

**Americana Restaurants International PLC**



**Condensed consolidated interim financial statements and  
independent auditor's review report for the six-month  
period ended 30 June 2024**

# Americana Restaurants International PLC

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# Americana Restaurants International PLC

## DIRECTORS' REPORT

### Company overview:

Americana Restaurants International PLC and its subsidiaries (together “Americana Restaurants” or “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, 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 is listed on the Abu Dhabi Securities Exchange (“ADX”) and Saudi Stock Exchange (“Tadawul”).

### Diverse portfolio with presence across categories:

The Group operates 2,477 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.

On 24 April 2024, Americana Restaurants held its Annual General Meeting where shareholders approved USD 0.0213 dividend per share amounting to total cash dividends of USD 179.4 million based on the results for the year ended 31 December 2023. This comprises of:

- (a) a cash dividend of USD 0.0154 per share amounting to USD 129.7 million; and
- (b) a one-off cash dividend of USD 0.0059 per share amounting to USD 49.7 million.

The dividends declared of USD 179.4 million were settled in cash during May 2024.

### Members of the Board of Directors:

The Board 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; and
- Graham Denis Allan, Independent.

### Financial information:

For the six-month period ended 30 June 2024, the Group achieved USD 1,052.8 million in revenues (30 June 2023: USD 1,241.5 million), resulting in total net profit of USD 77.7 million (30 June 2023: USD 146.9 million). Total assets decreased to USD 1,425.2 million at 30 June 2024 (31 December 2023: USD 1,556.9 million).

### Statement of disclosure to auditors:

To the best of our knowledge, the condensed consolidated interim financial statements are prepared, in all material respects, in accordance with IAS 34.

On behalf of the board,



Mohamed Ali Rashed Alabbar  
Chairman  
Americana Restaurants International PLC

29 July 2024



# Review report on condensed consolidated interim financial statements to the Board of Directors of Americana Restaurants International PLC

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## Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Americana Restaurants International PLC and its subsidiaries (the “Group”) as at 30 June 2024 and the related condensed consolidated interim statements of income and comprehensive income for the three-month and six-month periods then ended, and condensed consolidated interim statements of changes in equity and cash flows for the six-month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 ‘Interim Financial Reporting’ (IAS 34). Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

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## Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, ‘Review of interim financial information performed by the independent auditor of the entity’. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

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

A handwritten signature in blue ink, appearing to read 'W. El Afchal', is written over a light blue horizontal line.

29 July 2024

**Americana Restaurants International PLC**  
**Condensed consolidated interim statement of financial position as at**



	Note	US Dollars'000	
		30 June 2024	31 December 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	5	317,391	327,220
Right of use assets	10	509,121	498,503
Investment properties		3,628	4,821
Intangible assets	6	62,959	67,424
Trade and other receivables	7	7,372	7,372
Deferred tax assets		2,656	3,011
<b>Total non-current assets</b>		<b>903,127</b>	<b>908,351</b>
<b>Current assets</b>			
Inventories		133,972	155,593
Trade and other receivables	7	129,325	109,332
Due from related parties	14	295	42
Short term deposits with banks	8	151,149	295,933
Cash and cash equivalents	8	107,308	87,608
<b>Total current assets</b>		<b>522,049</b>	<b>648,508</b>
<b>Total assets</b>		<b>1,425,176</b>	<b>1,556,859</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Non-current liabilities</b>			
Lease liabilities	10	347,646	341,223
Provision for employees' end of service benefits		67,871	68,561
Trade and other payables		30,594	36,362
Deferred tax liabilities		1,922	1,630
<b>Total non-current liabilities</b>		<b>448,033</b>	<b>447,776</b>
<b>Current liabilities</b>			
Bank facilities	9	2,113	4,375
Lease liabilities	10	174,018	165,959
Income tax, zakat and other deductions payable		11,521	13,894
Trade and other payables		413,748	434,206
Due to related parties	14	14,641	18,248
Provisions for legal, tax and other claims	11	18,635	21,021
<b>Total current liabilities</b>		<b>634,676</b>	<b>657,703</b>
<b>Total liabilities</b>		<b>1,082,709</b>	<b>1,105,479</b>
<b>Equity</b>			
Share capital	12	168,473	168,473
Retained earnings		193,901	292,715
Foreign currency translation reserve		(28,714)	(21,822)
Equity attributable to shareholders of the Parent Company		333,660	439,366
Non-controlling interests	13	8,807	12,014
<b>Total equity</b>		<b>342,467</b>	<b>451,380</b>
<b>Total liabilities and equity</b>		<b>1,425,176</b>	<b>1,556,859</b>

To the best of our knowledge, the condensed consolidated interim financial statements are prepared, in all material respects, in accordance with IAS 34.

Harsh Bansal  
Chief Financial Officer

Amarpal Sandhu  
Chief Executive Officer

Abdulmalik Al Hogail  
Vice Chairman

Mohamed Ali  
Rashed Alabbar  
Chairman

**Americana Restaurants International PLC**  
**Condensed consolidated interim statement of income for the**

		US Dollars'000				
		Three-month period ended 30 June		Six-month period ended 30 June		
Note		2024	2023	2024	2023	
	Revenues	15	559,261	652,062	1,052,764	1,241,486
	Cost of revenues		(258,161)	(307,397)	(497,457)	(596,286)
	<b>Gross profit</b>		<b>301,100</b>	344,665	<b>555,307</b>	645,200
	Selling and marketing expenses		(194,667)	(197,126)	(369,762)	(383,781)
	General and administrative expenses		(48,618)	(50,864)	(96,598)	(97,878)
	Other income		1,937	5,201	4,450	6,023
	Monetary gain / (loss) from hyperinflation	4	288	(1,242)	774	(2,445)
	Net impairment allowance on financial assets	7	(38)	(336)	(73)	(727)
	<b>Operating profit</b>		<b>60,002</b>	100,298	<b>94,098</b>	166,392
	Finance income		3,903	2,601	8,975	5,543
	Finance costs		(8,299)	(7,867)	(16,954)	(15,241)
	<b>Profit before income tax and zakat</b>		<b>55,606</b>	95,032	<b>86,119</b>	156,694
	Income tax and zakat		(4,543)	(6,914)	(8,395)	(9,785)
	<b>Net profit for the period</b>		<b>51,063</b>	88,118	<b>77,724</b>	146,909
	<b>Attributable to:</b>					
	The shareholders of the Parent Company		51,936	86,638	79,960	144,767
	Non-controlling interests		(873)	1,480	(2,236)	2,142
			<b>51,063</b>	88,118	<b>77,724</b>	146,909

		US Dollars'000				
		Three-month period ended 30 June		Six-month period ended 30 June		
Note		2024	2023	2024	2023	
	<b>Earnings per share</b>					
	Basic and diluted earnings per share	21	0.0062	0.0103	0.0095	0.0172

**Americana Restaurants International PLC**  
**Condensed consolidated interim statement of comprehensive income for the**

	US Dollars'000			
	Three-month period ended		Six-month period ended	
	30 June		30 June	
	2024	2023	2024	2023
<b>Net profit for the period</b>	<b>51,063</b>	88,118	<b>77,724</b>	146,909
<b>Other comprehensive income items</b>				
<i>Items that will not be reclassified subsequently to condensed consolidated interim statement of income:</i>				
Remeasurement of employees' end of service benefits	(210)	590	651	927
<i>Items that may be reclassified subsequently to condensed consolidated interim statement of income:</i>				
Exchange differences on translating foreign operations including the effect of hyperinflation	(1,648)	3,225	(6,909)	(859)
Total other comprehensive (loss) / income	(1,858)	3,815	(6,258)	68
<b>Total comprehensive income for the period</b>	<b>49,205</b>	91,933	<b>71,466</b>	146,977
<b>Attributable to:</b>				
The shareholders of the Parent Company	50,076	90,442	73,718	144,825
Non-controlling interests	(871)	1,491	(2,252)	2,152
	<b>49,205</b>	91,933	<b>71,466</b>	146,977

## Americana Restaurants International PLC

### Condensed consolidated interim statement of changes in equity for the six-month period ended 30 June

US Dollars'000						
Equity attributable to shareholders of the Parent Company						
Note	Share capital	Retained earnings	Foreign currency translation reserve	Total	Non- controlling interests	Total equity
<b>Balance at 1 January 2024</b>	<b>168,473</b>	<b>292,715</b>	<b>(21,822)</b>	<b>439,366</b>	<b>12,014</b>	<b>451,380</b>
Net profit for the period	-	79,960	-	79,960	(2,236)	77,724
<i>Other comprehensive income:</i>						
Remeasurement of employees' end of service benefits	-	650	-	650	1	651
Hyperinflation adjustment	-	-	205	205	-	205
Foreign currencies translation differences	-	-	(7,097)	(7,097)	(17)	(7,114)
<b>Total comprehensive income</b>	<b>-</b>	<b>80,610</b>	<b>(6,892)</b>	<b>73,718</b>	<b>(2,252)</b>	<b>71,466</b>
<i>Transactions with owners in their capacity as owners:</i>						
Changes in non-controlling interest	-	-	-	-	(955)	(955)
Dividends	-	(179,424)	-	(179,424)	-	(179,424)
<b>Balance at 30 June 2024</b>	<b>168,473</b>	<b>193,901</b>	<b>(28,714)</b>	<b>333,660</b>	<b>8,807</b>	<b>342,467</b>

**Americana Restaurants International PLC**
**Condensed consolidated interim statement of changes in equity for the six-month period ended 30 June**

US Dollars'000						
Equity attributable to shareholders of the Parent Company						
Note	Share capital	Retained earnings	Foreign currency translation reserve	Total	Non- controlling interests	Total equity
<b>Balance at 1 January 2023</b>	168,473	139,205	(23,113)	284,565	11,186	295,751
Net profit for the period	-	144,767	-	144,767	2,142	146,909
<i>Other comprehensive income:</i>						
Remeasurement of employees' end of service benefits	-	927	-	927	-	927
Hyperinflation adjustment	-	-	6,393	6,393	-	6,393
Foreign currencies translation differences	-	-	(7,262)	(7,262)	10	(7,252)
<b>Total comprehensive income</b>	-	145,694	(869)	144,825	2,152	146,977
<i>Transactions with owners in their capacity as owners:</i>						
Changes in non-controlling interest	-	-	-	-	(3,076)	(3,076)
Dividends	-	(103,470)	-	(103,470)	-	(103,470)
<b>Balance at 30 June 2023</b>	<b>168,473</b>	<b>181,429</b>	<b>(23,982)</b>	<b>325,920</b>	<b>10,262</b>	<b>336,182</b>

**Americana Restaurants International PLC**  
**Condensed consolidated interim statement of cashflows**  
**for the six-month period ended 30 June**



	Note	US Dollars'000	
		2024	2023
<b>Cash flows from operating activities</b>			
Profit before income tax and zakat for the period		86,119	156,694
<b>Adjustments for:</b>			
Depreciation and amortisation		136,998	121,851
Provision for employees' end of service benefits, net of transfers		5,325	4,621
Impairment allowance on financial assets	7	73	727
Provision for obsolete, slow moving, and defective inventories		1,472	1,167
Impairment losses of non-financial assets	4	1,927	50
Loss on disposal of property and equipment and intangible assets		1,149	1,435
Finance income		(8,975)	(5,543)
Finance cost		16,954	15,241
Recognition of deferred gain on derivative financial instrument in other income		-	(939)
Hyperinflation impact		(375)	1,684
<b>Operating cash flows before changes in working capital</b>		<b>240,667</b>	<b>296,988</b>
Payments of employees' end of service benefits		(7,143)	(5,440)
Income tax paid		(7,735)	(5,003)
<b>Changes in working capital:</b>			
Trade and other receivables		(18,898)	(26,800)
Due from related parties		(253)	132
Inventories		20,100	34,412
Due to related parties		(3,607)	579
Trade and other payables, other liabilities and taxes		(20,867)	(30,076)
<b>Net cash generated from operating activities</b>		<b>202,264</b>	<b>264,792</b>
<b>Cash flows from investing activities</b>			
Decrease / (increase) in fixed deposits with original maturity of more than three months		144,784	(185,800)
Purchase of property and equipment		(48,967)	(37,029)
Proceeds from sale of property and equipment		378	326
Purchase of intangible assets	6	(4,833)	(9,009)
Payments for key money	10	(260)	(3,479)
Interest received on short term deposits and cash at banks		8,204	5,543
<b>Net cash generated from / (used in) investing activities</b>		<b>99,306</b>	<b>(229,448)</b>
<b>Cash flows from financing activities</b>			
Dividends paid	22	(179,424)	(103,310)
Payments of finance costs		(81)	(1,274)
Other changes in non-controlling interest	13	(955)	(3,076)
Lease payments – principal element		(85,435)	(89,302)
Lease payments – interest on lease liabilities		(15,115)	(12,432)
<b>Net cash used in financing activities</b>		<b>(281,010)</b>	<b>(209,394)</b>
<b>Net change in cash and cash equivalents</b>		<b>20,560</b>	<b>(174,050)</b>
Foreign currency translation differences		1,402	2,420
Cash and cash equivalents at the beginning of the period		83,233	285,968
<b>Cash and cash equivalents at the end of the period</b>	8	<b>105,195</b>	<b>114,338</b>

## **1 GENERAL INFORMATION**

Americana Restaurants International PLC (“Americana Restaurants” or the “Parent Company”, together with the subsidiaries called the “Group”) 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. On 12 December 2022, Americana Restaurants was listed 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.

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.

Americana Restaurants is majorly owned by Adeptio AD Investments Ltd (the “Intermediate Parent Company”) which owns 66.03% investment in the Group. 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 condensed consolidated interim financial statements were approved for issue by the Board of Directors on 29 July 2024.

## **2 SUMMARY OF MATERIAL ACCOUNTING POLICIES**

### **2.1 Statement of compliance**

The condensed consolidated interim financial statements for the six-month period ended have been prepared in accordance with IAS 34, ‘Interim financial reporting’. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the condensed consolidated interim statement of financial position. The condensed consolidated interim financial statements do not include all the information required for full annual consolidated financial statements prepared in accordance with IFRS Accounting Standards (“IFRS”), IAS Accounting Standards (“IAS”) and Interpretations developed by the IFRS Interpretations Committee (“IFRS IC Interpretations”) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

### **2.2 Basis of preparation**

The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2023.

The condensed consolidated interim financial statements have been prepared on a historical cost convention unless otherwise stated in the accounting policies. These condensed consolidated interim financial statements comprise the condensed consolidated financial information of the Group for the six-month period ended 30 June 2024.

The preparation of the condensed consolidated interim 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 condensed consolidated interim financial statements are disclosed in Note 4. These have been applied consistently for all periods presented.

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

### **2.3 Seasonality of operations**

The Group's business is subject to moderate seasonal fluctuations, of which is affected by the holy month of Ramadan and Eid. Average restaurant sales are typically lower in Ramadan and higher during the Eid period. As a result of moderate seasonal fluctuations, results for any quarter are not necessarily indicative of the results that may be achieved for any quarter or for the full fiscal year.

### **2.4 New standards, amendments, and interpretations**

There are no new standards issued, however, there are a number of amendments to standards which are effective from 1 January 2024 and have been explained in the Group's annual consolidated financial statements for the year ended 31 December 2023. These amendments do not have a material effect on the Group's condensed consolidated interim financial statements for the six-month period ended 30 June 2024.

### **2.5 Accounting policies**

The same accounting policies and methods of computation have been followed in these condensed consolidated interim financial statements as compared with the Group's recent annual consolidated financial statements for the year ended 31 December 2023.

### **2.6 Dividends distributions**

Dividends to the Group's shareholders are recognised in the condensed consolidated interim financial statements in the period in which the dividends are approved by the Group's shareholders.

## **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 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.

The condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual consolidated financial statements; they should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2023. There have been no changes in the risk management department or in any risk management policies since the year ended 31 December 2023.

#### *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.

There are no other significant changes on the liquidity risk from that disclosed in the Group's annual consolidated financial statements for the year ended 31 December 2023.

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed consolidated interim 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. In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's annual consolidated financial statements for the year ended 31 December 2023.

### 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. The Group is the largest shareholder with a 40% equity interest and 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*

Americana Restaurants 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 an 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:

<b>Date</b>	<b>Base year</b>	<b>General price index</b>	<b>Inflation rate (%)</b>
<b>30 June 2024</b>	<b>2019</b>	<b>6,433</b>	<b>5,899%</b>
31 December 2023	2019	5,978	5,475%
30 June 2023	2019	4,243	3,857%

#### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

##### Critical judgements (continued)

##### *Hyperinflation* (continued)

The impact of adjusting Americana Restaurants' results for the effects of hyperinflation is set out below:

	US Dollars'000	
	<b>Six-month period ended 30 June 2024</b>	Six-month period ended 30 June 2023
<b>Income statement</b>		
Increase in revenues	85	1,212
Monetary gain / (loss) from hyperinflation	774	(2,445)
Increase in cost of revenues	(32)	(575)
Increase in selling and marketing expenses	(333)	(641)
Increase in general and administrative expenses	(52)	(69)
Others	98	834
<b>Increase / (decrease) in profit after tax</b>	<b>540</b>	<b>(1,684)</b>

##### 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 889,471 thousand as at 30 June 2024 (31 December 2023: USD 893,147 thousand, 30 June 2023: USD 809,981 thousand). The impairment losses recognised in the condensed consolidated interim statement of income on these non-financial assets are as follows:

	US Dollars'000	
	<b>Six-month period ended 30 June 2024</b>	Six-month period ended 30 June 2023
Property and equipment (Note 5)	1,462	98
Right of use assets (Note 10)	490	(25)
Intangible assets (Note 6)	(25)	(23)
<b>Total</b>	<b>1,927</b>	<b>50</b>

#### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

##### Critical accounting estimates and assumptions (continued)

##### Impairment of non-financial assets (continued)

The following table presents Americana Restaurants' key assumptions and the effect of the sensitivity analysis on the condensed consolidated interim statement of comprehensive income on those assumptions:

	Change in assumption	Headroom / (Impairment) of non-financial assets			
		US Dollars'000			
		Six-month period ended 30 June 2024		Six-month period ended 30 June 2023	
Growth rate	+/-0.5%	438	(595)	13	(13)
Discount rate	+/-0.5%	(596)	517	(11)	12
EBITDA margin	+/-1.0%	1,064	(1,572)	29	(95)

Key assumptions used in value in use calculations for the period ended 30 June 2024 and 2023 are as follows:

	CGUs impairment testing: Key assumptions 30 June 2024			
	Major GCC	Lower Gulf	North Africa	Others
Growth rate	5%	6% - 7%	6% - 19%	6% - 27%
Discount rate	10 - 11%	10% - 13%	12% - 19%	12% - 31%
Increase/decrease in EBITDA margin	2% - 3%	1% - 3%	2% - 33%	2% - 180%

	CGUs impairment testing: Key assumptions 30 June 2023			
	Major GCC	Lower Gulf	North Africa	Others
Growth rate	5%	5% - 7%	6% - 19%	6% - 27%
Discount rate	11%	11% - 16%	14% - 18%	13% - 32%
Increase/decrease in EBITDA margin	2% - 3%	2% - 3%	2% - 22%	2% - 240%

##### 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.

##### 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.

##### 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. The Lebanese Pound has been pegged at Lebanese Lira ("LL") 15,000 per USD ("official exchange rate") for the six-month period ended 30 June 2024 and the year ended 31 December 2023.

#### **4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS** (continued)

##### **Critical accounting estimates and assumptions** (continued)

###### *Foreign currency translation - International Touristic Projects Lebanese Co. (continued)*

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 30 June 2024 and 31 December 2023.

###### *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 condensed consolidated interim financial statements**  
**for the six-month period ended 30 June 2024** (continued)



**5 PROPERTY AND EQUIPMENT**

	US Dollars'000						
	Land	Leasehold improvements and furniture	Buildings and cold rooms	Equipment and tools	Vehicles	Capital work in progress	Total
<b>Cost</b>							
As at 1 January 2024	18,606	488,970	89,730	353,507	16,996	17,172	984,981
Additions	-	6,558	1,023	14,056	242	19,857	41,736
Disposals	-	(12,309)	(5,115)	(6,618)	(680)	(125)	(24,847)
Hyperinflation adjustment	1,816	2,160	2,539	1,699	85	-	8,299
Transfers	-	(40,435)	20,552	36,851	(87)	(18,290)	(1,409)
Foreign currency translation difference	(1,523)	(8,241)	(3,225)	(7,845)	(381)	(539)	(21,754)
<b>As at 30 June 2024</b>	<b>18,899</b>	<b>436,703</b>	<b>105,504</b>	<b>391,650</b>	<b>16,175</b>	<b>18,075</b>	<b>987,006</b>
<b>Accumulated depreciation and impairment</b>							
As at 1 January 2024	-	339,124	76,409	229,786	12,442	-	657,761
Charge for the period	-	19,273	2,457	17,110	844	-	39,684
Disposals	-	(11,787)	(4,955)	(6,421)	(676)	-	(23,839)
Hyperinflation adjustment	-	1,975	2,184	1,571	85	-	5,815
Transfers	-	(37,842)	14,276	23,135	(55)	-	(486)
Impairment loss	-	1,410	1	51	-	-	1,462
Foreign currency translation difference	-	(4,183)	(1,864)	(4,447)	(288)	-	(10,782)
<b>As at 30 June 2024</b>	<b>-</b>	<b>307,970</b>	<b>88,508</b>	<b>260,785</b>	<b>12,352</b>	<b>-</b>	<b>669,615</b>
<b>Net book amount</b>							
<b>As at 30 June 2024</b>	<b>18,899</b>	<b>128,733</b>	<b>16,996</b>	<b>130,865</b>	<b>3,823</b>	<b>18,075</b>	<b>317,391</b>

Capital work in progress mainly comprises of outlets under construction and equipment under assembly.

**Americana Restaurants International PLC**  
**Notes to the condensed consolidated interim financial statements**  
**for the six-month period ended 30 June 2024** (continued)



**5 PROPERTY AND EQUIPMENT** (continued)

	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>							
<b>As at 31 December 2023</b>	<b>18,606</b>	<b>149,846</b>	<b>13,321</b>	<b>123,721</b>	<b>4,554</b>	<b>17,172</b>	<b>327,220</b>

Capital work in progress mainly comprises of outlets under construction and equipment under assembly.

**Americana Restaurants International PLC**  
**Notes to the condensed consolidated interim financial statements**  
**for the six-month period ended 30 June 2024** (continued)



**6 INTANGIBLE ASSETS**

	US Dollars'000					Total
	Franchise and agencies	Software	Goodwill	Work in progress	Others	
<b>Cost</b>						
As at 1 January 2024	68,092	42,407	8,458	3,342	187	122,486
Additions	1,743	254	-	2,836	-	4,833
Transfers	99	3,795	-	(3,572)	-	322
Hyperinflation adjustment	341	-	-	-	-	341
Disposals	(2,748)	(50)	-	-	(187)	(2,985)
Foreign currency translation difference	(2,033)	(421)	-	(1)	-	(2,455)
<b>As at 30 June 2024</b>	<b>65,494</b>	<b>45,985</b>	<b>8,458</b>	<b>2,605</b>	<b>-</b>	<b>122,542</b>
<b>Accumulated amortisation and impairment</b>						
As at 1 January 2024	39,085	15,790	-	-	187	55,062
Amortisation	2,195	3,914	-	-	-	6,109
Transfers	-	155	-	-	-	155
Disposals	(749)	(33)	-	-	(187)	(969)
Hyperinflation adjustment	236	-	-	-	-	236
Reversal of impairment	-	(25)	-	-	-	(25)
Foreign currency translation difference	(731)	(254)	-	-	-	(985)
<b>As at 30 June 2024</b>	<b>40,036</b>	<b>19,547</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>59,583</b>
<b>Net book amount</b>						
<b>As at 30 June 2024</b>	<b>25,458</b>	<b>26,438</b>	<b>8,458</b>	<b>2,605</b>	<b>-</b>	<b>62,959</b>

'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.

**Americana Restaurants International PLC**  
**Notes to the condensed consolidated interim financial statements**  
**for the six-month period ended 30 June 2024** (continued)



**6 INTANGIBLE ASSETS** (continued)

	US Dollars'000					Total
	Franchise and agencies	Software	Goodwill	Work in progress	Others	
<b>Cost</b>						
As at 1 January 2023	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>As 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>						
As at 1 January 2023	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>As 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>As 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>

'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.

## 7 TRADE AND OTHER RECEIVABLES

	US Dollars'000	
	<b>30 June 2024</b>	31 December 2023
Trade receivable	<b>35,560</b>	32,039
Less: loss allowance	<b>(1,197)</b>	(1,242)
	<b>34,363</b>	30,797
Prepaid expenses	<b>52,705</b>	39,570
Advances to suppliers	<b>4,640</b>	2,811
Refundable deposits	<b>15,074</b>	15,840
Accrued income	<b>13,314</b>	12,391
Insurance receivables	<b>527</b>	498
Staff receivables	<b>2,152</b>	2,275
Others	<b>13,922</b>	12,522
	<b>136,697</b>	116,704

Analysed as follows:

	US Dollars'000	
	<b>30 June 2024</b>	31 December 2023
Current portion	<b>129,325</b>	109,332
Non-current portion	<b>7,372</b>	7,372
	<b>136,697</b>	116,704

The Group has a broad base of customers with no concentration of credit risk within trade receivables at 30 June 2024 and 31 December 2023.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable:

	US Dollars'000	
	<b>30 June 2024</b>	31 December 2023
Up to 3 months	<b>34,535</b>	30,872
3 to 6 months	<b>99</b>	124
Over 6 months	<b>926</b>	1,043
	<b>35,560</b>	32,039

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 926 thousand (2023: 100% amounting to USD 1,043 thousand).

Balances between 3 to 6 months had an expected credit loss allowance of 39% amounting to USD 39 thousand (2023: 43% amounting to USD 54 thousand). Balances up to 3 months had an expected credit loss allowance of 0.7% amounting to USD 232 thousand (2023: 0.5% amounting to USD 145 thousand).

Movement in the loss allowance on trade receivables during the period/year:

	US Dollars'000	
	<b>30 June 2024</b>	31 December 2023
Balance at 1 January	<b>1,242</b>	1,315
Charge during the period/year	<b>73</b>	758
Write-offs against the loss allowance on trade receivables	<b>(76)</b>	(704)
Foreign currency translation differences	<b>(42)</b>	(127)
	<b>1,197</b>	1,242

The other classes within trade and other receivables do not contain impaired assets and are not exposed to significant credit risk.

## 7 TRADE AND OTHER RECEIVABLES (continued)

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

	US Dollars'000	
	30 June 2024	31 December 2023
UAE Dirham	12,272	12,059
Saudi Riyal	7,874	6,768
Egyptian Pound	1,155	1,010
Kuwaiti Dinar	3,745	2,979
US Dollar	329	158
Other	10,185	9,065
	<b>35,560</b>	<b>32,039</b>

The carrying value less loss allowance on trade receivables is assumed to approximate their fair values due to the short-term nature of trade receivables.

## 8 CASH AND CASH EQUIVALENTS AND SHORT TERM DEPOSITS WITH BANKS

*Cash and cash equivalents:*

	US Dollars'000		
	30 June 2024	31 December 2023	30 June 2023
Cash on hand	4,467	2,813	10,982
Cash at banks	71,560	47,025	90,044
Short-term deposits with original maturity of 3 months or less	31,281	37,770	25,192
Cash and cash equivalents	<b>107,308</b>	<b>87,608</b>	<b>126,218</b>

*Short term deposits with bank:*

	US Dollars'000		
	30 June 2024	31 December 2023	30 June 2023
Short term deposits with original maturity of 3 to 12 months	151,149	295,933	185,800

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 condensed consolidated interim statement of cash flows:

	US Dollars'000		
	30 June 2024	31 December 2023	30 June 2023
Cash and cash equivalents	107,308	87,608	126,218
Less: Bank overdraft (Note 9)	(2,113)	(4,375)	(11,880)
Balances per condensed consolidated interim statement of cash flows	<b>105,195</b>	<b>83,233</b>	<b>114,338</b>

## 9 BANK FACILITIES

	US Dollars'000		
	<b>30 June 2024</b>	31 December 2023	30 June 2023
<b>Short term</b>			
Bank overdraft	<b>2,113</b>	4,375	11,880

  

	US Dollars'000		
	<b>30 June 2024</b>	31 December 2023	30 June 2023
<b>Maturity of bank facilities are as follows:</b>			
Within one year	<b>2,113</b>	4,375	11,880

## 10 LEASES

(i) *Amounts recognised in the condensed consolidated interim statement of financial position*

### Right of use assets

	US Dollars'000	
	<b>30 June 2024</b>	31 December 2023
As at 1 January	<b>498,503</b>	417,564
Additions	<b>112,523</b>	269,503
Disposals	<b>(3,561)</b>	(11,030)
Transfers	<b>714</b>	142
Depreciation charge for the period/year	<b>(91,098)</b>	(172,701)
(Impairment) / reversal of impairment	<b>(490)</b>	187
Hyperinflation adjustment	<b>273</b>	525
Foreign currency translation difference	<b>(7,743)</b>	(5,687)
	<b>509,121</b>	498,503

The additions of right-of-use assets is a non-cash activity and hence does not appear in the interim condensed consolidated statement of cash flow which the exception of payments for key money of USD 260 thousand (30 June 2023: 3,479 thousand) which is included in the condensed consolidated interim statement of cashflows under investing activities.

Net book amount of right-of-use assets by category is as follows:

	US Dollars'000	
	<b>30 June 2024</b>	31 December 2023
Building and Leasehold	<b>489,603</b>	481,078
Key money	<b>9,523</b>	10,190
Land	<b>6,818</b>	3,053
Vehicles	<b>3,177</b>	4,182
	<b>509,121</b>	498,503

  

	US Dollars'000	
	<b>30 June 2024</b>	31 December 2023
<b>Lease liabilities</b>		
Non-current	<b>347,646</b>	341,223
Current	<b>174,018</b>	165,959
	<b>521,664</b>	507,182



## 11 PROVISIONS FOR LEGAL, TAX AND OTHER CLAIMS (continued)

	2023 (US Dollars'000)				Total
	Legal cases	Provision for termination and closure	Tax	Other provisions	
Balance at 1 January 2023	5,004	3,204	16,819	4,162	29,189
<i>Charged / (credited) to statement of income</i>					
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 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>

### 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 30 June 2024 and 31 December 2023.

### 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 17). 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 periodic basis, and the allocated amount is adjusted according to the latest developments, discussions and agreements with such parties.

## 12 SHARE CAPITAL

As at 30 June 2024 and 31 December 2023, 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.

## 13 NON-CONTROLLING INTERESTS

	US Dollars'000	
	30 June 2024	31 December 2023
Balance at the beginning of the period/year	12,014	11,186
Share of net (loss) / profit for the period/year	(2,236)	2,865
<i>Other comprehensive income item:</i>		
Foreign currency translation differences	(17)	(58)
Remeasurement of employees' end of service benefits	1	-
Total other comprehensive income	(16)	(58)
<i>Other changes in non-controlling interests:</i>		
Effects of acquisition of additional shares in a subsidiary	-	(54)
Capital increase	-	1,150
Cash dividends paid by subsidiaries	(955)	(3,075)
Total other changes in non-controlling interests	(955)	(1,979)
Balance at the end of the period/year	<b>8,807</b>	<b>12,014</b>

## 14 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, Americana Restaurants has entered into transactions with related parties during the period. The following are the transactions and balances resulting from these transactions:

	US Dollars'000			
	Three-month period ended		Six-month period ended	
	30 June	2023	30 June	2023
<b>Transactions with fellow subsidiaries</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Purchases of raw materials	19,549	26,223	31,930	49,229
Interest income from short term deposits held with a related party	-	-	-	116
Transitional Services Agreement (“TSA”) expense*	1,408	1,611	2,665	3,109
Investment property rental income	36	51	86	103
Delivery and payment support	745	289	1,278	716
<b>Key management personnel</b>				
Short term employee benefits	1,025	1,741	2,475	3,232
Termination benefits	27	37	110	67
Board of Directors’ remuneration	374	275	756	555

### Due from related parties

Name	US Dollars'000	
	30 June 2024	31 December 2023
<i>Fellow subsidiaries under the Intermediate Parent Company:</i>		
Others	295	42

### Due to related parties

Name	Place of incorporation	US Dollars'000	
		30 June 2024	31 December 2023
<i>Fellow subsidiaries under the Intermediate Parent Company:</i>			
The International Co. for Agricultural development ('Farm Frites') SAE	Egypt	6,521	4,306
National Food Industries Co.	KSA	3,508	6,563
Gulf Food Industries (California Garden) FZE	UAE	1,142	1,757
Kuwait Foods Divisions (Meat, Cake, Agencies)	Kuwait	861	1,083
Cairo Poultry Company SAE	Egypt	820	1,075
Gulf Food Company Americana LLC	UAE	643	2,382
Others		4	4
<i>Entities controlled by a major shareholder:</i>			
Nshmi Development LLC	UAE	436	395
Barakat Vegetables and Fruits Co. LLC	UAE	395	147
Noon AD Holdings	UAE	300	511
Noon Payments Digital Limited	KSA	11	25
		<b>14,641</b>	<b>18,248</b>

### \*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.

## 15 REVENUES

	US Dollars'000			
	Three-month period ended		Six-month period ended	
	30 June		30 June	
	2024	2023	2024	2023
Food and beverage	556,146	651,459	1,046,823	1,240,288
Investment properties rental income	472	603	1,062	1,198
Other revenue	2,643	-	4,879	-
	<b>559,261</b>	<b>652,062</b>	<b>1,052,764</b>	<b>1,241,486</b>

## 16 SUBSIDIARIES

The Group's subsidiaries overall ownership structure as at 30 June 2024 and 31 December 2023:

Company's Name	Activity	Place of incorporation	Effective Ownership (%)
Americana Restaurants Investments Group Company LLC	Holding Company	United Arab Emirates	100%
Americana Kuwait Company for Restaurants WLL	Restaurants	Kuwait	100%
Americana Holding for UAE Restaurants LTD	Holding Company	United Arab Emirates	100%
Americana Holding for Egyptian Restaurants LTD	Holding Company	United Arab Emirates	100%
Americana Company for Restaurants Holding LTD	Holding Company	United Arab Emirates	100%
Americana Holding for KSA Restaurants LTD	Holding Company	United Arab Emirates	100%
Americana Holding for Restaurants LTD	Holding Company	United Arab Emirates	100%
Kuwait Food Co. Americana LLC	Restaurants	United Arab Emirates	100%
Egyptian Company for International Touristic Projects SAE	Restaurants	Egypt	99.90%
Egyptian International Company for Food Industries SAE	Restaurants	Egypt	100%
Al Ahlia Restaurants Company LLC	Restaurants	Saudi Arabia	100%
United Food Company (One Person Company) LLC	Others	Saudi Arabia	100%
Americana Prime Investments Limited	Others	United Arab Emirates	100%
International Tourism Restaurants Company LLC	Restaurants	Oman	100%
The Caspian International Restaurants Company LLP	Restaurants	Kazakhstan	100%
Gulf & Arab World Restaurant Co. WLL	Restaurants	Bahrain	94.00%
Bahrain & Kuwait Restaurant Co. WLL	Restaurants	Bahrain	40.00%
Lebanese International Touristic Projects Company LLC	Restaurants	Lebanon	100%
Qatar Food Company WLL	Restaurants	Qatar	100%
Ras Buabboud Trading Company WLL	Restaurants	Qatar	99.00%
Almusharaka for Touristic Restaurants Services, General Trading, Import & Export Company Ltd.	Restaurants	Iraq – Kurdistan	90.00%
Société Marocaine De Projects Touristiques SARL	Restaurants	Morocco	100%
Touristic Projects & International Restaurants Co. (Americana) LLC	Restaurants	Jordan	67.44%
Jordanian Restaurants Company for Fast Food LLC	Restaurants	Jordan	67.44%
The International Co. for World Restaurants Limited	Restaurants	United Arab Emirates	75.00%
Americana Restaurants (India) Private Limited	Others	India	100%
A F K American Food Kurdistan	Restaurants	Iraq - Kurdistan	100%

## 17 CONTINGENT LIABILITIES, OPERATING AND CAPITAL COMMITMENTS

	US Dollars'000	
	30 June 2024	31 December 2023
<b>Contingent liabilities</b>		
Letters of guarantee	14,408	14,868

### Taxes

The Group operates in several different countries, Note 16 indicates the Group's structure and the countries in which it operates, and thus its operations are subject to various types of taxes.

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 significant impacts of the various types of taxes claims considered as contingent liabilities are as follows:

The tax claims considered as contingent tax liabilities, at the Group's level, amounted to USD 20,400 thousand as at 30 June 2024 (31 December 2023: USD 5,690 thousand) and mainly pertain to a subsidiary of the Group incorporated in Arab Republic of Egypt. The Group's management believes that the provisions made for this purpose are adequate and sufficient.

	US Dollars'000	
	30 June 2024	31 December 2023
<b>Operating lease commitments – Lessee</b>		
Less than one year	31,734	33,294
	US Dollars'000	
	30 June 2024	31 December 2023
<b>Capital commitments</b>		
Letters of credit	4,579	3,591
Projects in progress	6,127	4,633

## 18 FINANCIAL INSTRUMENTS BY CATEGORY

	US Dollars'000	
	30 June 2024	31 December 2023
<b>Financial assets</b>		
<i>Financial assets at amortised cost</i>		
Cash and cash equivalents (Note 8)	107,308	87,608
Short term deposits with a bank (Note 8)	151,149	295,933
Trade and other receivables (excluding prepaid expenses, advances to suppliers) (Note 7)	79,352	74,323
Due from related parties (Note 14)	295	42
	<b>338,104</b>	<b>457,906</b>
<b>Financial liabilities</b>		
<i>Other financial liabilities at amortised cost</i>		
Trade and other payables (excluding value added tax payable and unearned income)	387,721	408,539
Due to related parties (Note 14)	14,641	18,248
Bank facilities (Note 9)	2,113	4,375
Lease liabilities (Note 10)	521,664	507,182
	<b>926,139</b>	<b>938,344</b>

## 19 NET DEBT RECONCILIATION

	US Dollars'000	
	30 June 2024	31 December 2023
Cash and cash equivalents (Note 8)	107,308	87,608
Short term deposits with original maturity of 3 to 12 months (Note 8)	151,149	295,933
Bank facilities (Note 9)	(2,113)	(4,375)
Lease liabilities (Note 10)	(521,664)	(507,182)
Net debt	<b>(265,320)</b>	<b>(128,016)</b>

	US Dollars'000	
	30 June 2024	31 December 2023
Cash and cash equivalents	107,308	87,608
Short term deposits with original maturity of 3 to 12 months (Note 8)	151,149	295,933
Net debt – variable interest rates	(523,777)	(511,557)
Net debt	<b>(265,320)</b>	<b>(128,016)</b>

	US Dollars'000			
	Liabilities from financing activities	Other assets		Total
		Leases	Short term deposits with original maturity of 3 to 12 months	
Net debt as at 1 January 2024	(507,182)	295,933	83,233	(128,016)
Purchase of short term deposits with original maturity of 3 to 12 months	-	15,610	-	15,610
Withdrawal of short term deposits with original maturity of 3 to 12 months	-	(160,394)	-	(160,394)
Foreign currencies translation differences	9,080	-	1,402	10,482
Others	(11,849)	-	-	(11,849)
Lease payments of principal and interest	100,550	-	-	100,550
Additions of leases	(112,263)	-	-	(112,263)
Cash flows, net	-	-	20,560	20,560
Net debt as at 30 June 2024	<b>(521,664)</b>	<b>151,149</b>	<b>105,195</b>	<b>(265,320)</b>

**Americana Restaurants International PLC**  
**Notes to the condensed consolidated interim financial statements**  
**for the six-month period ended 30 June 2024** (continued)



**19 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
Net debt as at 1 January 2023	(434,759)	-	285,968	(148,791)
Purchase of short term deposits with original maturity of 3 to 12 months	-	455,422	-	455,422
Withdrawal of short term deposits with original maturity of 3 to 12 months	-	(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
Additions of leases	(262,663)	-	-	(262,663)
Cash flows, net	-	-	(204,160)	(204,160)
Net debt as at 31 December 2023	<u>(507,182)</u>	<u>295,933</u>	<u>83,233</u>	<u>(128,016)</u>

**20 SEGMENT REPORTING**

Americana Restaurants is organised into operating segments based on geographical location. The results are reported to the top executive management in Americana Restaurants. 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 condensed consolidated interim 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 periods ended:

	US Dollars'000					
	Six-month period ended 30 June					
	Reportable segments		Intercompany transactions		Total	
	2024	2023	2024	2023	2024	2023
<b>Revenues</b>						
Major GCC	<b>787,437</b>	864,139	-	-	<b>787,437</b>	864,139
Lower Gulf	<b>87,787</b>	150,795	<b>(9,863)</b>	(16,803)	<b>77,924</b>	133,992
North Africa	<b>82,290</b>	118,667	-	-	<b>82,290</b>	118,667
Others	<b>105,113</b>	124,688	-	-	<b>105,113</b>	124,688
<b>Total</b>	<b>1,062,627</b>	1,258,289	<b>(9,863)</b>	(16,803)	<b>1,052,764</b>	1,241,486

	US Dollars'000	
	Six-month period ended 30 June	
	2024	2023
<b>Net profit / (loss)</b>		
Major GCC	<b>90,659</b>	119,838
Lower Gulf	<b>(6,971)</b>	12,096
North Africa	<b>(553)</b>	6,738
Others	<b>6,490</b>	17,669
<b>Total</b>	<b>89,625</b>	156,341

**Americana Restaurants International PLC**  
**Notes to the condensed consolidated interim financial statements**  
**for the six-month period ended 30 June 2024** (continued)



**20 SEGMENT REPORTING** (continued)

	US Dollars'000	
	Six-month period ended 30 June	
	Reportable segments	
	2024	2023
<b>Unallocated:</b>		
Income tax, zakat and other deductions	(8,395)	(9,785)
(Loss) / gain of foreign exchange	(3,506)	353
<b>Net profit for the period</b>	<b>77,724</b>	<b>146,909</b>

	US Dollars'000					
	Three-month period ended 30 June					
	Reportable segments		Intercompany transactions		Total	
	2024	2023	2024	2023	2024	2023
<b>Revenues</b>						
Major GCC	417,132	450,622	-	-	417,132	450,622
Lower Gulf	49,892	80,448	(5,757)	(9,802)	44,135	70,646
North Africa	42,410	64,745	-	-	42,410	64,745
Others	55,584	66,049	-	-	55,584	66,049
<b>Total</b>	<b>565,018</b>	<b>661,864</b>	<b>(5,757)</b>	<b>(9,802)</b>	<b>559,261</b>	<b>652,062</b>

	US Dollars'000	
	Three-month period ended 30 June	
	Reportable segments	
	2024	2023
<b>Net profits / (loss)</b>		
Major GCC	53,201	69,726
Lower Gulf	(1,920)	7,884
North Africa	(140)	5,801
Others	4,728	10,555
<b>Total</b>	<b>55,869</b>	<b>93,966</b>

<b>Unallocated:</b>		
Income tax, zakat and other deductions	(4,543)	(6,914)
(Loss) / gain of foreign exchange	(263)	1,066
<b>Net profit for the period</b>	<b>51,063</b>	<b>88,118</b>

	30 June 2024 US Dollars'000				
	Major GCC	Lower Gulf	North Africa	Others	Total
Assets	1,070,172	114,080	90,511	150,413	1,425,176
Liabilities	843,705	87,492	66,473	85,039	1,082,709

	31 December 2023 US Dollars'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

**Americana Restaurants International PLC**  
**Notes to the condensed consolidated interim financial statements**  
**for the six-month period ended 30 June 2024** (continued)



**20 SEGMENT REPORTING** (continued)

Below is the analysis of the revenue (before eliminations) and related non-current assets for the significant geographical locations:

	US Dollars'000			
	UAE	KSA	Kuwait	Egypt
Non-current assets as at 30 June 2024	<b>241,292</b>	<b>438,477</b>	<b>108,130</b>	<b>33,326</b>
Non-current assets as at 31 December 2023	237,563	316,856	109,463	54,778
	US Dollars'000			
	UAE	KSA	Kuwait	Egypt
Revenue for the six-month period ended 30 June 2024	<b>357,398</b>	<b>282,064</b>	<b>147,975</b>	<b>64,515</b>
Revenue for the six-month period ended 30 June 2023	376,680	300,774	186,685	98,370
	US Dollars'000			
	UAE	KSA	Kuwait	Egypt
Revenue for the three-month period ended 30 June 2024	<b>187,857</b>	<b>146,304</b>	<b>82,971</b>	<b>32,555</b>
Revenue for the three-month period ended 30 June 2023	195,631	157,358	97,633	54,198

**21 EARNINGS PER SHARE**

	Three-month period ended		Six-month period ended	
	30 June	2023	30 June	2023
<b>Earnings</b>	<b>2024</b>		<b>2024</b>	
Earnings for the purpose of basic and diluted earnings per share (profit for the period attributable to ordinary equity holders of the Parent Company) (US Dollars'000)	<b>51,936</b>	86,638	<b>79,960</b>	144,767
Number of ordinary shares outstanding	<b>8,423,633,100</b>	8,423,633,100	<b>8,423,633,100</b>	8,423,633,100
<b>Basic and diluted earnings per share attributable to Shareholders of the Parent Company (US Dollars)</b>	<b>0.0062</b>	0.0103	<b>0.0095</b>	0.0172

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.

## **22 DIVIDENDS**

The shareholders approved and declared cash dividends of USD 0.0213 dividend per share amounting to USD 179,424 thousand on 24 April 2024. This comprises of:

- (a) a cash dividend of USD 0.0154 per share amounting to USD 129,724 thousand; and
- (b) a one-off cash dividend of USD 0.0059 per share amounting to USD 49,700 thousand.

The dividends declared of USD 179,424 thousand were settled in cash during May 2024.

During the previous year, the shareholders had 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 30 June 2024, USD 158 thousand (31 December 2023: USD 158 thousand) of total dividends remain as unclaimed and are included within 'Trade and other payables'.

## **23 OTHER INFORMATION**

- (a) *Implementation of UAE Corporation Tax Law*

*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, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses ("the Law") to enact a Federal corporate tax ("CT") regime in the UAE. The CT regime became effective for accounting periods beginning on or after 1 June 2023. The Cabinet of Ministers Decision No. 116 of 2022 specifies the threshold of income over which the 9% tax rate would apply and accordingly, the Law is now considered to be substantively enacted for accounting purposes. A rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income not exceeding AED 375,000 (and a rate of 0% on qualifying income of free zone entities). As this is the first period for the CT Law being applicable from 1 January 2024, the Group performed an assessment and have not identified any material (deferred) tax implications that requires any adjustments during the six-month period ended 30 June 2024 and has recorded the CT impact for the six-month period ended 30 June 2024.

- (b) *Treasury shares*

On 24 April 2024, the shareholders approved the purchase of 25,000,000 of its own shares ("treasury shares") to allocate for a long-term incentive plan ("LTIP"), and was subsequently approved by the regulators. As authorized by shareholders, the Board of Directors approved the LTIP on 27 June 2024. Under this plan, the Group may issue shares to qualifying employees without requiring cash consideration. Therefore, as at 30 June 2024, the treasury shares and LTIP have no impact on the condensed consolidated interim financial statements, as no shares have yet been purchased and no awards have yet been granted.