the Company remains positive about the general business environment and its outlook for long term

performance." At this time, it was too early for the Company to thoroughly assess the impact. However, based on a number of factors since this statement, including a longer time period, larger data set, the Company's continued monitoring of the geopolitical landscape and subsequent consumer sentiment and behavior, interim developments, and the Q4 2023 quarterly closing, it is evident that the impact of such geopolitical developments has materialized, affecting the Company's financial results for 2023.

The Company's internal control system is implemented via the Three Lines of Defence model illustrated in the diagram below. In short, the three elements consist of: (i) the Company's management, employees form the first line of defense as they are ultimately responsible for identifying and managing risks as part of their accountability for achieving their strategic goals, such functions being governed by the Company CG Framework; (ii) compliance, financial controls functions and Enterprise Risk Management ("ERM") form the Company's second line of defense, and are responsible for overseeing and implementing the Company CG Framework, and the monitoring and reporting of potential risks and risk mitigation strategies; and (iii) internal audit, as the third line of defense, is independent (reporting to the Board nominated AC), and, by way of its oversight and audits, tests the robustness, effectiveness and efficiency of the risk management, internal controls and governance framework of the Company.

## Three Lines of Defence

Americana Restaurants uses the 'Three Lines of Defence' principle for implementing risk governance.



# Internal Controls and Audit (continued)

## Compliance

### Head of Legal and Compliance

Mr. Nasser Haddad, the Company's Head of Legal & Compliance, was appointed as compliance officer on 12 December 2022. Mr. Haddad has over ten years' US and international legal and commercial experience, in private practice and in-house, and on corporate, finance, corporate governance and regulatory matters. Mr. Haddad holds a B.A. from the Ohio State University, a juris doctorate from the University of Pennsylvania Law School and a certificate degree from the Wharton School of the University of Pennsylvania.

### Compliance Function

The Company's Legal and Compliance function is broadly responsible for ensuring the Company implements the Company CG Framework, namely its policies (which include listing and disclosure rules, corporate governance best practices and other legal requirements as per Applicable Laws). The Legal and Compliance function undertakes compliance implementation through multiple channels including internal training, investigating suspected breaches, ensuring reporting and register obligations are duly met, and making recommendations to senior management or as otherwise required. In doing so, the function works with multiple internal stakeholders, including the Risk and Internal Audit functions, as well as the Company Secretary.

## Risk

### Head of Risk Function

The Company's head of risk, Ms. Kinjal Dutta, was appointed late 2022, and joined the Company January 2023 as its head of risk. Ms. Dutta is a Chartered Accountant (from the Institute of Chartered Accountants of India), having previously worked with Swiggy, India's leading food delivery operator, and having experience in ERM (as defined below) implementation, business and operation audit, and fraud and investigation. She is a graduate of the University of Delhi.

### Risk Function – Enterprise Risk Management

The main purpose of the Company's ERM function is to provide a sound basis for decision making in relation to the creation and protection of value and achieving the Company's strategic objectives as well as its mission and values. Further, the Company's ERM team continuously monitors and manages the key risks to achieve the strategic, operational and financial objectives/targets and compliance with health, safety and environmental standards and other laws and regulations. The Company follows a 7-step risk management process which is aligned with ISO 31000 principles.

The Company regularly scans external and internal factors to identify risks that may hinder the achievement of its strategic objectives. All risks are categorised under four major categories: strategic, operational, compliance and financial risks. The Company evaluates each risk based on likelihood (i.e., the possibility that a risk could occur) and impact (i.e., the effect of a risk event on the achievement of the Company's objectives). All material risks are recorded in the Company's risk registers along with controls to be implemented, risk mitigation action plan and timeline, and assigned to specific risk owners. The ERM function tracks progress on risk mitigation actions throughout the year.

## Internal Audit

### Head of Internal Audit

Ms. Mamoloko Mpai joined Americana Restaurants in October 2022 as Senior Manager of Internal Audit. Her professional career spans 15 years working in quick-service restaurants (i.e., 'fast food'), consulting, mining & cement manufacturing and roads & highway maintenance industries. Her experience includes providing services in the governance, risk, control and financial health analysis disciplines.

Her last position was Internal Audit Manager (HoD) for Yum Restaurants International (Africa BU).

Ms. Mpai holds a Baccalureus Technologiae Degree in Internal Auditing from the University of South Africa and is a fellow member of the Global and South African Institute of Internal Auditors.

### The Internal Audit Function

Internal Audit is an independent appraisal function to evaluate the adequacy and effectiveness of controls, systems, policies, and procedures, within the Company and its subsidiaries. The Internal Audit function is headed by Ms. Mamoloko Mpai.

The Internal Audit function's role is to provide independent and objective assurance, designed to add value and improve the operations of the Company. The function helps the Company by assisting the Board, AC and senior management in accomplishing their objectives, by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the Company's risk management, control, and governance processes and verify that the Company and its employees comply with the applicable laws, regulations and instructions, and the Company's policies and procedures.

The Internal Audit function is completely independent from executive management, and reports to the Board appointed AC. To preserve its objectivity and independence, the Internal Audit function has no direct operational responsibility or authority over any of the activities audited and remains independent of

the audited activities and does not implement internal controls, develops procedures, install systems, prepare records, or engage in any other activity that may impair the function's judgment.

The function aspires to adhere to the mandatory elements of The Institute of Internal Auditors' (IIA) International Professional Practices Framework (IPPF), including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing. The function evaluates and reports on the effectiveness and efficiency of the Company's operations, systems, and controls, in line with internationally recognised internal audit framework.

The Internal Audit Function operates in accordance with the comprehensive audit plan approved by the Board's AC. The plan is updated as needed and is annually reviewed for key activities and operations, including risk management and compliance activities. All audit reports are shared with the AC along with a quarterly report which summarises progress against plan, results of audit activities and progress of implementation of outstanding audit recommendations.

The function also provides the Board with an annual assessment report on the internal control environment across the Company.

### Internal Control

The Board and management are committed to conducting business with integrity and in line with best practices. The Company has various policies in place to assure this. All team members are expected to adhere to the Company's principles on honesty, integrity, responsibility, and accountability at all levels of the organisation. Company management monitors risks and processes to optimise the Company's internal control system.

The Company's controls function is responsible for compliance with all internal control policies and procedures. The department ensures on a daily basis compliance with Company policies. It also reviews the financial information used in preparation of Company's financial statements. The AC assists the Board in overseeing application and effectiveness of internal control system.

Internal control protocols are subject to periodic review by the Board. The Internal Audit function assists the Board in reviewing control efficacy on a regular basis. It issued twenty reports in 2023 to the AC covering different areas of business.

### Results of the Annual Review of the Effectiveness of the Company's Internal Control Procedures and the Audit Committee's Opinion on the Sufficiency of the Company's Internal Control System

The AC met four times in the year ended 31 December 2023, and during this meeting, it: followed up on certain existing matters, was updated on ERM matters (highlighted below) and was updated as to internal audit matters and other business.

Having reviewed the internal control and auditing procedures and discussed the preliminary, annual and final business results with the external auditor and executive management, the AC can give assurances with respect to the Company's internal control systems within the scope of its limited and planned tasks and work assigned by the internal audit department. Further, the committee did not discover any substantial issues that are believed to result in major flaws or weaknesses in the Company's internal control systems, or that need to be highlighted. However, any internal control system cannot provide absolute affirmation, regardless of its design, integrity and the effectiveness of its implementation.

The Company has not reported any material issues in the external auditor's report.

Information relating to the Company's risks is disclosed in its annual/integrated report (see Risk Management).

## External Audit

### Overview

PricewaterhouseCoopers Limited Partnership (ADGM Branch) (“PwC”) (ADGM Licence no. 000000256) has been the Company’s external auditor since 2022, and Mohamed Saad Kadiri has been the Audit Engagement Partner since PwC’s appointment.

PwC is a network of firms with more than 364,232 people operating from 151 countries in 688 cities across the globe, making it the largest professional services provider in the world. PwC is committed to delivering quality services in Assurance, Tax and Advisory (which includes Consulting, Deals and Strategy & practices). PwC has operated in the Middle East region for more than 40 years. Collectively, the Middle East network employs in the region over 10,800 people including over 450 partners and 630 Directors working from 30 offices (in 22 locations) across 12 countries.

### External Audit Details (Inc. Fees, Services and Costs)

- **Name of the audit office and partner auditor:** Mohamed Saad Kadiri and PricewaterhouseCoopers Limited Partnership (ADGM Branch), ADGM (Abu Dhabi), UAE.
- **Number of years he served as the Company external auditor:** Since 2022.
- **The number of years that the partner auditor spent auditing the Company’s accounts:** Since 2022.

- **Total value of company audit fees for 2023 (AED):** the company’s fees, inc. ancillary audit services, were AED 678,576, and for total ‘group’ fees (i.e., the company and its subsidiaries), AED 3,426,840.
- **The value of fees and costs for other special services other than auditing the financial statements for 2023 (AED), if any. In the event that there are no other fees, this shall be stated explicitly:** No other services were provided to the company for the year ended 31 December 2023.
- **Details and nature of other services provided by the company auditor (if any). In the event that there are no other services, this shall be stated explicitly:** N/A.
- **Statement of other services that an external auditor other than the company auditor provided during 2023 (if any). In the event that there are no services provided by another external auditor, this shall be stated explicitly:** None.
- **Statement of the cash and in-kind contributions made by the company during 2023 to the development of the local community and the preservation of the environment. (In the event that there are no contributions, shall state that the company has not made any contributions):** See Sustainability Report.
- **Statement explaining the reservations that the company auditor included in the interim and annual financial statements for 2023. In the event that there is no reservation, this shall be stated explicitly:** No qualifications or reservations were made with respect to the 2023 financial statements.

## Related Party Transactions

Other than the agreements summarised below, the Company did not conduct any transactions with related parties in the year 2023.

In the ordinary-course-of-business, the Company’s subsidiaries enter various related party transactions, on an arm’s length basis. For example, the Company’s subsidiaries may purchase food products from the Former Parent Company’s subsidiaries, as highlighted below, or lease restaurant sites on Emaar properties. In keeping with the Company’s value of transparency, the Company has also chosen to highlight certain key contracts between its subsidiaries and related parties. These are set out further below.

### Company Related Party Transactions

TS Agreements: Transitional Services Agreement (“TSA”), Trademark Licence Agreement (“TLA”) and Assignment Agreement for Restaurant Marks (“AATM”)

On 14 July 2022, the Former Parent Company, signed the TSA, TLA and AATM (together, the “TS Agreements”) with the Company. The TS Agreements set forth the continuity of certain arrangements between the Former Parent Company and the Company, including with respect to: (i) per the TLA, the continuing usage of “Americana” Corporate brand by the Company, (ii) per the TSA, the continuation of certain services being currently provided by the Former Parent Company to the Company (including strategic advice, management and stakeholder support, treasury, internal audit, legal and compliance, corporate development, etc.), and (iii) per the AATM, the assignment of the Former Parent Company’s rights in certain restaurant trademarks (e.g., Wimpy, Chicken Tikka, etc.) to the Company.

The TLA has a ten-year term, which may be extended, and either party may terminate the TLA without cause with 12 months’ prior written notice. In consideration for the trademark Licences, the Company must pay to the Former Parent Company, on an annual basis, an amount equivalent to 0.2 per cent of the Company’s consolidated net revenues. The Former Parent Company can terminate the TLA with immediate effect if, inter alia: (i) there is material breach by the Company, (ii) the Company challenges ownership of the Americana brand owned by the Former Parent Company, or (iii) there is a change of control of the Company.

The TSA has a five-year term, and the Company must pay to the Former Parent Company, in consideration for the services provided therein, on an annual basis, an amount equivalent to 0.05 per cent of the Company’s consolidated net revenues. There are no fees due under the AATM, and the cumulative fees under the TSA and TLA are capped at USD 7.5 million per year. Subject to the terms of the TSA, the Company, at its discretion, can terminate the services being provided by the Former Parent Company to the Company with a notice period of 120 days.

### Zand Fixed Deposit Account

In 2023, the Company opened and deposited various fixed deposit accounts with Zand Bank, totaling USD 20,637,961.78. The accounts accrue interest at a fixed rate for a term of one month. Depending on its needs, the Company may extend these arrangements, although as of 31 December 2023 there were no such accounts with a meaningful balance. Mr. Mohamed Alabbar is chairman of Zand Bank PJSC.

### Subsidiary Key Related Party Transactions

#### Emaar Properties PJSC

The Company’s subsidiaries enter lease agreements, in the ordinary course of business and at arms’ length, including with the Emaar Properties PJSC, where Mr. Mohamed Alabbar (the Company’s Chairman of the Board) is a Managing Director, and its affiliates, where he may sit on the board (see Appendix B for details). The total transaction volume (FY 2023) with Emaar was approximately USD 9.18 million.

#### Farm Frites Supply Agreement

On 1 January 2022, Kuwait Food Co. Americana L.L.C., a subsidiary of the Company (“Americana UAE Co”), entered into a supply agreement (as amended from time to time, the “Farm Frites Supply Agreement”) with the Former Parent Company’s subsidiary, International Company For Agricultural Development (Farm Frites Egypt) S.A.E. (the “Frites Supplier”) for the supply of french fries and potato wedges in Saudi Arabia, UAE, Oman, Bahrain, Kuwait, Iraq, Jordan, Morocco and Egypt. The Farm Frites Supply Agreement expired 31 December 2023, and is in the renewal process/negotiation at the time of writing. Under the Farm Frites Supply Agreement: (i) either party could terminate with 60-days’ written notice without cause, or immediately with cause; (ii) the Frites Supplier was obligated to manufacture, pack, supply and deliver French fries and potato wedges in accordance with the set specifications on a purchase order basis; and (iii) the prices per unit were fixed during the term of the Farm Frites Supply Agreement. Americana UAE Co’s (and its affiliates) transaction volume (FY 2023) under this agreement was approximately USD 32.8 million.

#### National Meats Supply Agreement

On 11 October 2021, Americana UAE Co entered into a supply agreement (as amended from time to time, the “National Meats Supply Agreement”) with the Former Parent Company and the Former Parent Company’s subsidiaries, National Company For Food Industries LLC and Gulf Food Company Americana LLC (collectively, the “Meat Suppliers”) for the supply of food

## Related Party Transactions (continued)

products (primarily beef, chicken and seafood) in Saudi Arabia, UAE, Oman, Bahrain, Kuwait, Iraq, Jordan, Morocco and Egypt. The National Meats Supply Agreement expired 31 December 2023, and is in the renewal process/negotiation at the time of writing. Under the National Meats Supply Agreement: (i) either party could terminate with 60-days' written notice without cause or by 30-days' written notice with cause; (ii) the Meat Suppliers were obligated to manufacture, pack, supply and deliver food products in accordance with the set specifications on a purchase order basis; and (iii) Americana UAE Co provides requirement forecasts to the Meat Suppliers but is not obligated to purchase any specific supplies. The food product prices are periodically negotiated between the parties on an arm's length basis. Americana UAE Co's (and its affiliates) total transaction volume (FY 2023) to (1) National Company for Food Industries LLC, (2) Gulf Food Company Americana LLC, and the (3) Former Parent Company, including under the National Meats Supply Agreement and Cake Supply Agreement (see below), was approximately (1) USD 25.7 million (meat products) and USD 2 million (cake products), (2) USD 7.4 million, and (3) USD 6.76 million, respectively. This is reflected in the Company's annual financial statements.

### Cake Supply Agreement

On 1 January 2022, Americana UAE Co entered into a supply agreement (as amended from time to time, the "**Cake Supply Agreement**") with the Former Parent Company's subsidiary, the National Company For Food Industries LLC, for the supply of various pastries (i.e., cookies, etc.). The agreement was entered into on an arm's length basis, fixes product-pricing (for a period), requires no minimum spend by Americana UAE Co, and may be terminated, without cause, by either party with 60 days' written notice. The Cake Supply Agreement has expired without renewal, but the transaction volume (FY 2023) under this agreement is reflected in the section above.

### Cairo Poultry Company

In 2022, the Egyptian Company for International Touristic Projects, a subsidiary of the Company ("**ECITP**"), entered into a supply agreement with the Former Parent Company's subsidiary, Cairo Poultry Processing Company (Koki), for the supply of primarily chicken products. The agreement was entered into on an arm's length basis, requires no minimum spend by Americana UAE Co, and may be terminated, by either party with 90 days' notice, pursuant to the terms therein. Americana UAE Co's (and its affiliates) transaction volume (FY 2023) was approximately USD 13.3 million.

### Gulf Food Industries Company

On 1 May 2014, the Egyptian International Company for Food Industries, a subsidiary of the Company ("**EICIFI**"), entered into an agreement with the Former Parent Company's subsidiary, the Gulf Food Industries Company (California Garden) ("**California Garden**"), to purchase and distribute (i.e., re-sell) various food products. The parties conduct themselves on an arm's length basis, the agreement requires no minimum spend by EICIFI, and may be terminated, by either party with 60 days' notice, pursuant to the terms therein. The agreement has a three-year term, which renews automatically subject to the parties' consent. EICIFI's (and its affiliates) transaction volume (FY 2023) under this agreement was approximately USD 17,542.

### Barakat Supply Agreement

On 30 April 2022, Americana UAE Co entered into a product supply agreement (as amended from time to time, the "**Barakat Supply Agreement**") with Pure Quality Foods Trading (doing business as 'Barakat') for the supply of certain fresh juices, to the Company's subsidiary. The agreement was entered into on an arm's length basis, fixes product-pricing, requires no minimum spend by the Company's subsidiary, and may be terminated by either party with 30 days' written notice. Americana UAE Co's (and its affiliates) transaction volume (FY 2023) under this agreement was approximately USD 930,738. Mr. Mohamed Alabbar was a board member of Barakat Vegetable & Fruits Company LLC, and his family has an interest (including a Director position) in Barakat (and/or its affiliates).

### Nshama Lease Agreements

Americana UAE Co currently has four lease agreements with Nshama Properties (and its affiliates), for its KFC, Pizza Hut, Hardee's and Krispy Kreme restaurants, all in the UAE. The term of each of these agreements is between three and five years (which may be extended with consent), and the rents are either turnover rent (i.e., variable rent, based on a percentage of sales) or fixed rent. Mr. Mohamed Alabbar's family has an interest in Nshama (and/or its affiliates). Americana UAE Co's (and its affiliates) transaction volume (FY 2023) under this agreement was approximately USD 483,521.

### Daman – National Health Insurance Company

The Company (and/or its subsidiaries) procure various insurance services (inc. employee insurance coverage) from Daman – National Health Insurance Company, and/or its affiliates ("**Daman**"). The Company's Director, Mr. Arif Albastaki, served a board member, member of the Investment Committee and Member of the Nomination and Remuneration Committee, until June 2023, and as Chairman of the Executive Committee, until May 2023. The total transaction volume (FY 2023) with Daman was approximately USD 2.7 million.

### Noon Agreements

#### Noon Payment Gateway Agreements

The Company's subsidiaries (namely Qatar Food Company, Americana UAE Co, Al-Ahlia Restaurants Company and ECITP) have entered into separate agreements with Noon Payments (an affiliate of Noon Investments Company CJSC, which Mr. Mohamed Alabbar is the founder of and a Vice Chairman of the board of directors) related to the provision of payment services (e.g., to accept online credit and debit card payments) in Qatar, the UAE, Kuwait, KSA and Egypt. Each agreement sets out the fixed fees (based on transaction and transaction volume), and may be terminated by the Company's subsidiaries on up to 30 days' notice, without cause. The agreements were entered into on an arm's length basis, and the Company's subsidiaries' total transaction volume (FY 2023) under this agreement, the Noon Delivery Services Agreement and Now Now (by Noon) Agreement, each detailed below, was approximately USD 1.75 million.

#### Noon Delivery Services

On 28 April 2021, Americana UAE Co entered into a subscription agreement with Noon E-Commerce (an affiliate of Noon Investments Company CJSC, which Mr. Mohamed Alabbar is the founder of and a Vice Chairman of the board of directors), for the provision of its marketplace and aggregator services (i.e., an online and mobile application marketplace service to facilitate the retail sale of the Company's food products on) in the UAE. The original term of the agreement is two years, subject to renewal from time-to-time with the parties' consent. Either party may terminate the agreement without cause on 90 days' prior written notice.

#### Now Now (by Noon) Agreement

On 6 August 2020, Americana UAE Co entered into an agreement with Noon Now L.L.C. (an affiliate of Noon Investments Company CJSC, which Mr. Mohamed Alabbar is the founder of and a Vice Chairman of the board of directors) (as amended from time to time, the "**Now Now Agreement**") for the provision of its marketplace and aggregator services (i.e., an online and mobile application marketplace service to facilitate the retail sale of the Company's food products on) in the UAE. The term of the Now Now Agreement is five years, and either party may terminate the agreement without cause on 70 days' prior written notice.

### Damac Properties

The Company's subsidiaries enter lease agreements, in the ordinary course of business and at arms' length, with Damac Real Estate Development Ltd's affiliates and/or subsidiaries (together, "**Damac**"). Mr. Subramanian Suryanarayan (the Company's Independent Audit Committee Chairman) is a board director (as of 3 April 2023) and the Chairman of the Audit Committee of Damac Real Estate Development Ltd. The total transaction volume (FY 2023) with Damac was approximately USD 835,000.

### Intra-group transactions

In the ordinary course of business, the Company's subsidiaries transact with one another (i.e., intra-group transactions), typically for the supply and purchase of goods and/or services and/or stock-management and on a cost basis. The total transaction volume (FY 2023) of intra-group transactions that involved entities not wholly-owned (beneficially) by the Company, was approximately USD 8.1 million.

### Other Related Party Transactions

Other related party transactions (where transaction volume (FY 2023) was less than USD 50,000, include (each value approximate): (1) USD 47,794, with the International Company for Agricultural Production and Processing, a subsidiary of the Former Parent Company; (2) USD 35,973, with Eagle Hills Diyar Company, which Mr. Mohamed Alabbar acts as Non-Executive Chairman of the Board of Directors; and (3) USD 18,600, with Aramex PJSC, which Mr. Arif Albastaki was a member of certain board committees (see Appendix B for details).

### Violation/Non-Compliance

During the year ended on 31 December 2023, the Company was not subject to any fines or penalties imposed by SCA or the CMA, nor any other related statutory authority on any capital-markets matter.



# General Information

## Company's Share Performance during 2023

The following tables provide an overview of the Company's share price at the end of each month during the fiscal year ended on 31 December 2023:

Month	ADX			
	High (AED)	Low (AED)	Close (AED)	Volume
January	3.42	3.36	3.42	3,336,596
February	3.53	3.37	3.52	10,242,644
March	3.95	3.76	3.81	15,676,538
April	3.96	3.90	3.92	8,363,868
May	4.14	3.84	4.14	158,757,911
June	4.23	4.16	4.23	3,028,654
July	3.84	3.73	3.84	4,454,548
August	4.41	4.28	4.41	13,209,414
September	4.16	4.10	4.10	12,184,456
October	3.77	3.69	3.70	11,452,241
November	3.40	3.35	3.37	10,336,970
December	3.19	3.13	3.13	2,310,829

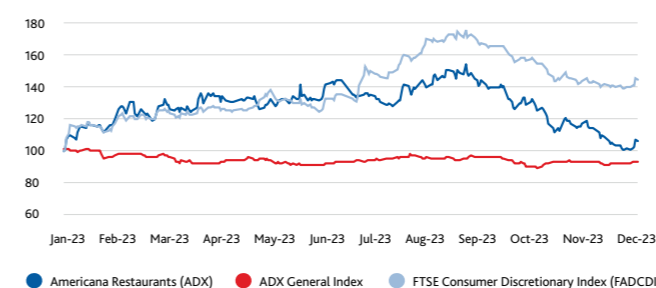
Month	Tadawul			
	High (SAR)	Low (SAR)	Close (SAR)	Volume
January	3.48	3.44	3.47	11,966,728
February	3.58	3.44	3.55	66,866,901
March	4.24	4.03	4.04	49,217,290
April	4.03	3.97	3.99	11,571,106
May	4.00	3.84	3.93	38,547,399
June	4.32	4.18	4.29	14,788,198
July	3.84	3.81	3.84	7,786,607
August	4.53	4.39	4.53	13,404,505
September	4.25	4.19	4.19	3,727,819
October	3.86	3.79	3.79	18,372,981
November	3.44	3.40	3.40	13,699,961
December	3.25	3.21	3.23	8,190,143

## Comparative Performance of the Company's share with the General Market Index and Sector Index during 2023

The following diagram shows the comparative performance of the Company's share with the general market index during each month during the fiscal year ended on 31 December 2023:

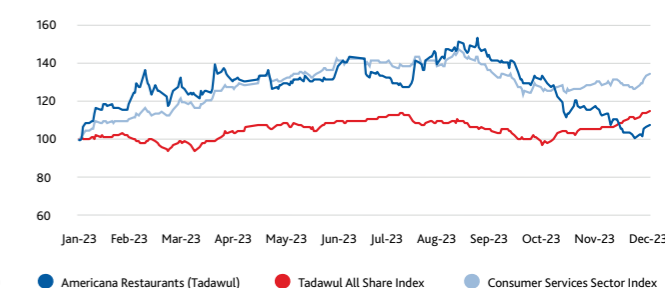
### ADX

Americana Restaurants (ADX) vs ADX All Share Index vs FTSE Consumer Discretionary Index



### Tadawul

Americana Restaurants (Tadawul) vs Tadawul All Share Index vs Consumer Services Sector Index



## Statement of Distribution of Shareholders' Ownership as on the ADX 31 December 2023 (Individuals – Companies – Governments), classified as follows: (Local – Gulf – Arabic – Foreign)

The following table shows the distribution of shareholder's ownership in the Company (Individuals – Companies – Governments) classified as follows: (Local – Gulf – Arabic – Foreign) as on 31 December 2023:

Ser.	Shareholders classification	Percentage of owned shares								Shares percentage
		Individual		Companies		Government		Total		
		Total shares	Total investor	Total shares	Total investor	Total shares	Total investor	Total shares	Total investor	
1	Local	69,368,708	3,443	5,640,029,030	46	86,874,380	3	5,796,272,118	3,492	68.8%
2	GCC	269,974,881	131	1,653,196,326	35	391,250	1	1,923,562,457	167	22.8%
3	Arab	8,095,423	625	261,500	4	0	0	8,356,923	629	0.1%
4	Foreign	4,810,111	1,393	690,631,491	406	0	0	695,441,602	1,799	8.3%
<b>Total</b>		<b>352,249,123</b>	<b>5,5592</b>	<b>7,984,118,347</b>	<b>491</b>	<b>87,265,630</b>	<b>4</b>	<b>8,423,633,100</b>	<b>6,087</b>	<b>100.0%</b>

Note: Adeptio AD Investments LTD, whose shares are ultimately jointly held by Mr. Mohamed Alabbar and the Public Investment Fund of Saudi Arabia (PIF), was incorporated in the United Arab Emirates (DIFC) and is therefore classified by ADX as 'Local.'

## Overview of Shareholders whose Ownership Percentage exceeds 5 per cent of the Company's Capital as on 31 December 2023

Other than Adeptio AD Investments LTD (see table below), no shareholder owns more than 5 per cent of the Company.

Name	Country of Incorporation	Type of shares	Number of shares owned	Ownership proportion
Adeptio AD Investments Ltd	United Arab Emirates	Ordinary	5,562,384,208	66.03 per cent

# General Information (continued)

## Statement of Distribution of Shareholders according to their Ownership Percentage as on 31 December 2023

The following table shows the distribution of shareholders according to their ownership percentage as on 31 December 2023:

### ADX

No.	Share (s) ownership	Number of shareholders	Number of owned shares	Percentage of owned shares of the capital
1.	Less than 50,000	5,456	17,477,635	0.2 per cent
2.	From 50,000 to less than 500,000	384	69,546,736	0.8 per cent
3.	From 500,000 to less than 5,000,000	204	338,915,138	4.0 per cent
4.	More than 5,000,000	43	7,997,693,591	94.9 per cent

### Tadawul

No.	Share (s) ownership	Number of shareholders	Number of owned shares	Percentage of owned shares of the capital
1.	Less than 50,000	73,955	179,010,963	2.1 per cent
2.	From 50,000 to less than 500,000	1,291	180,340,584	2.1 per cent
3.	From 500,000 to less than 5,000,000	258	384,330,537	4.6 per cent
4.	More than 5,000,000	52	7,679,951,016	91.2 per cent

### Investor Relations

The Board is committed to ensuring that shareholders and other stakeholders gain simultaneous access to accurate, clear, relevant, comprehensive, and up-to-date information about the Company. The Company shall adhere to all regulatory requirements set for listed companies in the ADX and Tadawul, as well as SCA and CMA, and intends to ensure that accurate and timely disclosures are made on all material information related to the Company, including its financial affairs, performance, ownership of its shares and governance in an accessible manner by all concerned parties.

Routinely, at the Company's quarterly earnings calls and its annual general assembly, information is provided to shareholders, who in turn may make suggestions and remarks about the Company and its performance.

Sonika Sahni is the Company's Investor Relations Officer. Shareholders can utilise the following channels to reach the Company's Investor Relations Officer:

Phone: +971 52 271 0589

E-mail address:

investor.relations@americanarestaurants.com

Issuer's website:

<https://www.americanarestaurants.com/investors/>

### Special Decisions taken in the General Assembly Meetings of Shareholders during 2023

In 2023, only one general assembly was held, on 28 March 2023. Three board members, Dr. Abdulmalik Abdullah Al Hogail, Mr. Kesri Singh and Mr. Arif Abdulla Albastaki attended this general assembly. The following resolutions were passed, following which all the resolutions were implemented.

- Approval of the integrated report of the Board of Directors on the activities and financial position on the Company for the fiscal year ending on 31 December 2022;
- Approval of the auditor's (PricewaterhouseCoopers) report for the fiscal year ending 31 December 2022;
- Approve the Company's balance sheet and the profit and loss account for the fiscal year ending 31 December 2022;
- Approve the proposal of the Board regarding distribution of dividends to the shareholders for the fiscal year ending on 31 December 2022, amounting to USD 103,469,850 representing 61.42 per cent of the share capital being USD 0.0123 per share;

- Approve the Board of Directors' remuneration (amounting to USD 231,124) including salaries, bonus, expenses, and fees of the members of the Board as set out in the Remuneration of the Board section of the Company's 2022 Annual Report;
- Approve the Company's Remuneration Policy;
- Approve the Audit Committee Charter;
- Approve the discharge of the members of the Board from liability for the fiscal year 31 December 2022;
- Approve the discharge of the Company's external auditors from liability for the fiscal year ending 31 December 2022;
- Approve the appointment of PricewaterhouseCoopers as the Company's external auditors for the fiscal year ending on 31 December 2023, and for the first quarter of the year 2024 and their fees amounting to AED 3,429,175; and
- To consider any related party transaction, the chairman of the meeting read a copy of the report on transactions with related parties of the Company and then gave the opportunity for questions from the shareholders. No questions were asked, and there was no vote on this item.

### Company Secretary of the Meetings of the Board of Directors

The Company Secretary is responsible for (amongst other things) providing comprehensive guidance and advice on statutory and fiduciary Directors' duties, facilitating the flow of information between the Board and its committees, the administration of meetings and monitoring and recording the decisions of the Board and its committees. In particular the Company Secretary shall:

- Confirm attendees, additional invitees and record their reservations (if any);
- Collate Board/Committee papers and records;
- Provide the Board with the meeting agenda and any relevant/additional information pertaining to the agenda;
- Ensuring Directors comply with relevant actions approved by the Board;
- Promptly notify Directors of upcoming meeting dates;
- Inform senior management of Board resolutions and report on the implementation of the same;
- Support the Board in the evaluation process and coordinate between Directors and executives;
- Provide guidance and support to the Board, its committees and the Chairman; and
- Prepare and circulate meeting minutes to gather approval of the Board and the committees as applicable.

Mr. Saqib Awan was appointed as a Company Secretary pursuant to the Board's resolution dated 25 August 2022. He holds an LLM in School of Oriental & African Studies from the University of London, a Bachelor's in Art and an LLB (Hon) from the International Islamic University in Pakistan and has 20 years of practical experience in the legal field.

### Emiratization

Given the Company is exempt from Emiratization requirements as an ADGM entity, and that it does not have any employees as a holding company, it did not employ any Emiratis in 2023.

However, the Company is a firm believer of the UAE government's Emiratization efforts. In alignment with these efforts, Americana UAE Co (i.e., the Company's UAE subsidiary) employed 20 UAE nationals as of 31 December 2023, as it continues its recruitment and development efforts.

### Innovative projects and initiatives carried out or being developed by the Company during 2023

#### Launch of Peet's coffee in the region

- Launched the first Middle East location for coffee pioneer Peet's in Dubai Mall's Fashion Avenue. We ended the year with five stores in each UAE and KSA.

#### Power Brands expansion in existing markets

- Launch of KFC and Pizza Hut in Baghdad, Iraq, showcasing our commitment to bringing globally recognised brands to new markets;
- Expanded Krispy Kreme's footprint through the launch in Kazakhstan, with the inauguration of first factory store in Almaty.

# Acknowledgements

## Highlighted below are a few key Company initiatives during 2023:

- Launch of digital loyalty program (initially for KFC in six key markets) to enhance customer loyalty and retention;
- Oracle Fusion cloud-based ERP system roll-out, across ten markets, with the remaining two markets covered in January 2024. The system is strategically designed to enhance functionalities crucial for the continuous growth and success of the Company;
- Introduced dynamic pricing which allows us to have differential pricing across restaurants based on demand and elasticities across restaurants, clusters, channels and time of day;
- Introduced electric mobility in the UAE, via a new fleet of all-electric bikes to facilitate deliveries for Pizza Hut, KFC, and Hardee's brands. Within eight months of the launch, we successfully delivered more than 100,000 orders;
- Introduced the 'Grow' initiative, an Internal Development Programme designed to foster and enhance the professional growth of our Restaurant General Managers through a series of workshops and specialized training sessions;
- Launched AmWell, an employee assistance programme for the overall well-being of the employees; and
- Implemented "Moms Work-from-Home Day," each week for female employees with young children.

The Board acknowledges that: (1) the statement of ownership and transactions of Board of Directors (Board) members and their spouses, their children in the Company securities during 2023; and (2) the current Board formation (along with the names of both the resigned and appointed Board members), is valid.

Mr. Mohamed Ali Rashed Alabbar  
Board Chairman

Mr. Subramanian Suryanarayan  
Audit Committee Chairman

Mr. Arif Abdulla Abdulrahman  
Alharmi Albastaki  
Nomination and Remuneration  
Committee Chairman

Mr. Nasser Haddad  
Lead of Legal & Compliance



Our financial performance demonstrates resilience and strategic focus, reaffirming our commitment to stability and growth.

# Financial Statements

# 5



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Americana Restaurants International PLC

## Directors' Report

### Company overview:

Americana Restaurants International PLC and its subsidiaries (together "Americana Restaurants"/"Group") are a leading and diversified, pan-regional restaurant platform operator, with presence in 12 countries, across the MENA region and Kazakhstan. Americana Restaurants operates iconic global brands such as KFC, Pizza Hut, Hardee's, Krispy Kreme and TGI Fridays, Costa Coffee, Baskin Robbins and Peet's Coffee along with proprietary brands such as Wimpy and Chicken Tikka. Incorporated in Abu Dhabi Global Market ("ADGM"), Americana Restaurants listed on the Abu Dhabi Securities Exchange ("ADX") and Saudi Stock Exchange ("Tadawul") on 12 December 2022.

### Diverse portfolio with presence across categories:

The Group operates 2,435 restaurants under a portfolio of 12 brands across key consumer verticals and occasions, including key Quick Service Restaurant (QSR) categories (chicken, burger and pizza), fast casual, casual dining, indulgence and coffee concepts. As part of its growth strategy, in 2023, the Group successfully launched Peet's Coffee in Dubai, UAE and Riyadh, KSA marking its entry in the coffee segment in the GCC.

### Outlook and strategy

Americana Restaurants' near-term focus will be to leverage the strength of its platform to grow penetration of existing brands, enter new categories and geographic expansion by entering new markets. We will also continue to build and grow our digital footprint to provide superior customer experience.

### Members of the Board of Directors:

The Board of Directors consists of seven Non-Executive Directors, three of whom are independent Directors, as follows:

- Mohamed Ali Rashed Alabbar, Chairman
- Dr. Abdulmalik Al-Hogail, Vice Chairman
- Raid Abdullah Ismail
- Kesri Singh
- Tracy Ann Gehlan, Independent
- Arif Abdulla Abdulrahman Alharmi Albastaki, Independent
- Graham Denis Allan, Independent

### Current year's results:

In 2023, Americana Restaurants continued to maintain a revenue growth momentum. The Group achieved USD 2,413.1 million in revenues during the year ended 31 December 2023 (2022: USD 2,378.5 million), resulting in total net profit attributable to the shareholders of the Parent Company/Net Investment attributable to Former Parent Company of USD 259.5 million (2022: USD 259.2 million). Total assets increased to USD 1,556.9 million as at 31 December 2023 (2022: USD 1,340.5 million).

### Statement of disclosure to auditors:

The Directors of Americana Restaurants certify that as far as they are aware, there is no relevant audit information of which the Group's auditor is unaware, and that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

To the best of our knowledge, the consolidated financial statements fairly present, in all material respects, the consolidated financial position, results of operations and consolidated cash flows of the Group as of, and for, the year ended 31 December 2023.

On behalf of the board,

**Mohamed Ali Rashed Alabbar**  
Chairman  
Americana Restaurants International PLC

Americana Restaurants International PLC

## Independent Auditor's Report to the Shareholders of Americana Restaurants International PLC

### Report on the audit of the consolidated financial statements

### Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Americana Restaurants International PLC (the "Company") and its subsidiaries (together, the "Group") as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

### What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2023;
- the consolidated statement of income for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the consolidated financial statements in the Abu Dhabi Global Market ("ADGM"). We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

### Emphasis of matter

We draw attention to Note 2.1 to the consolidated financial statements, which describes the fact that Americana Restaurants International PLC and its subsidiaries (the "Group") did not operate as a separate group for the period up to 27 June 2022, being the date of transfer of the Americana Restaurants' business ("Restaurant Business") from Kuwait Food Company (Americana) K.S.C.C. into the Group. Therefore, the comparative period ended 31 December 2022 includes the carve-out financial information of the historical operations of the Restaurant Business of Kuwait Food Company (Americana) K.S.C.C. for the period from 1 January 2022 to 27 June 2022 and the results of operations of the Group under the new legal structure from 28 June 2022 to 31 December 2022. Further, Note 2.1 to the consolidated financial statements also describes the basis of preparation and carve-out adjustments applied. Our opinion is not modified in respect of these matters.

### Our audit approach

#### Overview

#### Key audit matters

- Impairment assessment review for non-financial assets
- Measurement of lease liabilities and right of use assets

Americana Restaurants International PLC

## Independent Auditor's Report to the Shareholders of Americana Restaurants International PLC (continued)

### Report on the audit of the consolidated financial statements

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>Impairment assessment review for non-financial assets</b></p> <p>The Group has non-financial assets as the most significant balances in the consolidated statement of financial position as at 31 December 2023. The value of the property and equipment, right of use assets, and intangible assets are USD 327,220 thousand, USD 498,503 thousand and USD 67,424 thousand respectively.</p> <p>Management has evaluated the recoverability of the carrying amounts of these non-financial assets on a brand (franchise) level for each country in which the Group operates ("brand-country"). Management has determined brand-country to be the most appropriate cash generating unit being the smallest unit generating cashflows that are largely independent of the cash inflows generated by other assets/groups of assets.</p> <p>Based on the impairment assessment performed by management, an impairment loss of USD 628 thousand has been recognised in respect of these non-financial assets as at 31 December 2023.</p> <p>We considered this to be a key audit matter as the evaluation of the recoverable amount requires significant estimation and critical management judgement in determining the key assumptions that support the expected future discounted cash flows of each cash generating unit and the utilisation of these assets. The key assumptions include sales growth rate, earnings before interest, taxes, depreciation, and amortisation ("EBITDA") margins, and the discount rate.</p> <p>Should management not meet the targets as envisaged in the forecasted cashflows, there would be the possibility of further impairment. A sensitivity analysis has been performed with the resultant impact on the consolidated financial statements and disclosed in note 4 to the consolidated financial statements.</p>	<p>We obtained the impairment assessment carried out by management that was prepared on the basis of the senior management approved business plan and carried out the following substantive audit procedures:</p> <ul style="list-style-type: none"> <li>• Evaluated whether the methodology used by management to calculate the recoverable amount for each cash generating unit complies with IAS 36, 'Impairment of assets';</li> <li>• Assessed the appropriateness of the identification of the cash generating unit to be brand-country at which level the impairment assessment has been performed;</li> <li>• Tested the mathematical accuracy of the calculations included within management's impairment assessment;</li> <li>• Traced the data inputs used in management's assessment to the relevant sources to ensure accuracy of inputs;</li> <li>• Obtained and analysed the underlying assumptions used within the impairment assessment to determine whether the assumptions are reasonable;</li> <li>• Analysed the sales growth rates and EBITDA margins used in management's assessment for reasonableness;</li> <li>• Engaged our internal valuation experts to assess the discount rate used by management in discounting future cash flows to determine whether the discount rate is reasonable and supportable;</li> <li>• Reviewed the sensitivity analysis around the key assumptions used by management to assess the potential impact on the recoverable amount of the non-financial assets; and</li> <li>• Assessed the adequacy of the disclosures in note 4 to the consolidated financial statements.</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p><b>Measurement of lease liabilities and right of use assets</b></p> <p>The Group has recognised right of use assets of USD 498,503 thousand and lease liabilities of USD 507,182 thousand (USD 165,959 thousand as current liabilities and USD 341,223 thousand as non-current liabilities).</p> <p>Management have applied several judgements and estimates in applying IFRS 16 to its large volume of lease agreements. The significant judgements include lease terms impacted by extension or termination options and determining the appropriate incremental borrowing rates ("IBR") to use in discounting the lease liabilities.</p> <p>We considered this to be a key audit matter given its significance to the consolidated financial statements and due to the estimates involved in measuring the lease liabilities and related right of use assets.</p> <p>Refer to note 12 to the consolidated financial statements.</p>	<p>We reviewed management's accounting policies and schedules for IFRS 16, 'Leases' and carried out the following substantive audit procedures:</p> <ul style="list-style-type: none"> <li>• Tested the completeness of the contracts accounted for as leases under IFRS 16.</li> <li>• Assessed the IBR used in discounting the lease liabilities as determined by management, for appropriateness.</li> <li>• On a samples basis, we have: <ul style="list-style-type: none"> <li>• Inspected lease contracts to assess whether the relevant lease data inputs into management's IFRS 16 calculations are accurate.</li> <li>• Performed a recalculation of the lease liability and right of use assets and the related interest expense and depreciation expense.</li> <li>• Traced lease payments as per management's IFRS 16 calculations to appropriate supporting documentation.</li> <li>• Assessed whether management's judgement on extensions or termination options are appropriate and justifiable.</li> </ul> </li> <li>• We assessed the adequacy of disclosures in Note 12 to the consolidated financial statements with reference to the requirements of IFRS 16 Leases.</li> </ul>

#### How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

#### Other information

Management is responsible for the other information. The other information comprises of the Directors' report (but does not include the consolidated financial statements and our auditor's report thereon).

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and their preparation in compliance with the applicable provisions of the ADGM Companies Regulation 2020, as amended, and the ADGM Companies Regulations (International Accounting Standards) Rules 2015 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Americana Restaurants International PLC

## Independent Auditor's Report to the Shareholders of Americana Restaurants International PLC (continued)

### Report on the audit of the consolidated financial statements

#### Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on other legal and regulatory requirements

As required by the Abu Dhabi Global Market ("ADGM") Companies Regulation of 2020, as amended, and the ADGM Companies Regulations (International Accounting Standards) Rules 2015, we report that:

- the consolidated financial statements have been prepared, in all material respects, in accordance with the applicable requirements of the ADGM Companies Regulations of 2020, as amended, and the ADGM Companies Regulations (International Accounting Standards) Rules 2015; and
- the information given in the Directors' report is consistent with the consolidated financial statements of the Group.

For and on behalf of PricewaterhouseCoopers Limited Partnership (ADGM Branch)

Mohamed Saad Kadiri

14 February 2024

Americana Restaurants International PLC

**Consolidated Statement of Financial Position**

As at 31 December

	Note	US Dollars'000	
		2023	2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	5	327,220	269,844
Right of use assets	12	498,503	417,564
Investment properties	6	4,821	5,870
Intangible assets	7	67,424	49,591
Trade and other receivables	9	7,372	-
Derivative financial instrument	9	-	8,499
Deferred tax asset		3,011	4,114
<b>Total non-current assets</b>		<b>908,351</b>	<b>755,482</b>
<b>Current assets</b>			
Inventories	8	155,593	173,826
Trade and other receivables	9	109,332	103,610
Due from related parties	21	42	237
Derivative financial instrument	9	-	2,832
Short term deposits with banks	10	295,933	-
Cash and cash equivalents	10	87,608	304,560
<b>Total current assets</b>		<b>648,508</b>	<b>585,065</b>
<b>Total assets</b>		<b>1,556,859</b>	<b>1,340,547</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Non-current liabilities</b>			
Lease liability	12	341,223	274,603
Provision for employees' end of service benefits	13	68,561	66,386
Trade and other payables	14	36,362	52,282
Deferred gain on derivative financial instrument	9	-	5,634
Deferred tax liabilities		1,630	7
<b>Total non-current liabilities</b>		<b>447,776</b>	<b>398,912</b>
<b>Current liabilities</b>			
Bank facilities	11	4,375	18,592
Deferred gain on derivative financial instrument	9	-	1,878
Lease liability	12	165,959	160,156
Income tax, zakat and other deductions payable	17	13,894	13,055
Trade and other payables	14	434,206	401,173
Due to related parties	21	18,248	21,841
Provisions for legal, tax and other claims	15	21,021	29,189
<b>Total current liabilities</b>		<b>657,703</b>	<b>645,884</b>
<b>Total liabilities</b>		<b>1,105,479</b>	<b>1,044,796</b>
<b>Equity</b>			
Share capital	19	168,473	168,473
Retained earnings		292,715	139,205
Foreign currency translation reserve		(21,822)	(23,113)
Equity attributable to shareholders of the Parent Company		439,366	284,565
Non-controlling interests	18	12,014	11,186
<b>Total equity</b>		<b>451,380</b>	<b>295,751</b>
<b>Total liabilities and equity</b>		<b>1,556,859</b>	<b>1,340,547</b>

To the best of our knowledge, the consolidated financial statements fairly present, in all material respects, the consolidated financial position, results of operations and consolidated cash flows of the Group as of, and for, the year ended 31 December 2023.

Harsh Bansal  
Chief Financial OfficerAmarpal Sandhu  
Chief Executive OfficerAbdulmalik Al Hogail  
Vice ChairmanMohamed Ali Rashed Alabbar  
Chairman

The accompanying notes form an integral part of these consolidated financial statements.

Americana Restaurants International PLC

**Consolidated Statement of Income**

For the year ended 31 December

	Note	US Dollars'000	
		2023	2022
Revenues	22	2,413,134	2,378,547
Cost of revenues	23	(1,151,575)	(1,148,476)
<b>Gross profit</b>		<b>1,261,559</b>	<b>1,230,071</b>
Selling and marketing expenses	24	(777,339)	(738,928)
General and administrative expenses	25	(191,770)	(193,053)
Other income		16,720	16,869
Monetary loss from hyperinflation	4	(4,379)	(1,521)
(Impairment losses)/ reversal of impairment on non-financial assets	4	(628)	46
Impairment losses on financial assets	9	(1,758)	(248)
Fair value losses and tax claims	16	(11,331)	(20,593)
<b>Operating profit</b>		<b>291,074</b>	<b>292,643</b>
Finance income	27	15,312	3,639
Finance costs	27	(31,014)	(24,584)
<b>Profit before income tax and zakat</b>		<b>275,372</b>	<b>271,698</b>
Income tax and zakat	30	(13,041)	(8,743)
<b>Net profit for the year</b>		<b>262,331</b>	<b>262,955</b>
<b>Attributable to:</b>			
The shareholders of the Parent Company /Net Parent Investment attributable to Former Parent Company		259,466	259,226
Non-controlling interests		2,865	3,729
		262,331	262,955
		<b>US Dollars</b>	
		<b>2023</b>	<b>2022</b>
<b>Earnings per share</b>			
Basic and diluted earnings per share	20	0.03080	0.03077

The accompanying notes form an integral part of these consolidated financial statements.



Americana Restaurants International PLC

## Consolidated Statement of Comprehensive Income

For the year ended 31 December

	US Dollars'000	
	2023	2022
Net profit for the year	262,331	262,955
<b>Other comprehensive income/(loss) items</b>		
<b>Items that will not be reclassified subsequently to consolidated statement of income:</b>		
Remeasurement of employees' end of service benefits (Note 13)	(1,334)	8,579
<b>Items that may be reclassified subsequently to consolidated statement of income:</b>		
Exchange differences on translating foreign operations including the effect of hyperinflation	1,233	(2,652)
Total other comprehensive income items	(101)	5,927
<b>Total comprehensive income for the year</b>	<b>262,230</b>	<b>268,882</b>
<b>Attributable to:</b>		
The shareholders of the Parent Company/Net Investment attributable to Former Parent Company	259,423	265,121
Non-controlling interests	2,807	3,761
	<b>262,230</b>	<b>268,882</b>

The accompanying notes form an integral part of these consolidated financial statements.

Americana Restaurants International PLC

## Consolidated Statement of Changes in Equity

For the year ended 31 December

	Note	US Dollars'000							
		Equity attributable to the shareholders of the Parent Company						Non-controlling interests	Total equity
		Share capital	Accumulated net contribution from the Former Parent Company	Retained earnings	Foreign currency translation reserve	Total			
Balance at 1 January 2022		-	148,984	-	(20,429)	128,555	11,157	139,712	
Net profit for the year		-	121,266	137,960	-	259,226	3,729	262,955	
<b>Other comprehensive income</b>									
Remeasurement of employees' end of service benefits		-	5,726	2,853	-	8,579	-	8,579	
Hyperinflation adjustment		-	-	-	5,152	5,152	-	5,152	
Foreign currencies translation differences		-	-	-	(7,836)	(7,836)	32	(7,804)	
<b>Total comprehensive income</b>		-	126,992	140,813	(2,684)	265,121	3,761	268,882	
Changes in non-controlling interest	18	-	(129)	-	-	(129)	(3,732)	(3,861)	
Distributions to the Former Parent Company		-	(83,089)	-	-	(83,089)	-	(83,089)	
Net payments and impact of capital reorganisation with the Former Parent Company		-	(25,903)	-	-	(25,903)	-	(25,903)	
Issuance of shares		10	-	-	-	10	-	10	
Capitalisation of shares		168,463	(166,855)	(1,608)	-	-	-	-	
<b>Balance at 31 December 2022</b>		<b>168,473</b>	<b>-</b>	<b>139,205</b>	<b>(23,113)</b>	<b>284,565</b>	<b>11,186</b>	<b>295,751</b>	
<b>Net profit for the year</b>		<b>-</b>	<b>-</b>	<b>259,466</b>	<b>-</b>	<b>259,466</b>	<b>2,865</b>	<b>262,331</b>	
<b>Other comprehensive income</b>									
Remeasurement of employees' end of service benefits		-	-	(1,334)	-	(1,334)	-	(1,334)	
Hyperinflation adjustment		-	-	-	9,517	9,517	-	9,517	
Foreign currencies translation differences		-	-	-	(8,226)	(8,226)	(58)	(8,284)	
<b>Total comprehensive income</b>		<b>-</b>	<b>-</b>	<b>258,132</b>	<b>1,291</b>	<b>259,423</b>	<b>2,807</b>	<b>262,230</b>	
Changes in non-controlling interest	18	-	-	(1,152)	-	(1,152)	(1,979)	(3,131)	
Dividends paid	36	-	-	(103,470)	-	(103,470)	-	(103,470)	
<b>Balance at 31 December 2023</b>		<b>168,473</b>	<b>-</b>	<b>292,715</b>	<b>(21,822)</b>	<b>439,366</b>	<b>12,014</b>	<b>451,380</b>	

The accompanying notes form an integral part of these consolidated financial statements.

Americana Restaurants International PLC

## Consolidated Statement of Cash Flows

For the year ended 31 December

	Note	US Dollars'000	
		2023	2022
<b>Cash flows from operating activities</b>			
Profit before income tax and zakat for the year		275,372	271,698
<b>Adjustments for:</b>			
Depreciation and amortisation	26	252,497	219,709
Provision for employees' end of service benefits, net of transfers	13, 28	9,668	8,538
Impairment allowance on financial assets	9	1,758	248
Provision for obsolete, slow moving, and defective inventories	8	1,679	1,860
Impairment/ (reversal of impairment) of non-financial assets	5,7,12	628	(46)
Loss on disposal of property and equipment and intangible assets		1,575	4,444
Gain on rent concessions		-	(667)
Finance income	27	(15,312)	(3,639)
Finance cost	27	31,014	24,584
Recognition of deferred gain on derivative financial instrument in other income	9	(7,512)	(1,878)
Fair value losses/ (gains) on financial assets at fair value through profit or loss	9	11,331	(1,941)
Tax claim charges	16	-	22,534
Hyperinflation impact		4,857	356
<b>Operating cash flows before changes in working capital</b>		<b>567,555</b>	<b>545,800</b>
Payments of employees' end of service benefits	13	(11,627)	(10,686)
Income tax paid	17	(11,892)	(10,711)
<b>Changes in working capital:</b>			
Trade and other receivables		(9,510)	(11,581)
Due from related parties		195	952
Inventories		16,671	(67,789)
Due to related parties		(3,593)	(1,842)
Trade and other payables, other liabilities and taxes		(8,010)	9,785
<b>Net cash generated from operating activities</b>		<b>539,787</b>	<b>453,928</b>
<b>Cash flows from investing activities</b>			
Increase in fixed deposits with original maturity of more than 3 months	10	(295,933)	-
Purchase of property and equipment		(127,658)	(120,143)
Proceeds from sale of property and equipment		1,497	4,537
Purchase of intangible assets	7	(18,232)	(8,192)
Payments for key money	12	(3,929)	(3,788)
Interest received on short term deposits		8,289	3,639
Loans to a related party		-	(36,000)
Repayments of loans by a related party		-	100,000
<b>Net cash used in investing activities</b>		<b>(435,966)</b>	<b>(59,947)</b>
<b>Cash flows from financing activities</b>			
Dividends paid	36	(103,312)	-
Payments of finance costs		(1,402)	(1,894)
Changes in non-controlling interests		(3,075)	(3,216)
Acquisition of additional shares in subsidiary from non-controlling interests		(54)	(705)
Lease payments – principal element		(173,513)	(150,774)
Lease payments – interest on lease liabilities		(26,625)	(21,517)
Distributions to the Former Parent Company		-	(83,089)
Movement in payments and impact of capital reorganisation with the Former Parent Company		-	(25,903)
Proceeds from issuance of share capital		-	10
<b>Net cash used in financing activities</b>		<b>(307,981)</b>	<b>(287,088)</b>
<b>Net change in cash and cash equivalents</b>		<b>(204,160)</b>	<b>106,893</b>
Foreign currency translation differences		1,425	12,152
Cash and cash equivalents at the beginning of the year		285,968	166,923
<b>Cash and cash equivalents at the end of the year</b>	<b>10</b>	<b>83,233</b>	<b>285,968</b>

The accompanying notes form an integral part of these consolidated financial statements.

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2023

### 1 GENERAL INFORMATION

Americana Restaurants International PLC (formerly Americana Restaurants Ltd) ("Americana Restaurants" or the "Parent Company") is an Abu Dhabi Global Market registered entity that was incorporated on 27 May 2022 under registered number 000007712. The registered address is 2428 ResCowork06, 24th Floor, Al Sila Tower, Abu Dhabi Global Market Square, Al Maryah Island, Abu Dhabi, United Arab Emirates.

Americana Restaurants' business comprises operating and managing a number of restaurant chains/brands across the region. The operations extend to the United Arab Emirates, Saudi Arabia, Kuwait, Egypt, Qatar, Kazakhstan, Bahrain, Jordan, Oman, Lebanon, Morocco, and Iraq operated by the various subsidiaries of Americana Restaurants. Americana Restaurants' business has been operating since 1969. It was owned and operated by Kuwait Food Company (Americana) K.S.C.C. ("KFC" or the "Former Parent Company") which is 93.42% owned by Adeptio AD Investments Ltd (the "Intermediate Parent Company"). On 2 June 2022, the Board of Directors of KFC approved the transfer of Americana Restaurants' business ("Restaurant Business") and its entities as detailed in Note 32 to Americana Restaurants (together referred to as "the Group") to be effective from 27 June 2022. On 29 August 2022, KFC transferred its shareholding in Americana Restaurants to the Intermediate Parent Company, following the approval of the Board of Directors of KFC and KFC shareholders' approval in the General Assembly.

On 2 November 2022, the Intermediate Parent Company announced its intention to float a 30% shareholding of its investment in Americana Restaurants on the Abu Dhabi Securities Exchange ("ADX") in the United Arab Emirates and on the Saudi Stock Exchange ("Tadawul") in the Kingdom of Saudi Arabia through an Initial Public Offering ("IPO"), pursuant to the resolution of the shareholders of Americana Restaurants. The trading of the shares commenced on 12 December 2022.

Subsequent to the IPO, the Intermediate Parent Company continues to own a majority 66.03% investment in the Group (previously 96.03%). The Intermediate Parent Company is a wholly owned subsidiary of Adeptio AD Holdings Ltd (the "Ultimate Parent Company"). The Ultimate Parent Company is equally owned by Mr. Mohamed Ali Rashed Alabbar and the Saudi Company for Gulf Food Investments ("Gulf Food Investments"), a subsidiary of the Public Investment Fund of the Kingdom of Saudi Arabia, being the 'Ultimate Shareholders'.

The consolidated financial statements were approved for issue by the Board of Directors on 14 February 2024.

### 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

#### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards ("IFRSs") IFRS accounting standards and interpretations issued by the IFRS Interpretations Committee ("IFRS IC") applicable to companies reporting under IFRS. The consolidated financial statements have been prepared on a historical cost convention, unless otherwise stated in the accounting policies. These consolidated financial statements comprise the consolidated financial information of the Group for the year ended 31 December 2023 and as at 31 December 2023.

The comparative consolidated statement of income, comprehensive income, changes in equity and cashflows for the year from 1 January 2022 to 31 December 2022 comprises of the carved-out financial information of the Restaurant Business for the period from 1 January 2022 to 27 June 2022 since the Group has operated as part of KFC until 27 June 2022, and not as a separate group of companies. The results of the operations of the Group under the new legal structure has been included for the period from 28 June 2022 to 31 December 2022.

The following summarises the accounting and other principles applied in preparing the carve-out financial information for the period from 1 January 2022 to 27 June 2022.

The carve-out financial statements for the year ended 31 December 2022 represents consolidation of all the assets, liabilities, revenues and expenses of Americana Restaurants as listed in Note 31 by applying the principles underlying the consolidation procedures of IFRS 10 "Consolidated Financial Statements", subject to the following carve-out adjustments:

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

### 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

- Transfer of the separately identifiable assets and liabilities of the Kuwait restaurants business which was part of KFC under a Business Transfer Agreement ("BTA");
- Transfer of directly attributable income, costs and liabilities specifically in relation to Restaurants Business historically recorded in KFC; and
- Removing certain shared costs recorded historically by Kuwait Food Co. Americana LLC ("UAE Restaurants") which were incurred to support operations of other businesses of KFC and hence did not relate to the Restaurants Business. These allocated costs have been eliminated on a systematic basis representing the estimated usage of these services by the Restaurants Business and other operations not part of the Restaurant Business. The various allocation methods are described in Note 4;

All revenues and costs associated with Americana Restaurants are included in the carve-out financial information that are included in the consolidated financial statements as comparatives for the period from 1 January 2022 to 27 June 2022 with certain expenses including staff costs, selling and marketing expenses and general and administrative expenses, associated with Americana Restaurants being allocated in the carve-out financial information. These represent certain corporate and shared service function historically provided by the Former Parent Company, including, but not limited to, executive oversight, accounting, treasury, human resources, procurement, information technology, marketing, and other shared services. These were allocated to Americana Restaurants on a systematic basis representing the estimated usage of these services by the Restaurants Business. The various allocation methods are described in Note 4.

Intercompany balances between the carve-out entities and KFC which were neither expected to be settled nor collected from KFC were included as part of the Former Parent's net investment in the carve-out financial information. As such, the net effect of these balances were either waived in equity or recorded as an equity contribution and reflected as 'Movement in payments and impact of capital reorganisation with the Former Parent Company' in the comparatives of the consolidated statement of changes in equity for the year ended 31 December 2022. These intercompany balances have also been presented in the consolidated statement of cash flows as a financing activity for the year ended 31 December 2022.

The carve-out financial information in respect of the comparatives for the year ended 31 December 2022 may not necessarily be indicative of the financial position, results of operations or cash flows of the Americana Restaurants, had it operated as a separate legal group during the periods presented. Americana Restaurants and its subsidiaries have not operated as a separate group of entities for the period up to 27 June 2022, the date of transfer of the Restaurant Business into the Group.

The transfer of subsidiaries to Americana Restaurants post restructuring represented a capital restructuring, being a transfer of business under common control. Therefore, the transfer represented the predecessor method of accounting and retrospective presentation is used. Americana Restaurants had no share capital and reserves in its own right. Therefore, it was not meaningful to present share capital or an analysis of reserves or components of other comprehensive income, other than foreign currency translation reserve which was separately identifiable.

The preparation of the consolidated financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4. These have been applied consistently for all periods presented.

#### 2.2 New standards, amendments and interpretations

The following new and revised IFRS, which became effective for annual periods beginning on or after 1 January 2023, have been adopted in these consolidated financial statements. The application of these revised IFRS, except where stated, have not had any material impact on the amounts reported for the current and prior periods:

- IFRS 17, 'Insurance contracts' (deferred until accounting periods starting on 1 January 2023);
- amendments to IFRS 17 and an amendment to IFRS 4;
- amendments to IAS 12 (effective 1 January 2023);
- amendments to IAS 1 (effective 1 January 2023); and
- amendments to IAS 8 (effective 1 January 2023).

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

### New and revised IFRS issued but not yet effective and not early adopted

- amendments to IFRS 16 (effective 1 January 2024);
- amendments to IAS 1 (effective 1 January 2024).
- amendments to IAS 7 (effective 1 January 2024).

The Group is currently assessing the impact of these standards, and amendments on the future consolidated financial statements of the Group and intends to adopt these, if applicable, when they become effective.

### 2.3 Foreign currency translation

#### (a) Functional and presentation currency

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which each entity operates ('the functional currency'). The consolidated financial statements are presented in United States Dollars ("USD") which is the "presentation currency" of the Group and the currency in which management measures the Group's performance and reports its results.

#### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of income.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of income, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of income on a net basis within other income/ expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

#### (c) Group entities

The results and financial position of all the entities in the Group, none of which has the currency of a hyper-inflationary economy (except for one legal entity in Lebanon for the year ended 31 December 2023 and 31 December 2022, refer to Note 4) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate at the date of that standalone statement of financial position;
- Income and expenses for each consolidated statement of comprehensive income are translated at monthly average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income and in foreign currency translation reserve in the consolidated statement of financial position.

When a directly held foreign operation is disposed partially or in full, exchange differences that were recorded in equity are recognised in the consolidated statement of comprehensive income as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate at the date of the consolidated statement of financial position. Exchange differences arising are recognised in equity in the consolidated statement of financial position.

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

### 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

#### 2.4 Hyperinflation

The consolidated financial statements (including comparative amounts) of Americana Restaurants' entities whose functional currencies are the currencies of hyperinflationary economies are adjusted in terms of the measuring unit current at the end of the reporting period.

As the presentation currency of the Group is that of a non-hyperinflationary economy, comparative amounts are not adjusted for changes in the price level in the current year. Differences between these comparative amounts and current year hyperinflation adjusted equity balances are recognised in consolidated other comprehensive income. The carrying amounts of non-monetary assets and liabilities are adjusted to reflect the change in the general price index from the date of acquisition to the end of the reporting period. An impairment loss is recognised in the consolidated statement of income if the restated amount of a non-monetary item exceeds its estimated recoverable amount. On initial application of hyperinflation prior period gains and losses are recognised directly in equity under foreign currency translation reserve.

Gains or losses on the net monetary position are recognised in the consolidated statement of income. All items recognised in the income statement are restated by applying the change in the general price index from the dates when the items of income and expenses were initially earned or incurred.

At the beginning of the first period of application, the components of equity, are restated by applying a general price index from the dates the components were contributed or otherwise arose. These restatements are recognised in other comprehensive income as a translation adjustment. If on initial application of hyperinflation accounting the restated value of the non-monetary assets exceed their recoverable amount, the initial adjustment is capped at the recoverable amount and the net increase is recorded directly in retained earnings. At the end of the first period and in subsequent periods, all components of equity are restated by applying a general price index from the beginning of the period or the date of contribution, if later.

All items in the consolidated statement of cash flows are expressed in terms of the general price index at the end of the reporting period.

The Lebanese economy has been classified as hyperinflationary. Accordingly, the results, cash flows and financial position of the Group's entity, International Touristic Projects Lebanese Co, has been expressed in terms of the measuring unit current at the reporting date. For further details, refer to Note 4.

#### 2.5 Property and equipment

Property and equipment is stated at cost less accumulated depreciation and impairment, where applicable. The cost of property and equipment is its purchase cost together with any incidental expenses of acquisition. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the consolidated statement of income during the financial period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method, at rates calculated to reduce the cost of assets to their estimated residual value over their expected useful lives, as follows:

	Years
Leasehold improvements and furniture	5-7
Buildings	7-20
Cold rooms	5
Equipment and tools	4-7
Vehicles	4

Buildings comprise of construction-related amounts (20 years); electrical fitouts (10 years) and building extensions (7 years).

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

The Group depreciates leasehold improvements and furniture, over the lower of the useful life of the assets or the property lease term.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in the consolidated statement of income.

Capital work-in-progress is stated at cost. When commissioned, capital work-in-progress is transferred to the appropriate category of buildings and equipment and depreciated in accordance with the Group's policy.

#### 2.6 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the entities in the consolidated financial statements, is classified as investment property. Land held under operating leases is classified and accounted for by the Group as investment property when the rest of the definition of investment property is met. The investment properties of the Group comprise of several lands and buildings.

Investment properties are measured at their cost less depreciation, including related transaction costs and where applicable borrowing costs.

The fair value of the investment properties for disclosure purposes are based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections. Valuations are performed as of the reporting date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued.

When an investment property is sold, gains and losses on disposal are determined by reference to its carrying amount and are taken into account in determining profit or loss. This is recorded in the consolidated statement of income as gain or loss on sale of investment properties. Refer to Note 6 for further details.

#### 2.7 Intangible assets

These comprise of franchise agreements with third parties for licensing and operation of restaurant chains and softwares. The intangible asset is measured at the cost less amortisation. Amortisation is calculated using the straight-line method to allocate the costs over its estimated useful life of 5 to 10 years. Franchises and agencies are amortised over lower of lease period or franchise agreement.

Amortisation of intangible assets is calculated on the straight-line method, at rates calculated to reduce the cost of assets to their estimated residual value over their expected useful lives, as follows:

Franchises and agencies	lower of 5-10 years or lease period
Software	5 years

#### 2.8 Financial assets

##### (i) Classification

The Group classifies its financial assets under the following categories:

- Fair value through profit or loss (FVTPL); and
- Amortised cost.

These classifications are on the basis of business model of the Group for managing the financial assets, and contractual cash flow characteristics.

The Group measures financial asset at amortised cost when it is within the business model to hold assets in order to collect contractual cash flows, and contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

### 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

#### 2.8 Financial assets (continued)

For assets measured at fair value, gains and losses will be recorded in the consolidated statement of income.

##### (ii) Recognition and derecognition

At initial recognition, the Group measures financial assets at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transactions costs that are directly attributable to the acquisition of financial asset. Transaction cost of financial assets carried at fair value through profit or loss are expensed in the consolidated statement of income.

Financial assets are derecognised when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred.

##### (iii) Subsequent measurement

###### Debt instruments

Subsequent measurement of financial assets is as follows:

- Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the consolidated statement of income and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of income.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in the consolidated statement of income and presented net within other gains/(losses) in the period in which it arises.

##### (iv) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

###### Trade and other receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The Group has established a provision matrix that is based on the Group's historical credit loss experience, and further adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Loss allowance on trade receivables is written off when there is no reasonable expectation of recovery. Subsequent recoveries of amounts previously written off are credited against the same line item. Management assessed the expected credit losses as prescribed by the requirements of IFRS 9 against trade and other receivables. The information is disclosed in Note 9 of the consolidated financial statements.

#### 2.9 Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation and amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

#### 2.10 Inventories

Inventories are stated at the lower of cost and estimated net realisable value. Cost is determined by the weighted average method and includes all costs incurred in acquiring the inventories and bringing them to their present location and condition. Net realisable value is the estimate of the selling price in the ordinary course of business, less variable selling expenses, if any. Inventories in transit are recognised when the risks and rewards are transferred to the Group in accordance with the shipping terms agreed with the suppliers.

#### 2.11 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents comprise of cash on hand, current accounts and term deposits with original maturity of three months or less and net of bank overdrafts. In the consolidated statement of financial position, bank overdrafts are disclosed separately within current liabilities.

#### 2.12 Leases

##### The Group's leasing activities and how these are accounted for

The Group leases various office space, accommodation, vehicles, restaurants space, land, warehouses and call centres. Rental contracts are typically made for fixed periods of 1 to 25 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and corresponding liability at the date of which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the consolidated statement of income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments less any lease incentives receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted based on the incremental borrowing rate determined by the Group.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received or receivable, as applicable; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the consolidated statement of income. Short-term leases are leases with a lease term of 12 months or less. Low-value assets generally comprise of office equipment.

Refundable security deposits are not included in the initial measurement of a right-of-use asset. However, the difference between the nominal amount of the refundable security deposits and its fair value at the commencement of the lease represent, an additional lease payment which is prepaid and accordingly added to the initial carrying amount of the right-of-use asset and released to the consolidated statement of income over the lease term as part of the depreciation of that asset.

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

### 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

#### 2.12 Leases (continued)

##### Variable lease payments

##### Estimation uncertainty arising from variable lease payments

Some leases contain variable payment terms that are linked to sales generated from a store. Variable lease payments that depend on sales are recognised in the consolidated statement of income in the period in which the condition that triggers those payments occurs.

##### Extension and termination options

Extension and termination options are included in a several properties, land and vehicles leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. Management have concluded not to include any extension or termination options in the IFRS 16 lease period on the basis that it is not reasonably certain to exercise the options given the options requires both parties mutually agreeing on renewed terms and conditions.

##### Rent Concessions

On 31 March 2021, the IASB published a further amendment to extend the date of the practical expedient from 30 June 2021 to 30 June 2022 in light of the ongoing COVID-19 pandemic. Since Americana Restaurants had already applied the practical expedient in the May 2020 amendment, it is required to continue to apply the practical expedient consistently, to all lease contracts with similar characteristics and in similar circumstances, using the March 2021 amendment. Americana Restaurants has early adopted this amendment on 1 January 2021 and as a result, Americana Restaurants has recognised a gain on the rent concessions amounting to as 'other income' in the consolidated statement of income for the year ended 31 December 2023 nil (2022: USD 667 thousand) to reflect changes in lease payments that arise from rent concessions to which they have applied the practical expedient.

#### 2.13 Provision for employees' end of service benefits

The liability for employees end of service benefits recognised in the consolidated statement of financial position in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit plan is unfunded where no plan assets are set aside in advance to provide for future liabilities; instead, the liabilities are met out of the Group's own resources as they fall due. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method and in accordance with the labour laws of the countries in which the Group operates.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The net interest cost is calculated by applying the discount rate to the defined benefit obligation. This cost is included in finance costs in the consolidated statement of income.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in the accumulated results in the consolidated statement of changes in equity and in the statement of financial position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the consolidated statement of income as past service costs.

#### 2.14 Financial liabilities

The Group initially recognises debt securities issued on the date that they originated. All other financial liabilities (including liabilities designated as fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. Non-derivative financial liabilities comprise loans and borrowings, sukuk notes and trade and other payables. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

#### 2.15 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### 2.16 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the obligation. Increases in provisions due to the passage of time are recognised in the consolidated statement of income.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

#### 2.17 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in the fair value of derivative instruments are included in the consolidated statement of income for the year. The Group does not apply hedge accounting.

#### 2.18 Revenue from contracts with customers

The Group recognises revenue, based on the five-step model as set out in IFRS 15:

Step 1 - Identify the contract with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for each of those rights and obligations.

Step 2 - Identify the performance obligations in the contract: A performance obligation in a contract is a promise to transfer a good or service to the customer.

Step 3 - Determine the transaction price: Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods and services to a customer, excluding amounts collected on behalf of third parties.

Step 4 - Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5 - Recognise revenue as and when the Group satisfies a performance obligation.

Revenue is measured at the fair value of consideration received or receivable, taking into account the contractually agreed terms of payment excluding taxes and duties. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or an agent and has concluded that it is acting as a principal in all its revenue arrangements.

Revenue is recognised in the consolidated financial statements to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if and when applicable, can be measured reliably. Revenue represents the amounts received from food and beverage sales and rental income.

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

### 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

#### 2.18 Revenue from contract with customers (continued)

Revenue is recognised from the Group's activities as follows:

##### (a) Food and beverage

Revenue from food and beverage sales is recognised in the accounting period in which the goods are sold. The revenue is stated net of discounts.

##### (b) Investment property rental income

Rental income from operating leases is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. It is presented as part of revenue in the consolidated statement of income.

#### 2.19 Finance income and costs

Finance income comprises interest income on short term investments and other bank deposits. Interest income is recognised as it is accrued in the consolidated statement of income, using the effective interest method.

Finance costs are mainly interest payable on borrowings obtained from financial institutions at normal commercial rates and is recognised as an expense in the consolidated statement of income in the period in which it is incurred.

#### 2.20 Current and deferred income tax and zakat

The tax expense for the year comprises of current and deferred tax. Tax is recognised in the consolidated statement of income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In such a case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The Group's operations in the Kingdom of Saudi Arabia are subject to zakat in accordance with the regulations of the Zakat, Tax & Customs Authority ("ZTCA"), any amount accrued under these regulations is charged to the consolidated statement of income.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the consolidated statement of financial position in the countries where the Group's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the consolidated statement of income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In such a case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

#### 2.21 Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest thousand currency units unless otherwise stated.

#### 2.22 Royalties

The Group has entered into agreements with various international franchisors for the use of the trademarks and business models. The royalty fee payable for the use of trademarks and business models is computed as a percentage of gross sales and is expensed in the year in which it accrues against the revenue recognised.

#### 2.23 Segment reporting

Operating segments are reported in a manner consistent with the resource allocation and risk management by the chief operating decision makers. The chief operating decision makers assess the financial performance and position of the Group and makes strategic decisions. The chief operating decision makers consist of the chief executive officer, the chief financial officer and the chief operating officer.

#### 2.24 Basis of consolidation

##### (a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The Group applies the acquisition method of accounting to account for business combinations, except for acquisitions involving entities under common control, which are accounted for using the predecessor method. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group.

The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interests in the acquiree either at fair value or at the non-controlling interests' proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in the consolidated statement of income. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in the consolidated statement of income.

The excess of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interests recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated statement of income.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and the consolidated statement of financial position respectively.

The consolidated financial statements comprises the consolidated financial statements of Americana Restaurants International PLC and its subsidiaries that were transferred to it by Kuwait Food Company (Americana) K.S.C.C.

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

### 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

#### 2.24 Basis of consolidation (continued)

The subsidiaries of Americana Restaurants International PLC were transferred to it under a capital reorganisation during the year ended 31 December 2022. The transfer is treated as a capital reorganisation under common control and the predecessor method of accounting and retrospective presentation is used.

##### (b) Transactions eliminated on consolidation

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

##### (c) Changes in interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant shares acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

##### (d) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in the consolidated statement of income. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the consolidated statement of income.

#### 2.25 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the number of ordinary shares outstanding. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the number of shares on formation for the effects of all dilutive potential ordinary shares. The denominator has been adjusted retrospectively in calculating historical EPS for the year ended 31 December 2022 by using the number of ordinary shares outstanding as on 31 December 2023.

### 3 FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

The Group's activities may expose it to a variety of financial risks: market risk (including foreign exchange risk, price and cash flow and fair value interest rate risk), credit risk and liquidity risk. The management carries out risk assessment for managing each of these risks. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is predominately controlled by a central treasury department of the Group under policies approved by the Board of Directors. The central treasury department identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board of Directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

##### (a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. the Group's exposure to market risk arises from:

##### (i) Foreign exchange risk

The Group operates in various countries and undertakes transactions denominated in various currencies, other than the functional currency of each of the Group's entities. Foreign exchange risk arises from its future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

The Group is mainly exposed to foreign currency risk as a result of gain or losses from translated assets and liabilities denominated in foreign currencies, such as cash and cash equivalents balances, trade and other receivables, trade and other payables and bank facilities.

The Group is exposed to foreign exchange risk arising from currency exposures, primarily with respect to the Kuwaiti Dinar ("KWD"), Saudi Riyal ("SAR"), UAE Dirham ("AED"), and Egyptian Pound ("EGP"). Foreign exchange risk between KWD, SAR, and AED is limited. Furthermore, with respect to the Lebanese Lira ("LL"), The Group is exposed to the hyperinflationary environment on its operations in Lebanon (please refer to Note 4 for the critical accounting estimates used by management). However, the exposure of the exchange rate fluctuation is deemed insignificant to the financial statements for the year ended 31 December 2023.

Below is the sensitivity analysis for foreign exchange risk exposed under EGP.

At 31 December 2023, if the EGP had weakened/strengthened by 5% (2022: 5%) against the USD with all other variables held constant, the consolidated comprehensive income for the year would have been lower/higher by USD 404 thousand (2022: USD 596 thousand), mainly as a result of foreign exchange gains/losses on translation of EGP-denominated trade payables.

At 31 December 2023, if the EGP had weakened/strengthened by 5% (2022: 5%) against the USD with all other variables held constant, the consolidated comprehensive income for the year would have been higher/lower by USD 50 thousand (2022: USD 160 thousand), mainly as a result of foreign exchange gains/losses on translation of EGP-denominated trade receivables.

There are no significant risks from the other currencies as at 31 December 2023 and 2022.

##### (ii) Price risk

The Group is not exposed to significant price risk as it does not have investments in traded equity securities or similar assets and liabilities.

##### (iii) Cash flow and fair value interest rate risk

The financial assets and liabilities exposed to interest rate fluctuations are cash deposits and bank facilities.

The Group's central treasury ensures that deposits are maintained at the best prevailing market rate at the time of initiating each deposit.

##### Classification of derivatives

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

##### (b) Credit risk

Credit risk is the risk that the Group will incur a loss because of its customer or counterparty failed to discharge their contractual obligation.

The financial instruments exposed to credit risk are as follows:

	US Dollars'000	
	31 December 2023	31 December 2022
Cash and cash equivalents excluding cash on hand	84,795	300,198
Trade and other receivables*	74,323	67,391
Due from related parties	42	237
	159,160	367,826

\*Trade and other receivables noted above exclude advances to suppliers and prepaid expenses. Advances to suppliers and prepaid expenses are primarily related to landlords where the Group occupies the premises as per the lease agreements. There is no official credit rating for trade and other receivables.



Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### (b) Credit risk (continued)

##### (i) Cash and cash equivalents

The Group manages credit risk exposure arising from cash at banks by dealing with well-established banks of repute in the countries in which it operates. This is assessed based on Moody's credit rating of the bank with which balances are maintained by the Group which primarily range from Aa3 to B3 at the reporting date of which majority of the cash and cash equivalents are with investment grade banks.

##### (ii) Trade and other receivables

The credit quality of the customers is assessed according to their financial positions, past experience and other relevant factors. The utilisation of credit limits and outstanding receivables are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of each class of trade and other receivables mentioned above.

##### (iii) Due from related parties

Credit risk on due from related parties is considered minimal as management monitors and reconciles related party balances on a regular basis and assesses the related parties to ensure they have sufficient resources to settle the obligations and, hence, recoverability is not considered to be doubtful. Management does not expect any losses from non-performance by such related parties. At 31 December 2023, and 31 December 2022 the expected credit loss allowance on due from related parties was immaterial.

#### (c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining year at the consolidated statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

	US Dollars'000			
	As on 31 December 2023			
	Within 1 year	1 year to 5 years	More than 5 years	Total
Bank facilities	4,375	-	-	4,375
Lease liabilities	170,067	315,402	111,883	597,352
Trade and other payables (excluding value added tax payable and unearned income)	408,539	-	-	408,539
	582,981	315,402	111,883	1,010,266

	US Dollars'000			
	As on 31 December 2022			
	Within 1 year	1 year to 5 years	More than 5 years	Total
Bank facilities	18,592	-	-	18,592
Lease liabilities	163,260	263,285	61,186	487,731
Trade and other payables (excluding value added tax payable and unearned income)	369,647	-	-	369,647
	551,499	263,285	61,186	875,970

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

### 3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The capital structure comprises of the equity plus debt.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

### 3.3 Fair value estimation

The below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is based on valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, these instruments are included in level 2. If one or more of the significant inputs is not based on observable market data, these instruments are included in level 3.

As at 31 December 2023, the derivative financial instrument under the agreement with REEF Technology Inc and REEF SPV ME Holdings LLC is held at fair value under level 3. The fair value as at 31 December 2023 is estimated to be nil (2022: USD 11,331 thousand). Accordingly, management recorded a revaluation loss of USD 11,331 thousand in the consolidated statement of income under 'Fair value losses and tax claims' (refer to Note 9). There are no other assets and liabilities measured at fair value as at 31 December 2023 and 2022.

The carrying value less impairment provision of current trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. Other receivables and payables approximate their fair values.

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

#### Critical judgements

##### Control of a subsidiary

The management has concluded that the Group controls Bahrain and Kuwait Restaurants Company, even though it holds less than half of the voting rights of this subsidiary. Americana Restaurants, the largest shareholder with a 40% equity interest, has the exclusive right to manage Bahrain and Kuwait Restaurants Company. According to the contractual arrangements in place, the Group appoints all key management and makes all the key operating decisions which further suggests it has power over the investee and thus consolidates based on these facts.

##### Hyperinflation

The Group exercises significant judgement in determining the onset of hyperinflation in countries in which it operates and whether the functional currency of its subsidiary is the currency of a hyperinflationary economy.

Various characteristics of the economic environment of each country are taken into account. These characteristics include, but are not limited to, whether:

- the general population prefers to keep its wealth in non-monetary assets or in a relatively stable foreign currency;
- prices are quoted in a relatively stable foreign currency;
- sales or purchase prices take expected losses of purchasing power during a short credit period into account;
- interest rates, wages and prices are linked to a price index; and
- the cumulative inflation rate over three years is approaching, or exceeds, 100%.

Management exercises judgement as to when a restatement of the financial statements of a subsidiary becomes necessary. Following management's assessment, the subsidiary of the Group, International Touristic Projects Lebanese Co has been accounted for as entity operating in hyperinflationary economies. The results, cash flows and financial positions of International Touristic Projects Lebanese Co have been expressed in terms of the measuring units current at the reporting date.

The economy of Lebanon was assessed to be hyperinflationary effective September 2020, and hyperinflation accounting has been applied since.

The general price index used as published by the International Monetary Fund is as follows:

Date	Base year	General price	
		index	Inflation rate (%)
31 December 2022	2019	1,917	1,687%
31 December 2023	2019	5,978	5,475%

Whilst the impact of hyperinflation accounting is insignificant to the Group's consolidated financial statements, the Group's management has assessed the impact and adjusted for the effects of hyperinflation as set out below:

Income statement	31 December 2023	31 December 2022
	USD'000	USD'000
Increase in revenue	5,488	4,223
Monetary loss from hyper inflation	(4,379)	(1,521)
Increase in cost of revenues	(2,229)	(1,938)
Increase in selling and marketing expenses	(2,568)	(2,044)
Increase in general and administrative expenses	(318)	(117)
Others	1,021	1,041
<b>Decrease in profit after tax</b>	<b>(2,985)</b>	<b>(356)</b>

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

#### Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

##### Impairment of non-financial assets

The Group has determined that the smallest cash generating units ("CGU") is its Brand-Country level primarily on the basis that the Group is required to maintain a minimum number of stores in each country in order to maintain the exclusivity right in line with the franchise agreements. Management also leverages its shared services infrastructure in each country, and it has developed financial and operating performance indicators on a brand-country level. Management performs a quarterly study to identify indications of impairment according to IAS 36, Impairment of Assets ("IAS 36"), in which discounted future cash flows are calculated to ascertain whether the value of assets has become impaired. However, a risk exists whereby the assumptions used by management to calculate future cash flows may not be fair based on current conditions and those prevailing in the foreseeable future. The non-financial assets which relate to restaurant outlets, that were assessed for impairment are property and equipment, right-of-use assets and intangible assets amounting to USD 893,147 thousand as at 31 December 2023 (2022: USD 736,999 thousand). The impairment/(reversal of impairment) recognised in the consolidated income statement on these non-financial assets are as follows:

	31 December 2023	31 December 2022
	USD'000	USD'000
Property and equipment (Note 5)	850	(59)
Right-of-use assets (Note 12)	(187)	24
Intangible assets (Note 7)	(35)	(11)
<b>Total</b>	<b>628</b>	<b>(46)</b>

The following table presents the Group's key assumptions and the effect of the sensitivity analysis on the consolidated statement of comprehensive income on those assumptions:

	Change in assumption	Headroom/(Impairment of non-financial assets)			
		US Dollars'000			
		Year ended 31 December 2023		Year ended 31 December 2022	
Growth rate	+/-0.5%	156	(180)	-	-
Discount rate	+/-0.5%	(203)	128	-	-
EBITDA margin	+/-1.0%	123	(262)	-	-

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

#### Impairment of non-financial assets (continued)

Key assumptions used in value in use calculations for the year ended 31 December 2023 and 2022 are as follows:

	CGUs impairment testing: Key assumptions 2023			
	GCC	Lower Gulf	North Africa	Others
Growth rate	5%	6%-7%	6%-19%	6%-27%
Discount rate	11%	11%-14%	13%-18%	12%-32%
Increase/decrease in EBITDA margin	2%-3%	2%-3%	2%-22%	2%-212%
	CGUs impairment testing: Key assumptions 2022			
	GCC	Lower Gulf	North Africa	Others
Growth rate	4%-6%	4%-6%	5%-18%	4%-46%
Discount rate	11%	11%-15%	13%-17%	13%-29%
Increase/decrease in EBITDA margin	2%-4%	2%-3%	2%-12%	2%-35%

#### Taxes

The Group is subject to corporate income tax and Zakat. Significant judgment is required in determining the provision for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises a liability for anticipated taxes based on estimates of whether additional taxes will be due to be paid. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made (Note 30).

#### Impairment of financial assets

The impairment of trade receivables and other receivables is based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### Corporate allocations

In the preparation of the comparative consolidated financial statements for the year ended 31 December 2022 in accordance with IFRS, management has made judgements, estimates and assumptions relating to the allocation of certain expenses and income historically maintained by Kuwait Food Company (Americana) K.S.C.C. Such items have been allocated to the Group and included in the consolidated financial statements based on the most relevant allocation method that are considered to be reasonable for the purpose of these consolidated financial statements. Actual results may differ from these estimates. A 10% increase or decrease change in allocation percentages would result in approximately USD 2.0 million change in expense allocated to the Group for the year ended 31 December 2022.

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

The expenses as mentioned above are allocated on the following basis:

Nature of costs	Basis of allocation
Employees related benefits and costs	Allocation is based on the estimated time spent and activities among the Restaurant Business, Food Business, and corporate function.
Rent and utilities	These costs have been allocated based on headcount of the employees from each business utilising the office space.
Professional, legal, and office administrative fees	These costs are identifiable and have been allocated based on the activity

#### Foreign currency translation - International Touristic Projects Lebanese Co.

International Touristic Projects Lebanese Co. ("Americana Lebanon") is a wholly owned subsidiary of the Group. During the previous year, the banks in Lebanon implemented unofficial foreign exchange controls in the banking sector to manage the shortages. The US Dollar ("USD") has been in wide use and circulation over the last 2 decades or more and against which the Lebanese Pound has been pegged throughout that period at Lebanese Lira ("LL") 15,000 per USD ("official exchange rate").

In terms of IFRS, where a country has multiple exchange rates, judgement is required to determine which exchange rate qualifies as a spot rate that can be used for the translation of foreign operations. Factors to determine this include whether the currency is available at an official exchange rate. After the launching of an official electronic platform ('Sayrafa') by the Central Bank of Lebanon where the exchange rate is published on a regular basis for the participating banks and for settlement of foreign payables, management has considered Sayrafa as an alternative official exchange rate, being a more relevant spot rate. As a result, management has used the alternate official exchange rate being the Sayrafa rate to translate Americana Lebanon's operations to the USD presentation currency as at 31 December 2023 and 31 December 2022.

#### Derivative financial instruments

The fair value of derivative financial instruments that are not traded in an active market are determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

#### Extension or termination options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. Management have concluded not to include any extension or termination options in the IFRS 16 lease period on the basis that it is not reasonably certain to exercise the options given the options requires both parties mutually agreeing on renewed terms and conditions.

Americana Restaurants International PLC

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**5 PROPERTY AND EQUIPMENT**

	US Dollars'000						Total
	Land	Leasehold improvements and furniture	Buildings and cold rooms	Equipment and tools	Vehicles	Capital work in progress	
<b>Cost</b>							
As at 1 January 2023	17,089	440,016	84,731	296,991	14,890	27,145	880,862
Additions	-	27,931	1,245	43,801	1,007	71,714	145,698
Disposals	-	(23,759)	(3,378)	(12,461)	(896)	(170)	(40,664)
Hyperinflation adjustment	5,376	7,433	7,655	5,351	314	-	26,129
Transfers	-	43,092	1,184	23,218	2,019	(81,694)	(12,181)
Foreign currency translation difference	(3,859)	(5,743)	(1,707)	(3,393)	(338)	177	(14,863)
<b>As at 31 December 2023</b>	<b>18,606</b>	<b>488,970</b>	<b>89,730</b>	<b>353,507</b>	<b>16,996</b>	<b>17,172</b>	<b>984,981</b>
<b>Accumulated depreciation and impairment</b>							
As at 1 January 2023	-	318,570	69,793	211,065	11,590	-	611,018
Charge for the year	-	39,211	3,448	24,960	1,594	-	69,213
Disposals	-	(22,368)	(3,282)	(12,140)	(868)	-	(38,658)
Hyperinflation adjustment	-	7,318	6,960	5,230	314	-	19,822
Transfers	-	(2,070)	(104)	1,893	18	-	(263)
Impairment loss /(reversal of impairment)	-	887	(28)	(9)	-	-	850
Foreign currency translation difference	-	(2,424)	(378)	(1,213)	(206)	-	(4,221)
<b>As at 31 December 2023</b>	<b>-</b>	<b>339,124</b>	<b>76,409</b>	<b>229,786</b>	<b>12,442</b>	<b>-</b>	<b>657,761</b>
<b>Net book amount</b>							
As at 31 December 2023	18,606	149,846	13,321	123,721	4,554	17,172	327,220

Capital work in progress mainly comprises of outlets under construction and equipment under assembly.

Americana Restaurants International PLC

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

	US Dollars'000						Total
	Land	Leasehold improvements and furniture	Buildings and cold rooms	Equipment and tools	Vehicles	Capital work in progress	
<b>Cost</b>							
As at 1 January 2022	19,095	450,374	89,388	270,081	15,795	20,965	865,698
Additions	-	27,663	1,172	40,219	1,522	69,094	139,670
Disposals	(1,571)	(61,631)	(5,277)	(19,060)	(1,745)	(330)	(89,614)
Hyperinflation adjustment	3,061	3,762	4,256	2,468	133	-	13,680
Transfers	-	37,439	1,393	11,147	-	(61,825)	(11,846)
Foreign currency translation difference	(3,496)	(17,591)	(6,201)	(7,864)	(815)	(759)	(36,726)
<b>As at 31 December 2022</b>	<b>17,089</b>	<b>440,016</b>	<b>84,731</b>	<b>296,991</b>	<b>14,890</b>	<b>27,145</b>	<b>880,862</b>
<b>Accumulated depreciation and impairment</b>							
As at 1 January 2022	-	350,636	69,144	211,801	12,198	-	643,779
Charge for the year	-	34,355	3,437	20,011	1,490	-	59,293
Disposals	-	(60,556)	(3,228)	(18,208)	(1,734)	-	(83,726)
Hyperinflation adjustment	-	3,566	3,811	2,421	133	-	9,931
Transfers	-	250	-	(3)	-	-	247
(Reversal of impairment)/ Impairment loss	-	127	(58)	(128)	-	-	(59)
Foreign currency translation difference	-	(9,808)	(3,313)	(4,829)	(497)	-	(18,447)
<b>As at 31 December 2022</b>	<b>-</b>	<b>318,570</b>	<b>69,793</b>	<b>211,065</b>	<b>11,590</b>	<b>-</b>	<b>611,018</b>
<b>Net book amount</b>							
As at 31 December 2022	17,089	121,446	14,938	85,926	3,300	27,145	269,844

Capital work in progress mainly comprises of outlets under construction and equipment under assembly.

**6 INVESTMENT PROPERTIES**

	US Dollars'000	
	2023	2022
Balance as at 1 January	5,870	9,341
Transfers from property and equipment	102	-
Foreign currency translation difference	(830)	(2,926)
Depreciation	(321)	(545)
Balance as at 31 December	4,821	5,870

The fair value for disclosure purposes is determined by professionally qualified external valuers once every year.

Formal external valuations of the investment properties were undertaken by independent qualified appraisers, on an open market basis at 31 December 2023 and 2022. Based on the valuations, the fair value of the Group's investment properties at that date was determined at USD 28,616 thousand (2022: USD 19,972 thousand).

Americana Restaurants International PLC

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**6 INVESTMENT PROPERTIES (continued)**

The lease income recognised during the year ended 31 December 2023 is USD 2,536 thousand (2022: USD 3,611 thousand). Refer to Note 22. Minimum lease payments under non-cancellable operating leases of investment properties not recognised in the consolidated financial statements are receivable as follows:

	US Dollars'000	
	31 December 2023	31 December 2022
Within one year	2,265	2,960
Between 1 and 2 years	2,151	2,234
Between 2 and 3 years	1,793	1,862
Between 3 and 4 years	1,076	1,117
Between 4 and 5 years	2,151	2,234
Later than 5 years	3,726	5,440
	<b>13,162</b>	<b>15,847</b>

**Revaluation of investment property (for disclosure purposes)**

The fair valuation for the leased properties for disclosure purpose was done using the 'Income approach' which involves determination of the value of the investment properties by calculating the net present value of expected future earnings. The valuation method adopted for these properties is based on inputs that are not based on observable market data (that is, unobservable inputs - Level 3). The valuation method adopted for these properties fall under level 3.

For vacant investment properties, the 'Market approach' was used to determine the fair value. This involves determination of the value of the asset with reference to comparable market transactions for assets in close proximity. These values are adjusted for differences in key attributes such as size, gross floor area and location (that is, significant observable input – Level 3).

The significant unobservable inputs used and related sensitivity analysis are as follows:

Year ended 31 December	Assumption	Average value of the assumption	Sensitivity analysis
2023	Rental rate	USD 2,784 per m <sup>2</sup>	An increase/(decrease) of 1% would increase/(decrease) the investment properties' fair value by USD 379 thousand.
2022	Rental rate	USD 1,491 per m <sup>2</sup>	An increase/(decrease) of 1% would increase/(decrease) the investment properties' fair value by USD 200 thousand.

Americana Restaurants International PLC

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**7 INTANGIBLE ASSETS**

	US Dollars'000					Total
	Franchise and agencies	Software	Goodwill	Work in progress	Others	
<b>Cost</b>						
<b>At 1 January 2023</b>	59,515	27,554	8,458	-	997	96,524
Additions	11,052	1,359	-	5,821	-	18,232
Transfers	-	14,156	-	(2,483)	-	11,673
Hyperinflation adjustment	1,018	-	-	-	-	1,018
Disposals	(2,335)	(316)	-	-	(810)	(3,461)
Foreign currency translation difference	(1,158)	(346)	-	4	-	(1,500)
<b>At 31 December 2023</b>	<b>68,092</b>	<b>42,407</b>	<b>8,458</b>	<b>3,342</b>	<b>187</b>	<b>122,486</b>
<b>Accumulated amortisation and impairment</b>						
<b>At 1 January 2023</b>	35,844	10,092	-	-	997	46,933
Amortisation	4,186	6,076	-	-	-	10,262
Disposals	(1,369)	(216)	-	-	(810)	(2,395)
Hyperinflation adjustment	904	-	-	-	-	904
Reversal of impairment	-	(35)	-	-	-	(35)
Foreign currency translation difference	(480)	(127)	-	-	-	(607)
<b>At 31 December 2023</b>	<b>39,085</b>	<b>15,790</b>	<b>-</b>	<b>-</b>	<b>187</b>	<b>55,062</b>
<b>Net book amount</b>						
<b>At 31 December 2023</b>	<b>29,007</b>	<b>26,617</b>	<b>8,458</b>	<b>3,342</b>	<b>-</b>	<b>67,424</b>

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**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**7 INTANGIBLE ASSETS (continued)**

	US Dollars'000					Total
	Franchise and agencies	Software	Goodwill	Work in progress	Others	
<b>Cost</b>						
At 1 January 2022	64,742	16,778	8,458	-	997	90,975
Additions	7,691	501	-	-	-	8,192
Transfers	168	10,936	-	-	-	11,104
Hyperinflation adjustment	557	-	-	-	-	557
Disposals	(10,621)	-	-	-	-	(10,621)
Foreign currency translation difference	(3,022)	(661)	-	-	-	(3,683)
<b>At 31 December 2022</b>	<b>59,515</b>	<b>27,554</b>	<b>8,458</b>	<b>-</b>	<b>997</b>	<b>96,524</b>
<b>Accumulated amortisation and impairment</b>						
At 1 January 2022	40,168	7,187	-	-	997	48,352
Amortisation	3,881	3,224	-	-	-	7,105
Transfers	(45)	-	-	-	-	(45)
Disposals	(7,528)	-	-	-	-	(7,528)
Hyperinflation adjustment	454	-	-	-	-	454
Reversal of impairment	-	(11)	-	-	-	(11)
Foreign currency translation difference	(1,086)	(308)	-	-	-	(1,394)
<b>At 31 December 2022</b>	<b>35,844</b>	<b>10,092</b>	<b>-</b>	<b>-</b>	<b>997</b>	<b>46,933</b>
<b>Net book amount</b>						
At 31 December 2022	23,671	17,462	8,458	-	-	49,591

'Franchise and agencies' comprise of franchise fee paid to third parties for licensing and operation of restaurant chains in line with the related franchise agreements.

Work in progress mainly comprises of software and applications under development.

For the purpose of testing goodwill impairment, the recoverable amounts for cash generating units have been determined on the basis of value-in-use calculations using cash flow forecasts approved by management covering a five-year period. Cash flows beyond the three-year period have been extrapolated using long term terminal growth rates. The key assumptions used in the value-in-use calculations include risk adjusted pre-tax discount rates amounting to 15.82% (2022: 16.02%), EBITDA margins consistent with historical trends and growth rates based on management's expectations for market development. The long-term terminal growth rates amounting to 1% (2022: 1%) do not exceed the long-term average growth rate for the markets in which the cash generating units operate. Any reasonably possible change to the assumptions will not result in an impairment charge.

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**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**8 INVENTORIES**

	US Dollars'000	
	31 December 2023	31 December 2022
Raw materials	115,310	132,131
Filling and packing materials	12,032	15,006
Other materials	12,461	13,973
Goods in transit	12,789	11,805
Spare parts	8,042	7,037
	<b>160,634</b>	<b>179,952</b>
Provision for obsolete, slow moving and defective inventories	(5,041)	(6,126)
	<b>155,593</b>	<b>173,826</b>

The cost of inventories recognised as an expense during the year was USD 750,234 thousand (2022: USD 760,322 thousand) (Note 23).

The movements in the provision for obsolete, slow moving and defective inventories are given below:

	US Dollars'000	
	2023	2022
Balance at 1 January	6,126	6,481
Net provision for slow moving items	1,679	1,860
Write-offs against provision for slow moving items	(2,655)	(1,643)
Reclassification	8	(105)
Foreign currency translation difference	(117)	(467)
Balance at 31 December	<b>5,041</b>	<b>6,126</b>

**9 TRADE AND OTHER RECEIVABLES**

	US Dollars'000	
	31 December 2023	31 December 2022
Trade receivable	32,039	29,325
Less: loss allowance	(1,242)	(1,315)
	<b>30,797</b>	<b>28,010</b>
Prepaid expenses	39,570	31,210
Advances to suppliers	2,811	5,009
Refundable deposits	15,840	19,524
Accrued income	12,391	5,703
Insurance receivables	498	692
Staff receivables	2,275	2,357
Others	12,522	11,105
	<b>116,704</b>	<b>103,610</b>

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**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**9 TRADE AND OTHER RECEIVABLES (continued)**

Analysed as follows:

	US Dollars'000	
	31 December 2023	31 December 2022
Current portion	109,332	103,610
Non-current portion*	7,372	-
	116,704	103,610

The Group has a broad base of customers with no concentration of credit risk within trade receivables at 31 December 2023 and 31 December 2022.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable:

	US Dollars'000	
	31 December 2023	31 December 2022
Up to 3 months	30,872	28,154
3 to 6 months	124	243
Over 6 months	1,043	928
	32,039	29,325

The loss allowance on trade receivables is primarily concentrated in the balances over 6 months which had an expected credit loss allowance of 100% amounting to USD 1,043 thousand (2022: 100% amounting to USD 928 thousand).

Balances between 3 to 6 months had an expected credit loss allowance of 43% amounting to USD 54 thousand (2022: 56% amounting to USD 136 thousand). Balances up to 3 months had an expected credit loss allowance of 0.5% amounting to USD 145 thousand (2022: 1% amounting to USD 251 thousand).

Movement in the loss allowance on trade receivables during the year:

	US Dollars'000	
	2023	2022
Balance at 1 January	1,315	1,856
Charge during the year	758	248
Write-offs against the loss allowance on trade receivables	(704)	(582)
Foreign currency translation differences	(127)	(207)
Balance at 31 December	1,242	1,315

The other classes within trade and other receivables do not contain impaired assets and are not exposed to significant credit risk.

Americana Restaurants International PLC

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

	US Dollars'000	
	31 December 2023	31 December 2022
UAE Dirham	12,059	9,153
Saudi Riyal	6,768	4,633
Egyptian Pound	1,010	3,207
Kuwaiti Dinar	2,979	3,512
US Dollar	158	100
Other	9,065	8,720
	32,039	29,325

The carrying value less loss allowance on trade and other receivables is assumed to approximate their fair values due to the short-term nature of trade receivables.

**Agreement with REEF Technology Inc and REEF SPV ME Holdings LLC:**

The Group entered into an agreement on 9 December 2021 with a third party to operate cloud kitchens in the region through an investment in REEF Technology Middle East Limited (the "Entity"). The Group acquired 25% shares in the Entity in exchange for loan notes of USD 28,500 thousand which are non-interest bearing and have a non-recourse against the Group. As per the agreement, the loan notes are to be settled against the future cash flows (i.e., dividends) received from the investment of the Group. The Group neither bear any significant risk or rewards until the loan notes have been fully settled nor additional liability in case the Entity fails to generate sufficient cash flows to cover the loan notes. Moreover, the Group contributed a working capital loan of USD 1,000 thousand towards the Entity which is non-interest bearing and has no fixed repayment terms. The working capital loan was recorded as a part of other receivables and was fully impaired as at 31 December 2023 and an impairment loss was recorded in the consolidated statement of income under 'Impairment losses on financial assets' as management does not expect to recover the financial asset.

Under the same Agreement, the put option and call option is provided to both parties that is exercisable after 9 December 2024. In 2021 management had estimated the fair valuation of the stake along with the underlying derivative instrument to be USD 9,390 thousand and accordingly recorded the derivative financial instrument with the corresponding deferred gain as at 31 December 2021.

The Group has revalued the derivative financial instrument and estimated the fair value to be nil as at 31 December 2023 (2022: USD 11,331 thousand). The valuation methodology utilised is the binomial lattice model with key assumptions as at 31 December 2023 being an expected life of 3 years (2022: 4 years), a risk free interest rate of 4% (2022: 4.11%) and equity volatility of 25% (2022: asset volatility of 21%). As a result of the significant decline in the valuation of the derivative financial instrument and management's intention of exiting the arrangement, the full value of the derivative financial instrument has been recorded as a revaluation loss of USD 11,331 thousands in the consolidated statement of income under 'Fair value losses and tax claims' and the remaining deferred gain balance of USD 7,512 thousands has been released in the consolidated statement of income under 'Other income'.

Americana Restaurants International PLC

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**10 CASH AND CASH EQUIVALENTS**

	US Dollars'000	
	31 December 2023	31 December 2022
Cash on hand	2,813	4,362
Cash at banks	47,025	77,414
Short-term deposits with original maturity of 3 months or less	37,770	222,784
Cash and cash equivalents	87,608	304,560

Bank balances are held with local and international branches of reputable banks. Management views these banks as having a sound performance history and satisfactory credit ratings. Deposits are presented as cash equivalents only if they have a maturity of three months or less from the date of acquisition or are readily convertible to known amounts of cash which are subject to insignificant risk of changes in value.

Cash and cash equivalents include the following for the purpose of the consolidated statement of cash flows:

	US Dollars'000	
	31 December 2023	31 December 2022
Cash and cash equivalents	87,608	304,560
Less: Bank overdraft (Note 11)	(4,375)	(18,592)
Balances per consolidated statement of cash flows	83,233	285,968

	US Dollars'000	
	31 December 2023	31 December 2022
Short term deposits with original maturity of 3 to 12 months	295,933	-

**11 BANK FACILITIES**

	US Dollars'000	
	31 December 2023	31 December 2022
<b>Short term</b>		
Bank overdraft	4,375	18,592

	US Dollars'000	
	31 December 2023	31 December 2022
<b>Maturity of bank facilities are as follows:</b>		
Within one year	4,375	18,592

Americana Restaurants International PLC

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**12 LEASES****(i) Amounts recognised in the consolidated statement of financial position**

	US Dollars'000				
	Building and Leasehold	Vehicles	Land	Key money	Total
<b>Right of use assets</b>					
<b>Cost</b>					
As at 1 January 2023	871,683	32,213	8,279	13,719	925,894
Additions	259,987	4,993	594	3,929	269,503
Hyperinflation adjustment	3,634	-	-	797	4,431
Disposal	(20,373)	(940)	(201)	(25)	(21,539)
Transfers	-	-	-	142	142
Foreign currency translation difference	(9,586)	(43)	505	(288)	(9,412)
<b>As at 31 December 2023</b>	<b>1,105,345</b>	<b>36,223</b>	<b>9,177</b>	<b>18,274</b>	<b>1,169,019</b>
<b>Accumulated depreciation and impairment</b>					
As at 1 January 2023	472,867	26,370	4,579	4,514	508,330
Charge for the year	161,997	6,447	1,219	3,038	172,701
Hyperinflation adjustment	3,109	-	-	797	3,906
Reversal of impairment	(187)	-	-	-	(187)
Disposal	(9,742)	(740)	(2)	(25)	(10,509)
Foreign currency translation difference	(3,777)	(36)	328	(240)	(3,725)
<b>As at 31 December 2023</b>	<b>624,267</b>	<b>32,041</b>	<b>6,124</b>	<b>8,084</b>	<b>670,516</b>
<b>Net book amount</b>					
<b>Balance as at 31 December 2023</b>	<b>481,078</b>	<b>4,182</b>	<b>3,053</b>	<b>10,190</b>	<b>498,503</b>

The additions to right-of-use assets (excluding key money) is a non-cash activity.



Americana Restaurants International PLC

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**12 LEASES (continued)****(i) Amounts recognised in the consolidated statement of financial position (continued)**

	US Dollars'000				
	Building and Leasehold	Vehicles	Land	Key money	Total
<b>Right of use assets</b>					
<b>Cost</b>					
As at 1 January 2022	706,776	27,697	8,466	9,965	752,904
Additions	223,801	4,886	1	3,788	232,476
Hyperinflation adjustment	1,747	-	-	445	2,192
Disposal	(32,316)	(294)	(142)	(82)	(32,834)
Transfers	-	-	-	721	721
Foreign currency translation difference	(28,325)	(76)	(46)	(1,118)	(29,565)
<b>As at 31 December 2022</b>	<b>871,683</b>	<b>32,213</b>	<b>8,279</b>	<b>13,719</b>	<b>925,894</b>
<b>Accumulated depreciation and impairment</b>					
As at 1 January 2022	364,638	20,100	3,423	2,768	390,929
Charge for the year	142,837	6,572	1,186	2,171	152,766
Hyperinflation adjustment	1,121	-	-	445	1,566
Impairment charges	24	-	-	-	24
Disposal	(24,137)	(257)	(1)	(82)	(24,477)
Transfers	-	-	-	45	45
Foreign currency translation difference	(11,616)	(45)	(29)	(833)	(12,523)
<b>As at 31 December 2022</b>	<b>472,867</b>	<b>26,370</b>	<b>4,579</b>	<b>4,514</b>	<b>508,330</b>
<b>Net book amount</b>					
<b>Balance as at 31 December 2022</b>	<b>398,816</b>	<b>5,843</b>	<b>3,700</b>	<b>9,205</b>	<b>417,564</b>

The additions to right-of-use assets (excluding key money) is a non-cash activity.

	31 December 2023	31 December 2022
	USD'000	USD'000
<b>Lease liabilities</b>		
Non-current	341,223	274,603
Current	165,959	160,156
	<b>507,182</b>	<b>434,759</b>

Americana Restaurants International PLC

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**(ii) Amounts recognised in the consolidated statement of income**

	2023	2022
	USD'000	USD'000
<b>Finance costs on lease liabilities (Note 27)</b>	<b>26,625</b>	<b>21,517</b>
<b>Other rent expenses</b>		
Expense relating to short-term and low-value leases	33,294	34,781
Expense relating to variable lease payments not included in lease liabilities	17,397	14,586
	<b>50,691</b>	<b>49,367</b>

The Group recognised a gain on COVID-19 related rent concessions of nil for the year ended 31 December 2023 (2022: USD 667 thousand) under other income in the consolidated statement of income.

**13 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS**

	Note	2023	2022
		USD'000	USD'000
At 1 January		66,386	76,260
Current service cost	28	9,668	8,538
Interest expense	27	2,987	1,173
<b>Total amount recognised in the consolidated statement of income</b>		<b>12,655</b>	<b>9,711</b>
<b>Remeasurement of employees' end of service benefits</b>			
- changes in financial assumptions		1,334	(7,811)
- changes in experience / demographic assumptions		-	(768)
<b>Total amount recognised in the consolidated statement of other comprehensive income</b>		<b>1,334</b>	<b>(8,579)</b>
Payments		(11,627)	(10,686)
Foreign currency translation differences		(187)	(320)
At 31 December		<b>68,561</b>	66,386

In accordance with the provisions of IAS 19, management has carried out an exercise to assess the present value of its defined benefit obligation as at 31 December 2023 and 31 December 2022, using the projected unit credit method, in respect of employees' end of service benefits payable under labour laws prevailing in the countries in which the subsidiaries operate. Under this method, an assessment is made of the employee's expected service life with the Group and the expected basic salary at the date of leaving the service. A provision is made, using actuarial techniques, for the full amount of end of service benefits due to the employees in accordance with the local labour law of the country where they are employed, for their year ended of service up to the reporting date. Management's assumptions and sensitivity analysis are provided below.

Americana Restaurants International PLC

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**13 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS (continued)**

Below is the maturity analysis of the expected benefit payments:

	US Dollars'000	
	31 December 2023	31 December 2022
Within one year	18,061	17,124
Between 2 and 5 years	50,173	47,995
Later than 5 years	61,827	58,355

Actuarial assumptions and sensitivity:

	2023	2022
Average discount rate used	5.83%	5.25%
Average salary growth rate	2.25%	1.69%
Salary growth effective date during the year	April - July	April - July
Withdrawal rates per annum	20-25%	20-25%
Employee retirement age	60	60
Average duration	3-4 years	3-4 years

	Change in assumption	Sensitivity of the key actuarial assumptions			
		US Dollars '000			
		Increase/(decrease) of employees' end of service benefits as on			
		31 December 2023	31 December 2022		
Discount rate	+/-1.0%	(2,581)	2,778	(2,152)	2,023
Salary growth rate	+/-1.0%	3,017	(2,850)	2,222	(2,376)

**14 TRADE AND OTHER PAYABLES**

	US Dollars'000	
	31 December 2023	31 December 2022
Trade payables	189,206	159,640
Accrued expenses	114,176	104,237
Unearned income	56,495	75,897
Accrued staff benefits	46,875	49,305
Non-trade payables	42,004	40,839
Value added tax payable	5,534	7,911
Deposits	2,234	2,636
Other payables	14,044	12,990
	<b>470,568</b>	<b>453,455</b>

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**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

Analysed as follows:

	US Dollars'000	
	31 December 2023	31 December 2022
Current portion	434,206	401,173
Non-current portion*	36,362	52,282
	<b>470,568</b>	<b>453,455</b>

\*Non-current portion pertains to the portion of unearned income with a performance obligation expected to be satisfied and recognised within a period exceeding 12 months.

**15 PROVISIONS FOR LEGAL, TAX AND OTHER CLAIMS**

	US Dollars'000	
	31 December 2023	31 December 2022
Legal cases	5,068	5,004
Provision for termination and closure	2,632	3,204
Tax	7,541	16,819
Other provisions	5,780	4,162
	<b>21,021</b>	<b>29,189</b>

	2023 (USD'000)				
	Legal cases	Provision for termination and closure	Tax	Other provisions	Total
Balance as at 1 January 2023	5,004	3,204	16,819	4,162	29,189
<b>Charged/(credited) to profit or loss</b>					
Additional provisions recognised	2,948	218	1,930	9,223	14,319
Unused amounts reversed	(1,304)	(881)	(840)	(4,726)	(7,751)
Amounts used during the year	(1,483)	(358)	(7,973)	(2,127)	(11,941)
Foreign currency translation difference	(65)	449	(2,461)	(124)	(2,201)
Others	(32)	-	66	(628)	(594)
<b>Balance as at 31 December 2023</b>	<b>5,068</b>	<b>2,632</b>	<b>7,541</b>	<b>5,780</b>	<b>21,021</b>

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

### 15 PROVISIONS FOR LEGAL, TAX AND OTHER CLAIMS (continued)

	2022 (USD'000)				
	Legal cases	Provision for termination and closure	Tax	Other provisions	Total
Balance as at 1 January 2022	9,430	5,060	13,781	3,791	32,062
<b>Charged/(credited) to profit or loss</b>					
Additional provisions recognised	1,073	957	19,468	4,216	25,714
Unused amounts reversed	(1,611)	(965)	-	(1,535)	(4,111)
Amounts used during the year	(2,556)	(1,839)	(17,027)	(1,533)	(22,955)
Foreign currency translation difference	(195)	(9)	(272)	(440)	(916)
Others	(1,137)	-	869	(337)	(605)
<b>Balance as at 31 December 2022</b>	<b>5,004</b>	<b>3,204</b>	<b>16,819</b>	<b>4,162</b>	<b>29,189</b>

#### Legal cases

The provision consists of the total amount provided to meet specific legal claims against the Group from external parties. Management believes that after obtaining appropriate legal advice, the outcome of such legal claims will not substantially exceed the value of the provision as at 31 December 2023 and 31 December 2022.

#### Provision for termination and closure

The provision relates to the closure and termination charges along with other related costs which are expected to be incurred for the closure of stores over the upcoming period.

#### Tax and other provisions

Other provisions include of ongoing assessments by the relevant authorities for open years dispute in relation to taxes and Zakat. Management believes that provision for probable future tax assessments is adequate based upon previous years' tax examinations and past interpretations of the tax laws and that the position taken in tax returns will be sustained upon examination by the relevant tax authorities (Note 32). The other provisions also comprise of restructuring expenses and expected claims from external parties in relation to the Group's activities. The management reviews these provisions on a yearly basis, and the allocated amount is adjusted according to the latest developments, discussions and agreements with such parties.

### 16 FAIR VALUE LOSSES AND TAX CLAIMS

	US Dollars'000	
	2023	2022
Fair value losses/ (gains) on derivative financial instrument (Note 9)	11,331	(1,941)
Tax claim charges*	-	22,534
	<b>11,331</b>	<b>20,593</b>

\*The tax claim charges is a non-recurring provision to settle an indirect tax claim relating to the historical period 2000-2017. Prior to 2016, restaurants not having a 'touristic' status benefited from an exemption to sales tax. This exemption law was repealed in 2016 pursuant to a change in tax law. The revised tax laws have been applied going forward. In August 2022, the Group has entered into settlement agreements with the tax authorities to settle the tax claims for the period from 2005 to 2017 which has been adequately provided for during the year ended 31 December 2022.

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

### 17 INCOME TAX, ZAKAT AND OTHER DEDUCTIONS PAYABLE

	31 December 2023	31 December 2022
	USD'000	USD'000
Other taxes payable within one year comprise:		
<b>Income Tax</b>	<b>5,122</b>	<b>5,193</b>
Zakat	2,476	2,307
<b>Income tax and zakat payable</b>	<b>7,598</b>	<b>7,500</b>
Property and other taxes	9	13
Other taxes payable	6,287	5,542
<b>Income tax, zakat and other deductions payable</b>	<b>13,894</b>	<b>13,055</b>

The movement of income tax and zakat payable is as follows:

	2023	2022
	USD'000	USD'000
At 1 January	7,500	9,328
Income tax and zakat of subsidiaries	13,041	8,743
Payments	(11,892)	(10,711)
Others	(1,051)	140
At 31 December	<b>7,598</b>	<b>7,500</b>

### 18 NON-CONTROLLING INTERESTS

	US Dollars'000	
	31 December 2023	31 December 2022
Balance as at 1 January	11,186	11,157
Share from net profit of the year	2,865	3,729
<i>Other comprehensive income item:</i>		
Foreign currency translation differences	(58)	32
<i>Other changes in non-controlling interests:</i>		
Effects of acquisition of additional shares in a subsidiary	(54)	(516)
Capital increase	1,150	-
Cash dividends paid by subsidiaries	(3,075)	(3,216)
Total other changes in non-controlling interests	(1,979)	(3,732)
<b>Balance as at 31 December</b>	<b>12,014</b>	<b>11,186</b>

### 19 SHARE CAPITAL

As at 31 December 2023 and 31 December 2022, Americana Restaurants International PLC's authorised, issued and paid up capital is USD 168,472,662 comprising of 8,423,633,100 shares with nominal value of USD 0.02 per share.

Americana Restaurants International PLC

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

### 20 EARNINGS PER SHARE

	For the year ended 31 December 2023	For the year ended 31 December 2022
<b>Earnings</b>		
Earnings for the purpose of basic and diluted earnings per share (profit for the year attributable to ordinary equity holders of the parent Company) USD'000	259,466	259,226
Number of ordinary shares outstanding	8,423,633,100	8,423,633,100
<b>Basic and diluted earnings per share attributable to Shareholders of the Parent Company (USD)</b>	<b>0.03080</b>	<b>0.03077</b>

### 21 RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties represent shareholders who have representatives in the Boards of Directors, members of the Boards of Directors, Senior Management and the companies which are controlled by the major shareholders. In the ordinary course of business, the Group has entered into arms-length transactions with related parties during the year. The following are the transactions and balances resulting from these transactions:

	US Dollars'000	
	31 December 2023	31 December 2022
<b>Transactions with fellow subsidiaries</b>		
Purchases of raw materials	89,101	117,784
Interest income from loan to a related party	-	670
Interest income from short-term deposits held with a related party*	166	3
Transitional Services Agreement ("TSA") expense**	6,028	5,919
Investment property rental income	203	320
Delivery and payment support	1,753	1,134
<b>Key management personnel</b>		
Short term employee benefits	5,247	6,578
Termination benefits	138	125
Board of Directors' remuneration	1,120	233

#### Due from related parties

Name	Place of incorporation	USD'000	
		31 December 2023	31 December 2022
<b>Fellow subsidiaries under the Intermediate Parent Company:</b>			
Others		42	237
		42	237

\* Cash and cash equivalents

The Group has a short-term deposit of nil as on 31 December 2023 (2022: USD 10,600 thousand) with original maturity of 3 months or less with a financial institution (Zand Bank PJSC), controlled by a major shareholder.

\*\* Transitional Services Agreement ("TSA") expense

This relates to a recharge of corporate expenses in relation to strategic guidance and advisory from an entity under common control of the Intermediate Parent Company.

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## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2023

#### Due to related parties

Name	Place of incorporation	USD'000	
		31 December 2023	31 December 2022
<b>Fellow subsidiaries under the Intermediate Parent Company:</b>			
National Company for Food Industries LLC	KSA	6,563	6,380
International Co. for Agricultural Development (Farm Frites) SAE	Egypt	4,306	7,140
Gulf Food Co. Americana LLC	UAE	2,382	999
Gulf Food Industries Company (California Garden) FZE	UAE	1,757	2,708
Cairo Poultry Company SAE	Egypt	1,075	1,575
Others		4	9
<b>Division of the Former Parent Company:</b>			
Kuwait Foods Divisions (Meat, Cake, Agencies)	Kuwait	1,083	2,420
<b>Entities controlled by a major shareholder:</b>			
Noon AD Holdings	UAE	511	251
Noon Payments Digital Limited	KSA	25	14
Barakat Vegetables and Fruits Co. LLC	UAE	147	159
Nshmi Development LLC	UAE	395	186
		18,248	21,841

### 22 REVENUES

	US Dollars'000	
	2023	2022
Food and beverage	2,408,157	2,374,936
Investment properties rental income	2,536	3,611
Other revenue	2,441	-
	2,413,134	2,378,547

### 23 COST OF REVENUES

	US Dollars'000	
	2023	2022
Cost of inventory (Note 8)	750,234	760,322
Staff costs (Note 28)	130,286	130,104
Royalties	132,241	127,077
Depreciation and amortisation	89,707	78,886
Rent (Note 29)	14,410	17,482
Others	34,697	34,605
	1,151,575	1,148,476

Americana Restaurants International PLC

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**24 SELLING AND MARKETING EXPENSES**

	US Dollars'000	
	2023	2022
Staff costs (Note 28)	220,182	225,382
Depreciation and amortisation	140,433	121,860
Advertisement and business development	113,630	108,475
Home delivery and transportation	106,202	86,948
Utilities and communication	61,315	62,356
Maintenance and other operating expenses	55,158	55,528
Rent (Note 29)	18,042	21,535
Others	62,377	56,844
	<b>777,339</b>	<b>738,928</b>

**25 GENERAL AND ADMINISTRATIVE EXPENSES**

	US Dollars'000	
	2023	2022
Staff costs (Note 28)	105,144	108,375
Depreciation and amortisation	22,357	18,963
Provision for tax and legal claims	3,872	11,255
Rent (Note 29)	9,449	9,094
Repairs and maintenance	14,479	6,280
Utilities	5,437	5,277
Professional and legal	5,692	3,111
Travel and accommodation	2,668	1,972
Office administrative	1,594	2,039
Others	21,078	26,687
	<b>191,770</b>	<b>193,053</b>

**26 DEPRECIATION AND AMORTISATION**

	US Dollars'000	
	2023	2022
Property and equipment (Note 5)	69,213	59,293
Intangible assets (Note 7)	10,262	7,105
Right of use assets (Note 12)	172,701	152,766
Investment property (Note 6)	321	545
	<b>252,497</b>	<b>219,709</b>

Americana Restaurants International PLC

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**27 FINANCE COST - NET**

	US Dollars'000	
	2023	2022
Finance income	15,312	3,639
Finance costs on bank facilities	1,402	1,894
Finance costs on lease liabilities (Note 12)	26,625	21,517
Interest on employees' end of service benefit (Note 13)	2,987	1,173
Finance costs	31,014	24,584
Finance cost – net	<b>15,702</b>	<b>20,945</b>

**28 STAFF COSTS**

	US Dollars'000	
	2023	2022
Salaries and other benefits	445,944	455,323
End of service benefits (Note 13)	9,668	8,538
	<b>455,612</b>	<b>463,861</b>

Allocation of staff costs:

	US Dollars'000	
	2023	2022
Cost of revenues (Note 23)	130,286	130,104
Selling and marketing expenses (Note 24)	220,182	225,382
General and administrative expenses (Note 25)	105,144	108,375
	<b>455,612</b>	<b>463,861</b>

During the year ended 31 December 2023, the Group's average staff count converted to full-time equivalents was 41,575 (2022: 40,039). This included 37,427 store-level employees (2022: 35,719) and 4,148 above-store employees (2022: 4,320)

**29 RENT**

	US Dollars'000	
	2023	2022
Cost of revenues (Note 23)	14,410	17,482
Selling and marketing expenses (Note 24)	18,042	21,535
General and administrative expenses (Note 25)	9,449	9,094
Vehicle rent included under home delivery cost (Note 24)	8,790	1,256
	<b>50,691</b>	<b>49,367</b>

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**30 INCOME TAX AND ZAKAT**

	US Dollars'000	
	2023	2022
<b>Current tax</b>		
Current tax of subsidiaries on taxable profits for the year	11,141	7,011
Zakat of subsidiaries	1,900	1,732
Income tax and zakat	13,041	8,743

The effective tax rate on 31 December 2023 is 4% (2022: 3%).

Provision for income tax is made in accordance with relevant tax laws and regulations of countries where the Group has business operations. Tax laws and regulations are subject to interpretations by the tax authorities. Tax returns are filed periodically but the profits or losses declared for tax purposes remain provisional until such time as the tax authorities examine the returns and the records of the taxpayer and a final assessment is issued. Management believes that provision for probable future tax assessments is adequate based upon previous years' tax examinations and past interpretations of the tax laws and that the position taken in tax returns is expected to be adequate upon examination by the relevant tax authorities (Note 32).

**Reconciliation between the tax expense and profit or loss multiplied by applicable tax rate**

The income tax rate applicable to the income of subsidiaries ranges from 1% to 34.5%. A reconciliation between the expected and the actual taxation charge is provided below:

	US Dollars'000	
	2023	2022
<b>Profit before income tax and zakat</b>	275,372	271,698
Theoretical tax charge at each subsidiaries' statutory rate	10,612	9,036
<b>Tax effect of items which are not deductible or assessable for taxation purposes:</b>		
- Income which is exempt from taxation	(4)	(188,392)
- Non-deductible expenses	20,755	21,876
- Income subject to withholding tax	-	37,735
- Carried forward losses	(18,935)	(724)
Taxable profit	277,188	142,193
Current tax of subsidiaries on taxable profits for the year	11,141	7,011
Zakat of subsidiaries	1,900	1,732

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**31 SUBSIDIARIES**

The Group's subsidiaries overall ownership structure as at 31 December 2023 and 2022 is as reflected below. The subsidiaries were transferred to the Group during the year ended 31 December 2022 (Note 1):

Company's Name	Activity	Place of incorporation	Effective Ownership (%) As at 31 December 2023	Effective Ownership (%) As at 31 December 2022
Americana Restaurants Investments Group Company LLC	Holding Company	United Arab Emirates	100%	100%
Americana Kuwait Company Restaurants WLL	Restaurants	Kuwait	100%	100%
Americana Holding for UAE Restaurants LTD	Holding Company	United Arab Emirates	100%	100%
Americana Holding for Egyptian Restaurants LTD	Holding Company	United Arab Emirates	100%	100%
Americana Company for Restaurants Holding LTD	Holding Company	United Arab Emirates	100%	100%
Americana Holding for KSA Restaurants LTD	Holding Company	United Arab Emirates	100%	100%
Americana Holding for Restaurants LTD	Holding Company	United Arab Emirates	100%	100%
Kuwait Food Company Americana LLC	Restaurants	United Arab Emirates	100%	100%
Egyptian Company for International Touristic Projects SAE	Restaurants	Egypt	99.90%	99.90%
Egyptian International Company for Food Industries SAE	Restaurants	Egypt	100%	100%
Al Ahlia Restaurants Company LLC	Restaurants	Saudi Arabia	100%	100%
United Food Company LLC	Others	Saudi Arabia	100%	100%
Americana Prime Investments Limited	Others	United Arab Emirates	100%	100%
International Tourism Restaurants Company LLC	Restaurants	Oman	100%	100%
The Caspian International Restaurants Company LLP	Restaurants	Kazakhstan	100%	100%
Gulf & Arab World Restaurant WLL	Restaurants	Bahrain	94.00%	94.00%
Bahrain & Kuwait Restaurant Co. WLL	Restaurants	Bahrain	40.00%	40.00%
Lebanese International Touristic Projects Company LLC	Restaurants	Lebanon	100%	100%
Qatar Food Company WLL	Restaurants	Qatar	100%	100%
Ras Bu abboud Trading Company WLL	Restaurants	Qatar	99.00%	99.00%
Almusharaka for Touristic Restaurants Services, General Trading, Import & Export Company Ltd.	Restaurants	Iraq - Kurdistan	90.00%	90.00%
Société Marocaine De Projects Touristiques SARL	Restaurants	Morocco	100%	100%
Touristic Projects & International Restaurants Co. (Americana) LLC	Restaurants	Jordan	67.44%	67.44%
Jordanian Restaurants Company for Fast Food LLC	Restaurants	Jordan	67.44%	67.44%
The International Co. for World Restaurants Limited	Restaurants	United Arab Emirates	75.00%	51.00%
Americana Restaurants India Private Limited	Others	India	100%	100%
A F K American Food Kurdistan	Restaurants	Iraq - Kurdistan	100%	-

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**32 CONTINGENT LIABILITIES, OPERATING AND CAPITAL COMMITMENTS**

	US Dollars'000	
	31 December 2023	31 December 2022
<b>Contingent liabilities</b>		
Letters of guarantee	14,868	12,849

**Taxes**

The Group operates in several different countries, Note 31 indicates the Group's structure and the countries in which it operates), and thus its operations are subject to various types of taxes. The significant impacts of the various types of taxes are concentrated in Kingdom of Saudi Arabia and Arab Republic of Egypt as follows:

**Arab Republic of Egypt:**

The Group's operations in Egypt are subject to various types of taxes, especially income tax, sales tax, salary tax and others.

**Kingdom of Saudi Arabia:**

The Group's operations are subject to Zakat in the Kingdom of Saudi Arabia.

The Group assesses the tax position of each subsidiary separately, in light of the years that have been inspected, the inspection results, the received tax claims, the legal advice of its external tax advisor on these claims and the legal situation of any existing dispute between the respective entity and the relevant official authorities with respect to these claims. Further, the Group takes in consideration the contingent liabilities for the years that have not been inspected yet.

The tax claims and contingent tax liabilities, at the Group's level, are amounted to USD 6,706 thousand as at 31 December 2023 (2022: USD 373 thousand). Considering tax claims which fully settled previously in past years were significantly less than initial tax claims submitted by the Tax Administration, and based on the opinion of the external consultants, the Group's management believes that the provisions made for this purpose are adequate and sufficient.

**United Arab Emirates: Implementation of UAE Corporation Tax Law and application of IAS 12 Income Taxes in relation to the operations in the UAE**

On 9 December 2022 UAE Federal Decree-Law no 47 of 2022 was published setting in place a general corporate income tax for the first time. The profit threshold of AED 375,000 at which the 9% tax will apply was set in place by Cabinet Decision No 116 of 2022 which was published on 16 January 2023 and at this point the tax law was considered enacted and substantively enacted for accounting purposes. While current taxes are not payable on profits generated before the Company's financial year commencing on 1 January 2024, the existence of an enacted tax law results in the need to immediately record deferred taxes on assets and liabilities where the carrying amount differs from the tax base. In relation to its operations in the UAE, the Group is currently in the process of assessing the possible impact on its consolidated financial statements, both from current and deferred tax perspective, once the Law becomes substantively enacted.

	US Dollars'000	
	31 December 2023	31 December 2022
<b>Operating lease commitments – Lessee</b>		
Less than one year	33,294	34,781
	33,294	34,781
<b>Capital commitments</b>		
Letters of credit	3,591	6,102
Projects in progress	4,633	9,209

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**33 FINANCIAL INSTRUMENTS BY CATEGORY**

	US Dollars'000	
	31 December 2023	31 December 2022
<b>Financial assets</b>		
<b>Financial assets at amortised cost</b>		
Cash and cash equivalents (Note 10)	87,608	304,560
Trade and other receivables (excluding prepayments, advances to suppliers) (Note 9)	74,323	67,391
Due from related parties (Note 21)	42	237
	161,973	372,188
<b>Financial assets at fair value</b>		
Derivative financial instrument	-	11,331
	161,973	383,519
<b>Financial liabilities</b>		
<b>Other financial liabilities at amortised cost</b>		
Trade and other payables (excluding value added tax payable and unearned income) (Note 14)	408,539	369,647
Due to related parties (Note 21)	18,248	21,841
Bank facilities (Note 11)	4,375	18,592
Lease liabilities (Note 12)	507,182	434,759
	938,344	844,839

**34 NET DEBT RECONCILIATION**

	US Dollars'000	
	31 December 2023	31 December 2022
Cash and cash equivalents (Note 10)	87,608	304,560
Short-term deposits with original maturity of 3 to 12 months (Note 10)	295,933	-
Bank facilities (Note 11)	(4,375)	(18,592)
Lease liabilities (Note 12)	(507,182)	(434,759)
Net debt	(128,016)	(148,791)

	US Dollars'000	
	31 December 2023	31 December 2022
Cash and cash equivalents	87,608	304,560
Short-term deposits with original maturity of 3 to 12 months (Note 10)	295,933	-
Net debt – variable interest rates	(511,557)	(453,351)
Net debt	(128,016)	(148,791)

Americana Restaurants International PLC

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**34 NET DEBT RECONCILIATION (continued)**

	US Dollars'000			
	Liabilities from financing activities	Other assets		
	Leases	Short term deposits with original maturity of 3 to 12 months	Cash/bank overdraft	Total
Net debt as at 1 January 2023	(434,759)	-	285,968	(148,791)
Deposits	-	455,422	-	455,422
Withdrawals	-	(159,489)	-	(159,489)
Foreign currencies translation differences	5,697	-	1,425	7,122
Others	(15,595)	-	-	(15,595)
Lease payments of principal and interest	200,138	-	-	200,138
Acquisition of leases	(262,663)	-	-	(262,663)
Cash flows, net	-	-	(204,160)	(204,160)
Net debt as at 31 December 2023	(507,182)	295,933	83,233	(128,016)

	US Dollars'000			
	Liabilities from financing activities	Other assets		
	Leases	Short term deposits with original maturity of 3 to 12 months	Cash/bank overdraft	Total
Net debt as at 1 January 2022	(384,599)	-	166,923	(217,676)
Foreign currencies translation differences	18,730	-	12,152	30,882
Others	(13,160)	-	-	(13,160)
Lease payments of principal and interest	172,291	-	-	172,291
Gain on rent concessions	667	-	-	667
Acquisition of leases	(228,688)	-	-	(228,688)
Cash flows, net	-	-	106,893	106,893
Net debt as at 31 December 2022	(434,759)	-	285,968	(148,791)

Americana Restaurants International PLC

**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**35 SEGMENT REPORTING**

The Group is organized into operating segments based on geographical location. The results are reported to the top executive management in The Group. In addition, the revenue, profit, assets, and liabilities are reported on a geographic basis and measured in accordance with the same accounting basis used for the preparation of the consolidated financial statements. There are three major reportable segments: the Major Gulf Cooperation Council countries which include KSA, Kuwait and UAE, Lower Gulf countries (comprising of Qatar, Oman and Bahrain) and North Africa (Egypt and Morocco). All other operating segments that are not reportable segments are combined under "Others" (Kazakhstan, Iraq, Lebanon and Jordan).

The segments are concentrated in the restaurants sector which include operating all kinds of restaurants, representing international franchises.

Following is the segment information which is consistent with the internal reporting presented to management for the years ended:

	Reportable segments		Intercompany transactions		Total	
	31 December		31 December		31 December	
	2023	2022	2023	2022	2023	2022
<b>Revenues</b>	USD'000		USD'000		USD'000	
Major GCC	1,684,671	1,604,514	-	-	1,684,671	1,604,514
Lower Gulf	278,081	314,426	(36,706)	(52,761)	241,375	261,665
North Africa	237,824	294,661	-	-	237,824	294,661
Others	249,264	217,707	-	-	249,264	217,707
Total	2,449,840	2,431,308	(36,706)	(52,761)	2,413,134	2,378,547

	Reportable segments	
	31 December	
	2023	2022
<b>Net profits</b>	USD'000	
Major GCC	214,504	251,268
Lower Gulf	13,148	22,360
North Africa	12,341	(26,217)
Others	36,346	28,014
Total	276,339	275,425
<b>Unallocated:</b>		
Income tax, zakat and other deductions	(13,041)	(8,743)
Losses of foreign exchange	(967)	(3,727)
Net profit for the year	262,331	262,955



**Notes to the Consolidated Financial Statements (continued)**

For the year ended 31 December 2023

**35 SEGMENT REPORTING (continued)**

	31 December 2023 USD'000				
	Major GCC	Lower Gulf	North Africa	Others	Total
Assets	1,170,398	125,070	117,831	143,560	1,556,859
Liabilities	833,474	99,053	98,671	74,281	1,105,479

	31 December 2022 USD'000				
	Major GCC	Lower Gulf	North Africa	Others	Total
Assets	941,382	141,685	132,738	124,742	1,340,547
Liabilities	741,931	109,932	124,415	68,518	1,044,796

Below is the analysis of the revenue (before eliminations) and related non-current assets for the significant geographical locations:

	2023 USD'000			
	UAE	KSA	Kuwait	Egypt
Revenues	750,972	594,518	339,181	195,018
Non-current assets	237,563	316,856	109,463	54,778

	2022 USD'000			
	UAE	KSA	Kuwait	Egypt
Revenues	703,648	527,585	373,281	258,424
Non-current assets	197,298	191,575	107,247	65,183

**36 Dividends**

The shareholders approved and declared cash dividends of USD 0.0123 per share on 28 March 2023. The dividends declared of USD 103,470 thousand were settled in cash during April 2023. As on 31 December 2023, USD 158 thousand of dividends remain as unclaimed and are included within 'Trade and other payables.'







**37 Subsequent events**


On 14 February 2024, the Board of Directors proposed total cash dividends of USD 0.0213 per share amounting to USD 179,424 thousand based on the results for the year ended 31 December 2023. This comprises of :a cash dividend of USD 0.0154 per share amounting to USD 129,724 thousand; and a one-off cash dividend of USD 0.0059 per share amounting to USD 49,700 thousand.

# Appendix

## Sustainability

### ADX Disclosures

Category	Metric	Key Question or Calculation	GRI Standard	SDG	Guidelines or Notes	Americana Restaurants Inputs
Environment	E1. GHG Emissions	<ul style="list-style-type: none"> <li>E1.1) Total amount in CO2 equivalents, for Scope 1</li> <li>E1.2) Total amount, in CO2 equivalents, for Scope 2 (if applicable)</li> <li>E1.3) Total amount, in CO2 equivalents, for Scope 3 (if applicable)</li> </ul>	GRI 305: Emissions 2016		Actual or estimated atmospheric emissions produced as a direct (or indirect) result of the company's consumption of energy. Please refer to the WRI/WBCSD GHG protocol.	<ul style="list-style-type: none"> <li>Total 313,272 Metric Tonnes of CO2e as part of Scope 1 emissions</li> </ul>
	E2. Emissions Intensity	<ul style="list-style-type: none"> <li>E2.1) Total GHG emissions per output scaling factor</li> <li>E2.2) Total non-GHG emissions per output scaling factor</li> </ul>	GRI 305: Emissions 2016		Dividing annual emissions (numerator) by relevant measures of economic output (denominator). Scaling factors set by reporting company. Examples include: revenues, sales, production units, employee headcount, physical floor space.	<ul style="list-style-type: none"> <li>N/a</li> <li>N/a</li> </ul>
	E3. Energy Usage	<ul style="list-style-type: none"> <li>E3.1) Total amount of energy directly consumed</li> <li>E3.2) Total amount of energy indirectly consumed</li> </ul>	GRI 302: Energy 2016		Typically measured in megawatt-hours (MWh) or gigajoules (GJ). Direct energy is produced and consumed on company-owned or operated property. Indirect energy is produced elsewhere (i.e. utilities).	<ul style="list-style-type: none"> <li>Total 592,625 MWh indirect energy consumed</li> </ul>
	E4. Energy Intensity	<ul style="list-style-type: none"> <li>Total direct energy usage per output scaling factor</li> </ul>	GRI 302: Energy 2016		Dividing annual consumption (numerator) by relevant measures of physical scale (denominator). Examples include: revenues, sales, production units, employee headcount, physical floor space.	<ul style="list-style-type: none"> <li>N/a</li> </ul>
	E5. Energy Mix	<ul style="list-style-type: none"> <li>Percentage: Energy usage by generation type</li> </ul>	GRI 302: Energy 2016		Quantifying the specific energy sources most directly used by the company. "Generation type" set by reporting company; examples include renewables, hydro, coal, oil, natural gas.	<ul style="list-style-type: none"> <li>N/a</li> </ul>
	E6. Water Usage	<ul style="list-style-type: none"> <li>E6.1) Total amount of water consumed</li> <li>E6.2) Total amount of water reclaimed</li> </ul>	GRI 303: Water and Effluents 2018		Water consumed, recycled, and reclaimed annually, in cubic metres (m³).	<ul style="list-style-type: none"> <li>Total 7,042 thousand m3 of water consumed</li> <li>N/a</li> </ul>

Category	Metric	Key Question or Calculation	GRI Standard	SDG	Guidelines or Notes	Americana Restaurants Inputs
Environment	E7. Environmental Operations	<ul style="list-style-type: none"> <li>E7.1) Does your company follow a formal Environmental Policy? Yes/No</li> <li>E7.2) Does your company follow specific waste, water, energy, and/or recycling polices? Yes/No</li> <li>E7.3) Does your company use a recognized energy management system?</li> </ul>	GRI 103: Management Approach 2016		Publish a commitment, position statement, or a policy document that covers this subject. Examples of management systems: ISO14001: Environmental management system. ISO 50001: Energy management system.	<ul style="list-style-type: none"> <li>Americana Restaurants' ESG policy and Framework are under development</li> <li>Americana Restaurants does not have a Policy and Framework in place yet, however, Americana Restaurants focuses on initiatives internally to help reduce our environmental footprint. This metric will be addressed by the Americana Restaurants' ESG Policy and Framework</li> </ul>
	E8. Environmental Oversight	<ul style="list-style-type: none"> <li>Does your Management Team oversee and/or manage sustainability issues? Yes/No</li> </ul>	GRI 102: General Disclosures 2016		Does your company cover sustainability issues in senior management (as part of the official agenda) or has a management committee dedicated to sustainability-related issues?	<ul style="list-style-type: none"> <li>Americana Restaurants does not have a Policy and Framework in place yet, however, Americana Restaurants focuses on initiatives internally to help reduce our environmental footprint. This metric will be addressed by the Americana Restaurants' ESG Policy and Framework</li> </ul>
	E9. Environmental Oversight	<ul style="list-style-type: none"> <li>Does your Board oversee and/or manage sustainability issues? Yes/No</li> </ul>	GRI 102: General Disclosures 2016		Does your company cover sustainability issues in board meetings (as part of the official agenda) or has a board committee dedicated to sustainability-related issues?	<ul style="list-style-type: none"> <li>Americana Restaurants does not have a Policy and Framework in place yet, however, Americana Restaurants focuses on initiatives internally to help reduce our environmental footprint. This metric will be addressed by the Americana Restaurants' ESG Policy and Framework</li> </ul>
	E10. Climate Risk Mitigation	<ul style="list-style-type: none"> <li>Total amount invested, annually, in climate-related infrastructure, resilience, and product development</li> </ul>			Companies measure the total AED amount invested in climate-related issues, including R&D spend, if any.	<ul style="list-style-type: none"> <li>N/a</li> </ul>

# Appendix (continued)

## Sustainability (continued)


Category	Metric	Key Question or Calculation	GRI Standard	SDG	Guidelines or Notes	Americana Restaurants Inputs
Social	S1. CEO Pay Ratio	<ul style="list-style-type: none"> <li>S1.1) Ratio: CEO total compensation to median Full Time Equivalent (FTE) total compensation</li> <li>S1.2) Does your company report this metric in regulatory filings? Yes/No</li> </ul>	GRI 102: General Disclosures 2016		As a ratio: the CEO Salary & Bonus (X) to Median (FTE - Full Time Equivalent) Salary, usually expressed as "X:1". Use total compensation, including all bonus payments and incentives.	<ul style="list-style-type: none"> <li>N/a</li> </ul>
	S2. Gender Pay Ratio	<ul style="list-style-type: none"> <li>Ratio: Median male compensation to median female compensation</li> </ul>	GRI 405: Diversity and Equal Opportunity 2016		As a ratio: the median total compensation for men compared to the median total compensation for women. Reported for Full Time Equivalent (FTEs) only; Use total compensation, including all bonus payments and incentives.	<ul style="list-style-type: none"> <li>N/a</li> </ul>
	S3. Employee Turnover	<ul style="list-style-type: none"> <li>S3.1) Percentage: Year-over-year change for full-time employees</li> <li>S3.2) Percentage: Year-over-year change for part-time employees</li> <li>S3.3) Percentage: Year-over-year change for contractors/consultants</li> </ul>	GRI 401: Employment 2016		Percentage of total annual turnover, broken down by various employment types. Turnover includes all job changes, whether due to dismissal, retirement, job transition, or death.	<ul style="list-style-type: none"> <li>Employee turnover for full-time employees decreased by 1.3% YoY</li> <li>Employee turnover for part-time employees increased by 36.6% YoY</li> <li>Employee turnover for contracted employees decreased by 13.9% YoY</li> </ul>
	S4. Gender Diversity	<ul style="list-style-type: none"> <li>S4.1) Percentage: Total enterprise headcount held by men and women</li> <li>S4.2) Percentage: Entry- and mid-level positions held by men and women</li> <li>S4.3) Percentage: Senior- and executive-level positions held by men and women</li> </ul>	GRI 102: General Disclosures 2016 GRI 405: Diversity/Equal Opportunity 2016		Percentage of male-to-female metrics, broken down by various organizational levels.	<ul style="list-style-type: none"> <li>2023 Details (Overall): Male 81.7%; Female 18.3%</li> <li>2023 Details (Entry-level): Male 78.8%; Female 21.2%</li> <li>2023 Details (Senior Exec-level): Male 85.0%; Female 15.0%</li> </ul>
	S5. Temporary Worker Ratio	<ul style="list-style-type: none"> <li>S5.1) Percentage: Total enterprise headcount held by part-time employees</li> <li>S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants</li> </ul>	GRI 102: General Disclosures 2016		Percentage of Full-Time (or FTE- equivalent) positions held by non-traditional workers in the value chain.	<ul style="list-style-type: none"> <li>N/a</li> <li>N/a</li> </ul>

Category	Metric	Key Question or Calculation	GRI Standard	SDG	Guidelines or Notes	Americana Restaurants Inputs
Social	S6. Non-Discrimination	<ul style="list-style-type: none"> <li>Does your company follow non-discrimination policy? Yes/No</li> </ul>	GRI 103: Management Approach 2016		Publish a commitment, position statement, or a policy document that covers this subject.	<ul style="list-style-type: none"> <li>Yes, Americana Restaurants follows a Non-Discrimination policy</li> </ul>
	S7. Injury Rate	<ul style="list-style-type: none"> <li>Percentage: Frequency of injury events relative to total workforce time</li> </ul>	GRI 403: Occupational Health and Safety 2018		Total number of injuries and fatalities, relative to the total workforce.	<ul style="list-style-type: none"> <li>N/a</li> </ul>
	S8. Global Health & Safety	<ul style="list-style-type: none"> <li>Does your company follow an occupational health and/or global health &amp; safety policy? Yes/ No</li> </ul>	GRI 103: Management Approach 2016		Publish a commitment, position statement, or a policy document that covers this subject.	<ul style="list-style-type: none"> <li>Yes, Americana Restaurants follows a Health and Safety policy</li> </ul>
	S9. Child & Forced Labor	<ul style="list-style-type: none"> <li>S9.1) Does your company follow a child and/or forced labor policy? Yes/No</li> <li>S9.2) If yes, does your child and/or forced labor policy also cover suppliers and vendors? Yes/No</li> </ul>	GRI 103: Management Approach 2016		Publish a commitment, position statement, or a policy document that covers this subject.	<ul style="list-style-type: none"> <li>Americana Restaurants follows child/forced labour laws and regulations in its countries of operation</li> <li>There is no separate policy, however, we enforce all our vendors and suppliers to follow the law of the land as part of our agreements with them</li> </ul>
	S10. Human Rights	<ul style="list-style-type: none"> <li>S10.1) Does your company follow a human rights policy? Yes/No</li> <li>S10.2) If yes, does your human rights policy also cover suppliers and vendors? Yes/No</li> </ul>	GRI 103: Management Approach 2016		Publish a commitment, position statement, or a policy document that covers this subject.	<ul style="list-style-type: none"> <li>Americana Restaurants follows the human rights laws and regulations in its countries of operation</li> <li>There is no separate policy, however, we enforce all our vendors and suppliers to follow the law of the land as part of our agreements with them</li> </ul>
	S11. Nationalisation	<ul style="list-style-type: none"> <li>Percentage of national employees</li> </ul>			The percentage of national FTE in the workforce.	<ul style="list-style-type: none"> <li>27% Saudisation in Q4 2023</li> <li>5% Emiratisation in Q4 2023</li> </ul>
	S12. Community Investment	<ul style="list-style-type: none"> <li>Amount invested in the community, as a percentage of company revenues.</li> </ul>	GRI 413: Local Communities 2016		Amount invested in the community, as a percentage of company revenues.	<ul style="list-style-type: none"> <li>N/a</li> </ul>

# Appendix (continued)

## Sustainability (continued)

Category	Metric	Key Question or Calculation	GRI Standard	SDG	Guidelines or Notes	Americana Restaurants Inputs
Governance	G1. Board Diversity	<ul style="list-style-type: none"> <li>G1.1) Percentage: Total board seats occupied by men and women</li> <li>G1.2) Percentage: Committee chairs occupied by men and women</li> </ul>	GRI 405: Diversity and Equal Opportunity 2016		<ul style="list-style-type: none"> <li>The percentage of women at the board</li> <li>The percentage of committee chairs held by women</li> </ul>	<ul style="list-style-type: none"> <li>85.7% Male, 14.3% Female</li> <li>0% Females</li> </ul>
	G2. Board Independence	<ul style="list-style-type: none"> <li>G2.1) Does company prohibit CEO from serving as board chair? Yes/No</li> <li>G2.2) Percentage: Total board seats occupied by independent board members</li> </ul>			<ul style="list-style-type: none"> <li>Highlight the separation of the role of chairman and CEO</li> <li>Disclose the percentage of independent board members</li> </ul>	<ul style="list-style-type: none"> <li>Yes</li> <li>42.9% of the Directors are independent</li> </ul>
	G3. Incentivized Pay	<ul style="list-style-type: none"> <li>Are executives formally incentivized to perform on sustainability?</li> </ul>			Describe links between executive performance and sustainability performance, if any.	<ul style="list-style-type: none"> <li>Americana Restaurants does not have a Policy and Framework in place yet, however, Americana Restaurants focuses on initiatives internally to help reduce our environmental footprint. This metric will be addressed by the Americana Restaurants' ESG Policy and Framework</li> </ul>
	G4. Supplier Code of Conduct	<ul style="list-style-type: none"> <li>G4.1) Are your vendors or suppliers required to follow a Code of Conduct? Yes/No</li> <li>G4.2) If yes, what percentage of your suppliers have formally certified their compliance with the code?</li> </ul>			Publish a commitment, position statement, or a policy document that covers this subject.	<ul style="list-style-type: none"> <li>As a part of our vendor onboarding process, we follow an extensive list of requirements to onboard any vendor or supplier, which helps us to conduct detailed due diligence on the vendor</li> </ul>

Category	Metric	Key Question or Calculation	GRI Standard	SDG	Guidelines or Notes	Americana Restaurants Inputs
Governance	G5. Ethics & Prevention of Corruption	<ul style="list-style-type: none"> <li>G5.1) Does your company follow an Ethics and/or Prevention of Corruption policy? Yes/No</li> <li>G5.2) If yes, what percentage of your workforce has formally certified its compliance with the policy?</li> </ul>			Publish a commitment, position statement, or a policy document that covers this subject.	<ul style="list-style-type: none"> <li>Yes, Americana Restaurants follows a Prevention of Corruption policy</li> <li>N/a</li> </ul>
	G6. Data Privacy	<ul style="list-style-type: none"> <li>G6.1) Does your company follow a Data Privacy policy? Yes/No</li> <li>G6.2) Has your company taken steps to comply with GDPR rules? Yes/No</li> </ul>			Publish a commitment, position statement, or a policy document that covers this subject.	<ul style="list-style-type: none"> <li>Yes, Americana Restaurants follows a Data Privacy policy</li> <li>N/a</li> </ul>
	G7. Sustainability Reporting	<ul style="list-style-type: none"> <li>Does your company publish a sustainability report? Yes/No</li> </ul>			A company can publish a stand-alone sustainability report or integrate sustainability information in its annual report.	<ul style="list-style-type: none"> <li>Yes, an Integrated Report as part of the Annual Report</li> </ul>
	G8. Disclosure Practices	<ul style="list-style-type: none"> <li>G8.1) Does your company provide sustainability data to sustainability reporting frameworks? Yes/No</li> <li>G8.2) Does your company focus on specific UN Sustainable Development Goals (SDGs)? Yes/No</li> <li>G8.3) Does your company set targets and report progress on the UNSDGs? Yes/ No</li> </ul>			Does your company publish a GRI, CDP, SASB, IIRC, or UNGC based	<ul style="list-style-type: none"> <li>Americana Restaurants does not have a Policy and Framework in place yet, however, Americana Restaurants focuses on initiatives internally to help reduce our environmental footprint. This metric will be addressed by the Americana Restaurants' ESG Policy and Framework</li> </ul>
	G9. External Assurance	<ul style="list-style-type: none"> <li>Are your sustainability disclosures assured or verified by a third-party audit firm? Yes/ No</li> </ul>	GRI 103: Management Approach 2016		Please specify whether your sustainability data has been verified by a third party. Please highlight the Key Performance Indicators (KPIs) that have been verified, if any.	<ul style="list-style-type: none"> <li>No</li> </ul>

The figures provided by Americana Restaurants in this Sustainability Report are estimates only and are not to be relied on. Americana Restaurants does not make any representations or warranties related to the figures herein, including their accuracy. While the data and/or models are provided in good faith and in view of transparency, Americana Restaurants does not directly track most of the figures below (e.g., utility consumption, CO<sub>2</sub> emissions, etc.). Further, in many instances, even proxy-data is unavailable (e.g., restaurants where utilities costs are included in rental payments). Therefore, the figures herein are estimates only, based on aggregated proxy-data (e.g., financial data (e.g., costs, accruals, etc.), overall utility spend averages, etc.), and certain projections, assumptions (e.g., foreign-exchange rates), etc.

# Appendix (continued)

## Corporate Governance - Appendix A

### Declarations under Article 87 (39) of the KSA CG Regulations

The Board of Directors declare the following:

- The accounting records were properly prepared;
- The system of internal control is sound in design and has been effectively implemented; and
- There are no significant doubts concerning the Company's ability to continue its activity.

### Non-implemented provisions of the KSA CG Regulations

The Company is in compliance with all applicable provisions contained in the CMA CG Regulations, except the provisions noted below:

Article No.	Provision of the Article	Explanation
Article 5 Paragraphs (4), (5), (7) and (8)	All rights related to shares shall be guaranteed to the shareholder and particularly the following: (4) the right to dispose of his/her shares in accordance with the provisions of the Companies Law, the Capital Market Law and its implementing regulations; (5) the right to enquire and request viewing the books and documents of the Company, including the data and information related to the activities of the Company and its operational and investment strategy without prejudice to the interests of the Company or breach of the Companies Law and the Capital Market Law and their implementing regulations; (7) to hold Board members accountable, to file liability lawsuits against them and appeal for nullification of the resolutions of the General and Special Shareholders Assemblies in accordance with the conditions and restrictions provided in the Companies Law and the bylaws of the Company; and (8) preemptive rights to subscribe for new shares issued in exchange for cash unless otherwise specified in the Company's bylaws or when the Extraordinary General Assembly suspends the pre-emptive rights as per Article (129) of the company's law.	The Company is domiciled in the ADGM and is not subject to the Saudi Companies Law.  Shareholders have all the rights mentioned, however, they will exercise such rights in accordance with the Company's Articles of Association and the ADGM Companies Regulations.
Article 9 (c)	The shareholder is entitled to receive his/her share of dividends as per the decision of the General Assembly in respect of the distribution of dividends to shareholders or the Board resolution on distributing interim dividends. The resolution shall specify the record date and the distribution date provided that the resolution shall be executed as per the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.	The implementation of the resolution will not be in accordance with the Implementing Regulation of the Companies Law for Listed Joint Stock Companies as the Company is an ADGM plc and a not a Saudi listed joint stock company. The shareholders have all the rights mentioned, however, they will exercise such rights in accordance with the Company's Articles of Association and the ADGM Companies Regulations.
Article 11 Paragraphs (4) and (7)	The extraordinary general assembly shall have the following competencies: (4) deciding the use of the reserve allocated for specific purposes in the Company's bylaws; and (7) issuing preferred shares or redeemable shares or approving their buying, or converting a type or class of the Company's shares into another type or class of shares as per the Company's bylaws and the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.	As mentioned above, the Company is domiciled in the ADGM and is not subject to the Saudi Companies Law. The ADGM Companies Regulations: <ul style="list-style-type: none"> <li>• covers the capital redemption reserve and allocation of such reserve requires a special resolution (i.e. 75 per cent approval). There is no statutory requirement in the ADGM Companies Regulations to form any reserve.</li> <li>• does not cover preferred shares. Instead, it covers special classes of shares and alteration of any rights related to any special class of shares requires a special resolution.</li> </ul>

Article No.	Provision of the Article	Explanation
Article 12 Paragraphs (10) and (11)	Except for competencies reserved for the Extraordinary General Assembly, the Ordinary General Assembly shall have the competencies in all affairs of the Company and particularly in the following: (10) deciding the use of the Company's reserves, if such has not been set aside for a specific purpose in the Company's bylaws, provided that using such reserves shall be based on a proposal of the Board and used in ways that benefit the Company or the shareholders; and (11) forming the Company's reserves and determining their uses.	The Company has not created any reserve since there is no statutory requirement in the ADGM Companies Regulations or the Company's Articles of Association for the Company to form any reserve. As mentioned above there is only the capital redemption reserve that may be formed in certain circumstances.
Article 13 Paragraphs (a), (c) and (f)	(a) The Ordinary General assembly shall convene in accordance with the situations and circumstances stated in the Companies Law and its implementing regulations and the Company's bylaws. (c) The General and Special Shareholders' Assemblies shall convene upon an invitation from the Board in accordance with the situations stated in the Companies Law and its implementing regulations and the Company's bylaws. The Board shall invite the Ordinary General Assembly to convene within 30 days from the date of the external auditor request, the Audit Committee or a number of shareholders holding shares equal to at least (10 per cent) of the company's shares that have voting rights. The external auditor may invite the Ordinary General Assembly to convene if the Board does not invite the assembly within thirty days from the date of the external auditor's request. (f) Shareholders shall be granted the opportunity to effectively participate and vote in the General Assembly meetings. The meetings of the General Assemblies of shareholders may be convened and shareholders may participate in their deliberations and vote on their resolutions using methods of contemporary technologies pursuant to the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.	The Company is domiciled in the ADGM and is not subject to the Saudi Companies Law. The ADGM Companies Law provides the following similar requirements in this regard. <ul style="list-style-type: none"> <li>• The general assemblies will be held, and all the procedures followed therein will be in accordance with the Company's Articles of Association and the ADGM Companies Regulations.</li> <li>• Shareholders participation in meetings and the contemporary technology methods used by the Company will be in accordance with the Company's Articles of Association and the ADGM Companies Regulations.</li> </ul>
Article 15 Paragraph (d)	Shareholders shall be granted access to the minutes of the General Assembly meeting; and the Company shall provide the Authority with a copy of such minutes within (10) days of the date of any such meeting.	Shareholders will be granted access to the minutes of the General Assembly meeting. The CMA will be provided minutes of the meeting within 15 days from the date of the meeting at the same time as SCA (the time period is in compliance with SCA's requirements).
Article 23 Paragraph (c)	The Board shall define the competencies and specify the responsibilities of the Chairman, the Vice Chairman, and the Managing Director or the Chief Executive Officer explicitly and in writing if the Company's bylaws has no reference thereto.	The Vice-Chairman's authorities are not specifically defined by the Board. The Board will as soon as practical outline the duties of the Vice-Chairman and the Company's corporate governance handbook will be amended to reflect the same.
Article 39	The Board shall develop, based on the proposal of the nomination committee, the necessary mechanisms to annually assess the performance of the Board, its members and committees and the Executive Management using key performance indicators linked to the extent to which the strategic objectives of the Company have been achieved, the quality of the risk management and the efficiency of the internal control systems, among others, provided that weaknesses and strengths shall be identified and a solution shall be proposed for the same in the best interests of the Company. b) The procedures of performance assessment shall be in writing and clearly stated and disclosed to the Board members and parties concerned with the assessment. c) The performance assessment shall entail an assessment of the skills and experiences of the Board, identification of the weaknesses and strengths of the Board and shall attempt to resolve such weaknesses using the available methods, such as nominating competent professional staff able to improve the performance of the Board. The performance assessment shall also entail the assessment of the mechanisms of the Board's activities in general. d) The individual assessment of the Board members shall take into account the extent of effective participation of the member and his/her commitment to performing his/her duties and responsibilities, including attending the Board and its committees' meetings and dedicating adequate time thereof. e) The Board shall carry out the necessary arrangements to obtain an assessment of its performance from a competent third party every three years. f) Non-Executive Directors shall carry out a periodic assessment of the performance of the Chairman of the Board after getting the opinions of the Executive Directors, without the presence of the Chairman of the Board in the discussion on this matter, provided that weaknesses and strengths shall be identified and a solution shall be proposed for the same in the best interests of the Company.	This article is for guidance purposes only. However, the Company has a Board Evaluation Policy. Committees and senior management are evaluated by the Board.

# Appendix (continued)

## Corporate Governance - Appendix A (continued)

Article No.	Provision of the Article	Explanation
Article 51 Paragraph (c)	The Chairman of the Audit Committee shall be an Independent Director.	This is a guiding article. The Company has obtained an exemption from SCA. Accordingly, the Chairman of the AC is not a Director but he is independent, and has the relevant finance and operational expertise and required knowledge.
Article 65	The Company shall publish the nomination announcement on the websites of the Company and the Exchange and through any other medium specified by the Authority; to invite persons wishing to be nominated to the membership of the Board, provided that the nomination period shall remain open for at least a month from the date of the announcement.	The nomination procedures and timelines will be in line with the requirements of the UAE/ADGM laws.
Chapter 5 Risk Management Committee (Articles 67 – 69)	Risk Management Committee	All the articles relating to the Risk Management Committee are guiding articles.  The Company does not have a Risk Management Committee. However, the Company views risk management as an integral part of its operations and its AC has a comprehensive mandate to manage the same. There is a detailed risk management policy adopted by the company and allocated resources in this function who report to the AC with their findings.
Article 78 Paragraph (2)	The external auditor shall be authorised by the Competent Authority.	The Company has received an exemption from the CMA in this regard and has appointed an external auditor that is duly licensed in the UAE since the Company is an ADGM domiciled company.
Article 80	The Board shall establish clear and written policies and procedures regulating the relationship with Stakeholders with the aim of protecting them and safeguard their rights.	This is a guiding article. Many of the Company's other policies cover general rights of stakeholders, including the AML, anti-bribery, Investor Relations policies.
Article 82	The Company shall establish programmes for developing and encouraging the participation and performance of the Company's employees. The programmes shall particularly include the following: 1) forming committees or holding specialised workshops to hear the opinions of the Company's employees and discuss the issues and topics that are subject to important decisions; 2) establishing a scheme for granting Company shares or a percentage of the Company profits and pension programmes for employees, and setting up an independent fund for such programme; and 3) establishing social organisations for the benefit of the Company's employees.	This is a guiding article. Should the Company decide to provide any specific form of incentives other than bonuses it will ensure that any programmes that are set up comply with the KSA CG Regulations.
Article 84	The Ordinary General Assembly, based on the Board recommendation, shall establish a policy that guarantees a balance between its objectives and those of the community for purposes of developing the social and economic conditions of the community.	This is a guiding article. However, the Company is in the process of developing a policy and expect to have it finalised during 2024.
Article 85 (1)	The Board shall establish programmes and determine the necessary methods for proposing social initiatives by the Company, which include: 1) establishing indicators that link the Company's performance with its social initiatives and comparing it with other companies that engage in similar activities.	This is a guiding article. The Company continuously participates in various social activities and carries out social initiatives aimed at developing the social and economic conditions in of the communities we operate in.

Article No.	Provision of the Article	Explanation
Article 87 (21)	The Board's report shall include the following: (21) any inconsistency with the standards approved by the Saudi Organization for Chartered and Professional Accountants.	Since the Company is domiciled in the ADGM. Therefore, the Company's financial statements are prepared in accordance with IFRS and not the SOCPA standards. The Company has obtained the requisite exemptions in relation thereto.
Article 89 Paragraphs (1) and (2)	The Board shall regulate the disclosures of each of its members and the members of the Executive Management, observing the following: 1) maintaining a register for the disclosures of the Board members and the Executive Management and updating it regularly based on disclosures required as per the Companies Law, the Capital Market Law and their implementing regulations; and 2) making such register available for review by the Company's shareholders free of charge.	The disclosures are made by the Board based on the guidelines under UAE/ADGM laws. The Company has received an exemption from the CMA in this regard. The Company maintains such register in accordance with the regulatory requirements of the UAE.
Article 92	If the Board forms a corporate governance committee, it shall assign to it the competencies stipulated in Article (91) of these Regulations. Such committee shall oversee any matters relating to the implementation of governance, and shall provide the Board with its reports and recommendations at least annually.	This is a guiding article and the Board has not formed any corporate governance committee. However, the corporate governance function is being assumed by the corporate secretary.

### Declarations on the non-applicable provisions under Article 87 of the KSA CGR:

The Board of Directors of the Company declare the following:

- Article 87 (9): there are no punishments, penalty, precautionary procedure or preventive measure imposed on the Company by the Authority or any other supervisory, regulatory or judiciary authority.
- Article 87 (12): there are no recommendations of the AC that conflict with Board resolutions or those which the Board has disregarded relating to the appointment, dismissal, assessment or determining the remuneration of an external auditor, as well as justifications for those recommendations and reasons for disregarding them.
- Article 87 (25): there are no interests in a class of voting shares held by persons (other than the Directors, Senior Executives and their relatives) who have notified the Company of their holdings pursuant to Article 85 of the Rules on the Offer of Securities and Continuing Obligations.
- Article 87 (26): there are no interests, contractual securities or rights issue of the Board members, Senior Executives and their relatives on shares or debt instruments of the Company or its affiliates.
- Article 87 (28): there are no convertible debt instruments, contractual securities, preemptive right or similar rights issued or granted by the Company during the fiscal year 2023.
- Article 87 (29): there are no conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants or similar rights issued or granted by the Company.
- Article 87 (30): there is no redemption, purchase or cancellation by the Company of any redeemable debt instruments and the value of such securities outstanding, distinguishing between those listed securities purchased by the Company and those purchased by its affiliates.
- Article 87 (32): there have been no Company requests of shareholders records, dates and reasons thereof.
- Article 87 (35): there is no arrangement or agreement under which a director or a senior Executive of the company has waived any remuneration.
- Article 87 (36): there is no arrangement or agreement under which a shareholder of the Company has waived any rights to dividends.
- Article 87 (40): there are no reservations in the external auditor's report on the annual financial statements.
- Article 87 (41): the Board has not recommended replacing the external auditor before the end of its term.
- Article 87 (42): no member of the Board is engaging in or was engaging in any competing business with the Company or any of its activities.

# Appendix (continued)

## Corporate Governance - Appendix B

Board Profile Information	
Name	Mr. Mohamed Ali Rashed Alabbar
Designation	Chairman of the Board of Directors
Classification	Non-executive
Qualification	<ul style="list-style-type: none"> <li>Graduate in Finance and Business Administration from Seattle University, USA</li> <li>Honorary Doctorate from Seattle University, USA</li> <li>Honorary Doctorate from the London School of Economics and Political Science, UK</li> <li>Honorary Doctorate from Sun Moon University, South Korea</li> </ul>

Companies Membership			
Membership Company Name	Membership Character	End Session Date	Start Session Date
Kuwait Food Company (Americana) KSCC	Chairman of Board of Directors	Current	5 June 2017
Kuwait Food Company (Americana) KSCC	Chairman of the Nomination and Remunerations Committee	Current	5 June 2017
Adeptio AD Holdings Ltd.	Chairman of Board of Directors	Current	16 March 2016
Adeptio AD Investments Ltd.	Chairman of Board of Directors	Current	16 March 2016
Emaar Properties PJSC	Managing Director	Current	30 December 1997
Emaar Development PJSC	Executive Board Member	Current	20 November 2017
Emaar India Limited	Non-Executive Board Member	Current	7 November 2005
Emaar Middle East	Non-Executive Board Member	Current	7 March 2019
Emaar America Corporation	Non-Executive Board Member	Current	1 March 2010
Emaar Pakistan Holding Limited	Non-Executive Board Member	Current	23 November 2012
Emaar MISR For Development SAE	Non-Executive Board Member	Current	28 March 2019
Emaar Syria Limited	Non-Executive Board Member	Current	23 November 2005
Emaar Giga International FZCO	Non-Executive Board Member	Current	15 January 2004
Emaar Bawadi LLC	Non-Executive Chairman of the Board of Directors	Current	8 November 2020
Emaar Lebanon SAL	Non-Executive Chairman of the Board of Directors	Current	2 August 2016
Zand Bank PJSC	Non-Executive Chairman of the Board of Directors	Current	15 December 2021
Eagle Hills International FZ LLC	Chairman of the Board of Directors	Current	1 October 2015
Eagle Hills Sharjah Development LLC	Non-Executive Vice Chairman of the Board of Directors	Current	29 September 2017
Eagle Hills Diyar Company WLL	Non-Executive Chairman of the Board of Directors	Current	1 January 2015
SUNCE HOTELI (dioničko društvo za turizam i ugostiteljstvo) – joint stock company for tourism and hospitality (Croatia)	Non-Executive Chairman of the Supervisory Board	Current	14 June 2021
Eagle Hills Misr for Project Management Investment SAE	Non-Executive Chairman of the Board of Directors	14 February 2023	25 February 2018

Companies Membership			
Membership Company Name	Membership Character	End Session Date	Start Session Date
Eagle Hills Misr Investment SAE	Non-Executive Chairman of the Board of Directors	Current	25 February 2018
Eagle Hills International Properties/Jordan PSC	Non-Executive Chairman of the Board of Directors	Current	25 August 2019
BWC – BEOGRAD NA VODI DOO	Non-Executive Chairman of the Board of Directors	Current	21 August 2015
BWG – BW GALERIJA DOO	Non-Executive Chairman of the Board of Directors	Current	6 September 2017
BWK – BW KULA DOO	Non-Executive Chairman of the Board of Directors	Current	6 September 2017
Noon Investments Company CJSC	Non-Executive Board Member and Vice Chairman of the Board of Directors	Current	10 August 2017
Noon Investments Company CJSC	Chairman of the Executive Committee, which is a sub-committee of the Board	Current	26 February 2018
Noon Investments Company CJSC	Chairman of Compensation and Benefits Committee, which is a sub-committee of the Board	Current	26 February 2018
Symphony Investment LLC	Chairman of Board of Directors	Current	30 November 2011
ANH Holdings Limited	Member of the Board of Directors	[Under liquidation]	4 November 2015
Eagle Hills Real Estate Development SPHK (formerly Symphony Real Estate Development SPHK)	Member of the Board of Directors	18 August 2023	20 June 2022
Artstreet Limited	Member of the Board of Directors	Current	21 October 2020
Barakat Vegetable & Fruits Company LLC	Board Member – Non-Executive	06 December 2021	21 December 2014
Namshi Holding Limited	Board Member	March 2019	2017
Bab Al Bahr Development Company	Non-Executive Board Member	15 March 2022	30 June 2018
Bab Al Bahr Hospitality	Non-Executive Board Member	15 March 2022	30 June 2018
Eagle Hills Morocco Properties	Non-Executive Board Member	15 March 2022	30 June 2018
Eagle Hills Rabat Hospitality	Non-Executive Board Member	15 March 2022	30 June 2018
Eagle Hills Rabat Real Estate	Non-Executive Board Member	15 March 2022	30 June 2018
Eagle Hills Rabat Square	Non-Executive Board Member	15 March 2022	30 June 2018
Eagle Hills Rabat Square Hospitality	Non-Executive Board Member	15 March 2022	30 June 2018
Eagle Hills Tangiers Port Hospitality	Non-Executive Board Member	15 March 2022	30 June 2018
Eagle Hills Tangiers Port Real Estate	Non-Executive Board Member	15 March 2022	30 June 2018
Tamuda Hospitality	Non-Executive Board Member	15 March 2022	30 June 2018
Tamuda Real Estate	Non-Executive Board Member	15 March 2022	30 June 2018

# Appendix (continued)

## Corporate Governance - Appendix B (continued)

Board Profile Information			
Name	Mr. Abdulmalik Abdullah Al-Hogail		
Designation	Vice Chairman of the Board of Directors		
Classification	Non-executive		
Qualification	<ul style="list-style-type: none"> <li>• Ph.D. in Accountancy from Case Western Reserve University, USA</li> <li>• MA in Accountancy from Case Western Reserve University, USA</li> <li>• Bachelor of Science in Accounting from King Saud University, KSA</li> <li>• Certified Public Accountant Licence from the USA</li> <li>• Licensed certified accountant from the KSA</li> <li>• Certified Management Accountant Licence from the USA</li> <li>• Certified Accountant License in Financial Management from the USA</li> </ul>		

Companies Membership			
Membership Company Name	Membership Character	End Session Date	Start Session Date
Kuwait Food Company (Americana) KSCC	<ul style="list-style-type: none"> <li>• Vice Chairman of the Board of Directors</li> <li>• Member of the Audit Committee</li> </ul>	Current	5 June 2017
Alinma Bank	<ul style="list-style-type: none"> <li>• Independent Chairman of the Board of Directors</li> <li>• Chairman of the Executive Committee</li> <li>• Member of the Nominations and Remunerations Committee</li> </ul>	Current	May 2019
National Shipping Company of Saudi Arabia (Bahri)	<ul style="list-style-type: none"> <li>• Independent Board Member</li> <li>• Chairman of the Audit Committee</li> </ul>	Current	January 2017
	<ul style="list-style-type: none"> <li>• Vice Chairman of the Board of Directors</li> <li>• Member of Strategy and Investment Committee</li> </ul>	January 2023	January 2017
National Chemical Company (Bahri Chemicals)	Independent Chairman of the Board of Directors	January 2023	January 2017
Public Pension Agency (PPA)	<ul style="list-style-type: none"> <li>• Member of the Board of Directors</li> <li>• Chairman of the Audit Committee</li> <li>• Chairman of the Risk, Compliance and Governance Committee</li> </ul>	2021	2017
Saudi Electricity (SEC)	<ul style="list-style-type: none"> <li>• Member of the Board of Directors</li> <li>• Chairman of the Audit Committee</li> <li>• Member of the Risk and Compliance Committee</li> </ul>	2021	2018
Alinma Investment	<ul style="list-style-type: none"> <li>• Member of the Board of Directors</li> <li>• Chairman of the Audit Committee</li> <li>• Member of the Nominations and Remunerations Committee</li> </ul>	2019	2014
Accenture Saudi Arabia	Member of the Board of Directors	2016	2011
Philips Healthcare Saudi Arabia	Member of the Board of Directors	2016	2013
Arabian International Healthcare Holding (Tibbiyah)	Member of the Board of Directors	2020	2014
Electronics & Systems Holding	Member of the Board of Directors	2017	2014
Capital Market Authority (CMA)	Member of the Audit Committee	2018	2016
Saudi Organization for Certified Public Accountants (SOCPA)	Member of the Accounting Standards Committee	2013	2004

Board Profile Information			
Name	Mr. Arif Abdulla Abdulrahman Alharmi Albastaki		
Designation	Board of Director		
Classification	Independent		
Qualification	<ul style="list-style-type: none"> <li>• High Diploma in Banking and Finance from the Higher Colleges of Technology, UAE</li> <li>• Master of International Business from the University of Wollongong, UAE</li> </ul>		

Companies Membership			
Membership Company Name	Membership Character	End Session Date	Start Session Date
Emaar The Economic City	<ul style="list-style-type: none"> <li>• Board Member</li> <li>• Member of the Nomination &amp; Remuneration Committee</li> </ul>	Current	September 2020
	Member of the Executive Committee	May 2023	September 2020
Emaar The Economic City	<ul style="list-style-type: none"> <li>• Chairman of the Nomination &amp; Remuneration Committee</li> </ul>	September 2023	September 2020
Al Salam Bank – Algeria	Board Member, Independent	Current	October 2021
Al Salam Bank – Algeria	Member of Audit Committee	Current	September 2023
Daman – National Health Insurance Company	<ul style="list-style-type: none"> <li>• Board Member</li> <li>• Member of the Investment Committee</li> <li>• Member of the Nomination &amp; Remuneration Committee</li> </ul>	June 2023	October 2020
	Chairman of the Audit Committee	September 2021	December 2020
Daman – National Health Insurance Company	Chairman of the Executive Committee	May 2023	November 2020
Amlak Finance Egypt	Chairman of the Board	March 2023	January 2008
Aramex PJSC	<ul style="list-style-type: none"> <li>• Board Member, Independent</li> <li>• Member of the Strategy Committee</li> <li>• Member of the Nomination &amp; Remuneration Committee</li> </ul>	April 2023	May 2019
	<ul style="list-style-type: none"> <li>• Vice Chairman of the Board</li> <li>• Chairman of the Strategy Committee</li> </ul>	January 2022	July 2020
EII Capital (Formerly Emaar Industries & Investments)	Chairman of the Board	April 2021	December 2012
EFS Financial Services LLC	Chairman of the Board	May 2013	May 2010
TECOM Group PJSC	<ul style="list-style-type: none"> <li>• Vice Chairman of the Board</li> <li>• Chairman of the Investment Committee</li> <li>• Vice Chairman of the Audit &amp; the Risk Committee</li> </ul>	March 2017	May 2012
AWQAF & Minor Affairs Foundation	<ul style="list-style-type: none"> <li>• Board Member</li> <li>• Chairman of the Audit Committee</li> <li>• Member of the Investment Committee</li> </ul>	November 2013	September 2008
Emaar Hospitality Group	<ul style="list-style-type: none"> <li>• Member of Advisory Panel</li> </ul>	Dec 2022	Aug 2020
Al Salam Bank – Algeria	<ul style="list-style-type: none"> <li>• Board Member</li> <li>• Chairman of the Audit Committee</li> </ul>	April 2018	June 2015
Amlak International for Real Estate Development & Finance Co.	<ul style="list-style-type: none"> <li>• Board Member</li> <li>• Member of the Executive Committee</li> </ul>	August 2010	April 2008
Amlak Finance PJSC	<ul style="list-style-type: none"> <li>• Board Member</li> <li>• Member of the Risk Committee</li> <li>• Member of the Nomination &amp; Remuneration Committee</li> </ul>	July 2020	January 2015



# Appendix (continued)

## Corporate Governance - Appendix B (continued)

Board Profile Information			
Name	Mr. Raid Abdullah Ismail		
Designation	Board of Director		
Classification	Non-executive		
Qualification	<ul style="list-style-type: none"> <li>• Master of Business Administration (MBA) from London Business School, UK</li> <li>• Bachelor's degree in Finance Management from George Mason University, USA</li> </ul>		

Companies Membership			
Membership Company Name	Membership Character	End Session Date	Start Session Date
Kuwait Food Company (Americana) KSCC	Member of the Board	Current	15 September 2020
Kuwait Food Company (Americana) KSCC	Member of the Nomination and Remuneration Committee	Current	15 September 2020
GDC Middle East	Chairman of the Board of Directors	Current	2 December 2021
Tahakom Investments Company	Chairman of the Board of Directors	Current	2018
The Helicopter & Jet Company (THC)	Chairman of the Board of Directors	Current	30 July 2018
National Shipping Company of Saudi Arabia (Bahri)	<ul style="list-style-type: none"> <li>• Board Member</li> <li>• Member of the Nomination &amp; Remuneration Committee</li> <li>• Member of the Executive Committee</li> </ul>	Current	2020
Elm Company	<ul style="list-style-type: none"> <li>• Vice Chairman of the Board</li> <li>• Member of the Nomination &amp; Remuneration Committee</li> </ul>	Current	25 November 2021
Elm Company	Member of the Investment Committee	2021	2019
Red Sea Cruise Company	<ul style="list-style-type: none"> <li>• Board Member</li> <li>• Member of the Executive Committee</li> <li>• Member of Nomination &amp; Remuneration Committee</li> </ul>	Current	26 December 2019
National Unified Procurement Company (NUPCO)	<ul style="list-style-type: none"> <li>• Board Member</li> <li>• Member of the Nomination &amp; Remuneration Committee</li> <li>• Member of the Executive Committee</li> </ul>	Current	1 January 2022
Aviation Services Company (Riyadh Air)	<ul style="list-style-type: none"> <li>• Member of the Board</li> <li>• Chairman of the Executive Committee</li> <li>• Member of the Fleet &amp; Network Committee</li> </ul>	Current	1 December 2021
ACWA Power	Member of the Board	2021	2018
Noon Investment Company	Member of the Board	Current	10 August 2022
Water Solutions Company	Member of the Board	Current	21 November 2021
Saudi Company for Artificial Intelligence (SCAI)	<ul style="list-style-type: none"> <li>• Vice Chairman of the Board</li> <li>• Chairman of the Audit Committee</li> </ul>	Current	10 April 2022
Saudi Information Technology Company (SITE)	Member of the Nomination & Remuneration Committee	Current	5 June 2022
Saudi Electronic Gaming Holding Company (Savvy Games Group)	Member of the Executive Committee	Current	16 November 2021
Al Nasser Company Club	<ul style="list-style-type: none"> <li>• Board Member</li> <li>• Chairman of the Executive Committee</li> </ul>	Current	5 July 2023
Kayanee Company	Board Member	Current	8 May 2021

Board Profile Information	
Name	Mr. Graham Denis Allan
Designation	Board of Director
Classification	Independent
Qualifications	<ul style="list-style-type: none"> <li>• Bachelor of Economics from Monash University, Australia</li> <li>• Bachelor of Laws (Hons) from Monash University, Australia</li> <li>• Admitted as Barrister and Solicitor of the Supreme Court of Victoria, Australia</li> <li>• Master of Business Administration (awarded highest achieving student in each year) from the University of Melbourne, Australia</li> </ul>

Companies Membership			
Membership Company Name	Membership Character	End Session Date	Start Session Date
Kuwait Food Company (Americana) KSCC	Independent Board Member	17 October 2022	May 2019
Bata Footwear Company	Chairman of Board of Directors (Non-executive)	Current	2018
Intertek PLC	Board Member (Non-executive)	Current	2017
IHG PLC	Board Member (Non-executive)	Current	2020
Associated British Foods PLC	Board Member (Non-executive)	Current	2018
Associated British Foods PLC	Chair of the Remuneration Committee	Current	2023
Ikano Retail Pte Ltd	Board Member	Current	2021

Board Profile Information	
Name	Mr. Kesri Singh
Designation	Board of Director
Classification	Non-executive
Qualification	<ul style="list-style-type: none"> <li>• Certificate in the General Management Program from Harvard Business School, USA</li> <li>• Master of Business Administration from the University of Rajasthan, India</li> <li>• Bachelor of Mechanical Engineering from Bangalore University, India</li> </ul>

Companies Membership			
Membership Company Name	Membership Character	End Session Date	Start Session Date
Americana Restaurants Investments Group Company LLC	Chairman of the Board of Directors	Current	May 2019
Americana Foods Investments Group Company LLC	Chairman of the Board of Directors	Current	May 2019
Americana Company for Restaurants Holding LTD	Board Member	Current	September 2019
Americana Holding for Egyptian Restaurants LTD	Board Member	Current	May 2019
Americana Holding for KSA Restaurants LTD	Board Member	Current	May 2019
Americana Holding for Restaurants LTD	Board Member	Current	May 2019
Americana Holding for UAE Restaurants LTD	Board Member	Current	May 2019
Americana Holding for Food LTD	Board Member	Current	May 2019

# Appendix (continued)

## Corporate Governance - Appendix B (continued)

Companies Membership			
Membership Company Name	Membership Character	End Session Date	Start Session Date
The Egyptian Holding Company for Poultry LTD (Formerly "Americana Holding for Egypt Food LTD")	Board Member	Current	May 2019
Americana Holding for KSA Food LTD	Board Member	Current	May 2019
Americana Holding for UAE Food LTD	Board Member	Current	May 2019
Americana Company for Food Holding LTD	Board Member	Current	September 2019
Americana Prime Investments Limited	Board Member	Current	March 2021
Americana Gulf Investments Limited (Company dissolved on 7 Dec 2023)	Board Member	7 Dec 2023	March 2021
Kuwait Food Co. Americana LLC	Chairman of the Board of Directors	Current	March 2019
Kuwait Food Co Americana Main Office One Person Company LLC	Chairman of the Board of Directors	Current	October 2019
Gulf Food Industries Company (California Garden) FZE	Board Member	Current	November 2019
Gulf Food Trading – California Garden LLC	Chairman of the Board of Directors	Current	November 2019
Gulf Food Company Americana LLC	Chairman of the Board of Directors	Current	December 2019
Americana Company for Food and Restaurants Services LLC	Chairman of the Board of Directors	Current	August 2022
Wealthy Ideas Pte. Ltd.	Board Member	Current	2016

Board Profile Information	
Name	Mrs. Tracy Ann Gehlan
Designation	Board of Director
Classification	Independent
Qualification	<ul style="list-style-type: none"> <li>Degree in Law and Welfare (Family Law) from Newcastle University, UK</li> <li>Advanced Food Hygiene Certification from Group Training Techniques GTT, UK</li> </ul>

Companies Membership			
Membership Company Name	Membership Character	End Session Date	Start Session Date
Kuwait Food Company (Americana) KSCC	Independent Board Member	17 October 2022	15 September 2019
Smashburger UK	Managing Director	August 2018	September 2016
Jatomi Fitness (Pure Health and Fitness)	Member of the Board of Directors	June 2016	April 2015
Scottish Retail Consortium	Member of the Board of Directors	2011	2008