



Earnings Presentation

3Q 2024

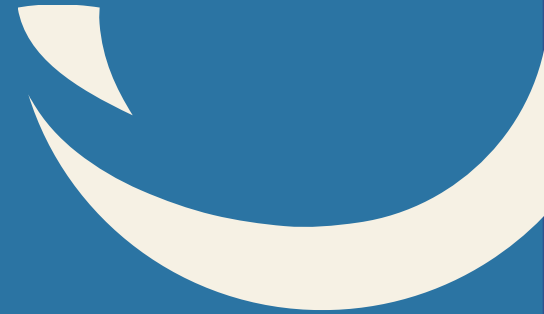


- **3Q 2024 Performance Highlights**
- **Alamar at a Glance**
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- **Financial Performance**
- **Outlook and Guidance**



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3Q 2024 Performance Highlights





229mn
SAR

▲ Revenues
+1% QoQ

67mn
SAR

▼ Gross Profit
-3% QoQ

29mn
SAR

▲ Adj. EBITDA
+8% QoQ

19mn
SAR

▲ Net Profit
+49% QoQ

15mn
SAR

▲ Adj. Net Profit
+10% QoQ

30mn
SAR

▲ OCF
+2.2x QoQ

26mn
SAR

▲ FCF
+2.9x QoQ

100mn
SAR

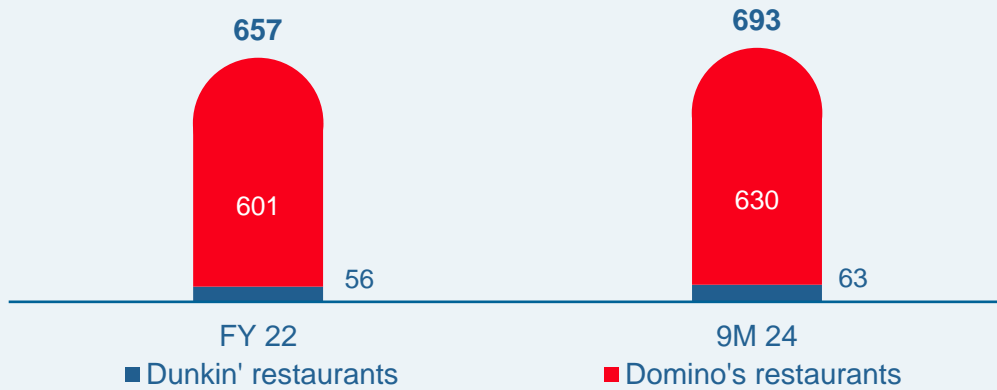
▼ Net Cash
-16% QoQ

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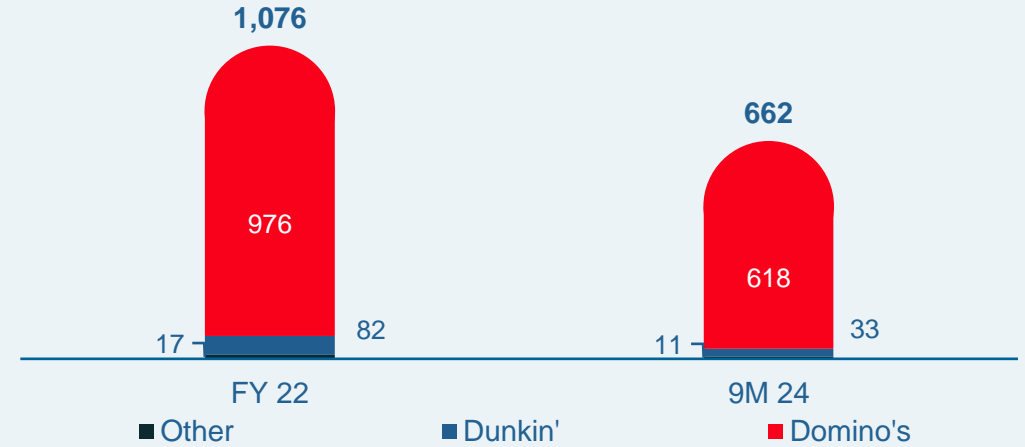
Alamar at a Glance



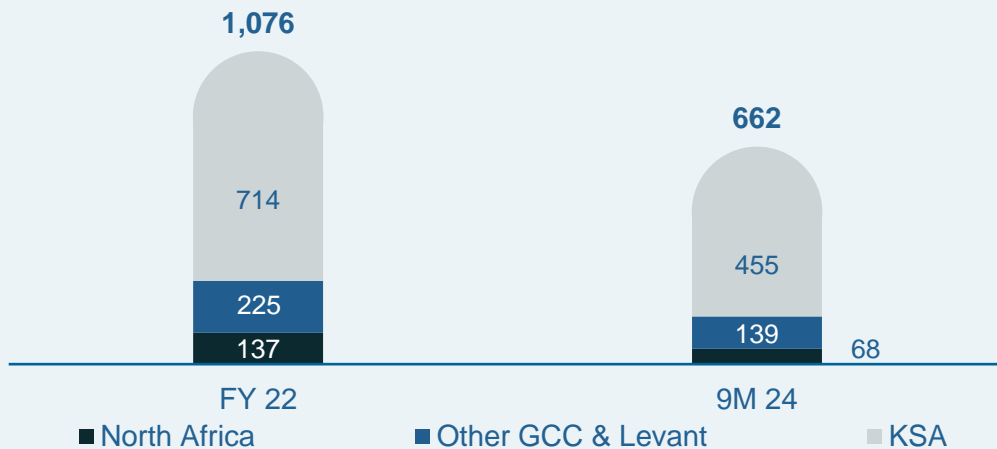
Restaurant Chain Expansion by Brand



Revenue mix by brand (SAR mn)



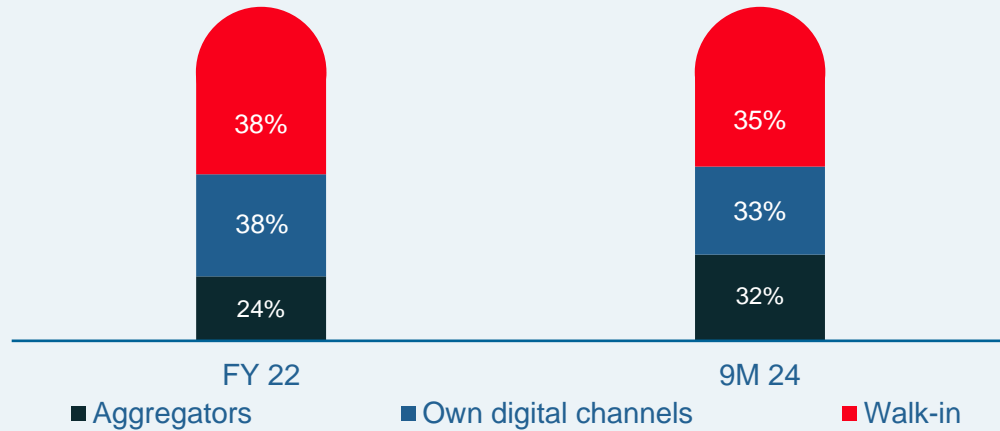
Revenue geographical mix (SAR mn)



Alamar's 9M 2024 top-line performance was driven by the following factors:

- 9M 2024 revenues continued to be affected by external reasons, including a challenging geopolitical situation and currency devaluation in Egypt...
- ...which was mitigated by Alamar's targeted marketing efforts and customer service enhancements.
- 93% of the Group's revenue was generated by Domino's with a strong brand recognition in GCC countries.
- 69% of the Group's revenue came from the KSA market that benefits from lower volatility and healthy fundamentals.
- 88% of the Group's revenue came in currencies pegged to USD.

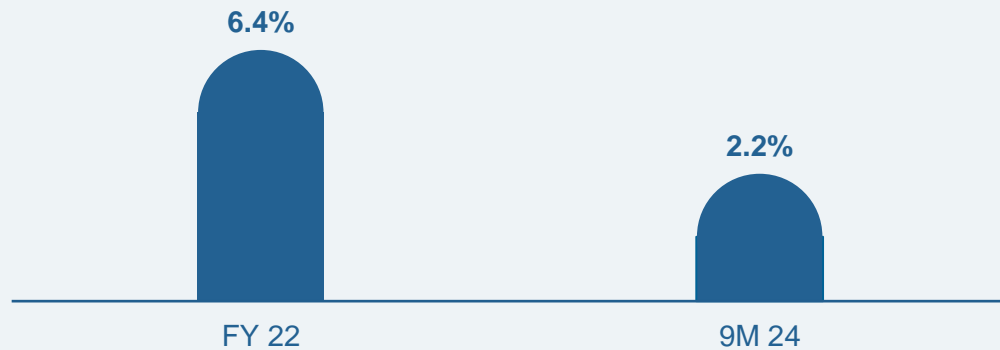
Revenue mix by service method (%)



Digital revenue mix (%)



Capex as a share of revenue (%)



Omnichannel business model and capex-light expansion ensure strong cash generation:

- The Group continues to develop its omni-channel offering, which drives customer experience and streamlines costs.
- Digital revenue increased to 65% of the total in 9M 2024.
- Own online channels accounted for 51% of total online revenue in 9M 2024.
- Capex reduction reflected a slower store expansion and optimized capex per store requirements.
- Coupled with profitability and working capital improvements, this resulted in a strong cash generation despite pressure on revenue.

Omni-Channel ordering and multiple service methods address current consumer trends

Omni-Channel order method:

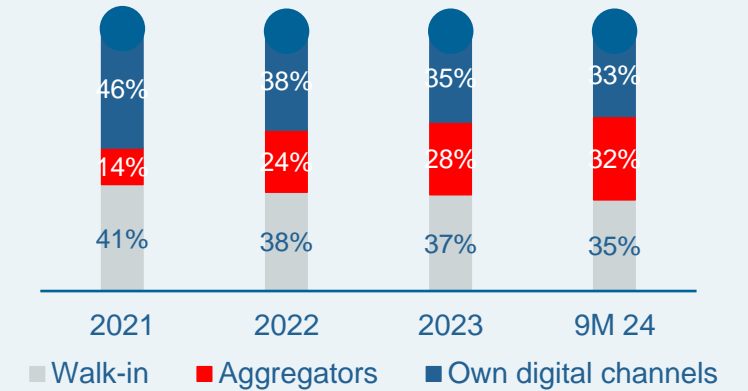
- In-Store
- Call Centre
- Aggregators
- Online



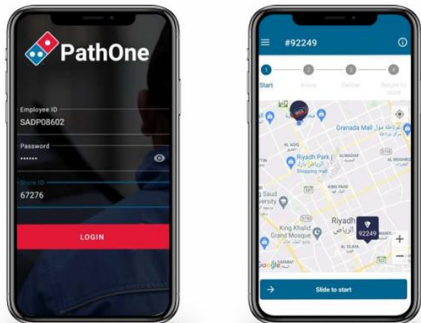
Service method / customer exp.

- In-Store
- Takeaway
- Delivery

Revenue split by service method (%)

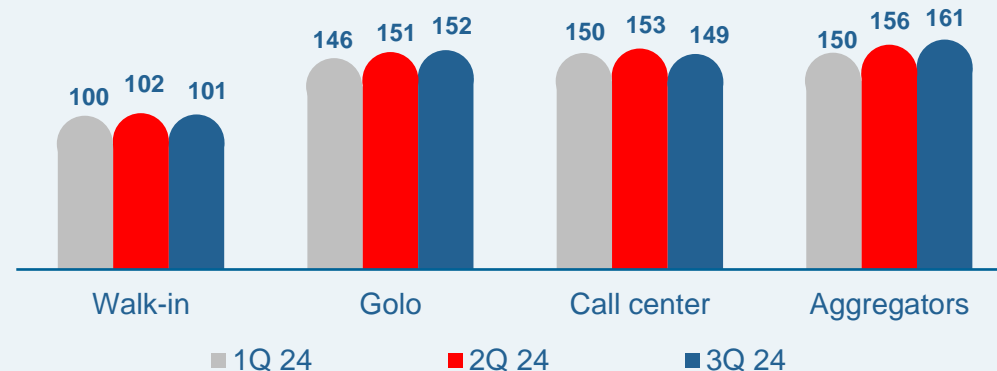


Well-developed delivery and digital infrastructure to support omni-channel offering



ATP in KSA, re-based to walk-in ATP in 1Q 2024, %

ATP in digital channels continued to increase QoQ relative to offline ATP, which fueled ATP QoQ improvements in 3Q 2024



Alamar is well placed to benefit from major trends in the KSA and UAE QSR market

- Growing popularity of online channels and delivery
- Enhanced customer experience
- Increasing role of special deals and promo



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Transformation Update



Growth	New promo mechanism	▶ The new promotional campaign launched in KSA and UAE in May-June 2024 continues to drive strong results, boosting ATP (through the basket) and generating positive customer feedback. Customers have expressed great enthusiasm, citing both the exceptional value for money and the simplicity of the offering.
	Stores relocation	▶ A plan to relocate over 30 stores in KSA is in progress, with 3 stores already successfully relocated in 3Q24.
	New stores	▶ The store opening program with a focus on attractive ROI and payback period resumed as planned. A pipeline of 17 new stores in KSA and UAE is secured for 2H24, including one opening in 3Q24.
Margins	Gross margin	▶ Reduced pressure driven by the improved promotional mechanics
	Delivery optimization	▶ The transition from in-house delivery to third-party drivers has been completed in KSA, which converted delivery into a variable cost component and reduced delivery time.
	Overheads management	▶ Business process streamlining and enhanced control measures are underway, with initial positive effects now visible in headcount reductions and labor cost savings.
Customer Experience	Digital Channel, Frictionless Customer Experience and Logistics Capabilities	<p>▶ The Driver Tracking Tool has been enhanced and fully integrated into the on-demand delivery system for improved visibility and efficiency.</p> <p>▶ The Call Centre is evolving into a comprehensive Customer Care hub, incorporating next-gen capabilities to deliver a more seamless and frictionless customer experience.</p> <p>The E-Wallet now offers Instant Cash Back, providing customers with a faster and more rewarding payment experience.</p>

Earnings Presentation – 7 November 2024

Financial Performance





229mn

SAR



Revenues
-13% YOY

29mn

SAR



Adj. EBITDA (pre-ifs 16)
-17% YOY

19mn

SAR



Net Profit
-6% YOY

693

SAR



Total Restaurants
+2% YOY

12.7%



Adj. EBITDA Margin
-0.5 pts YOY

26mn

SAR

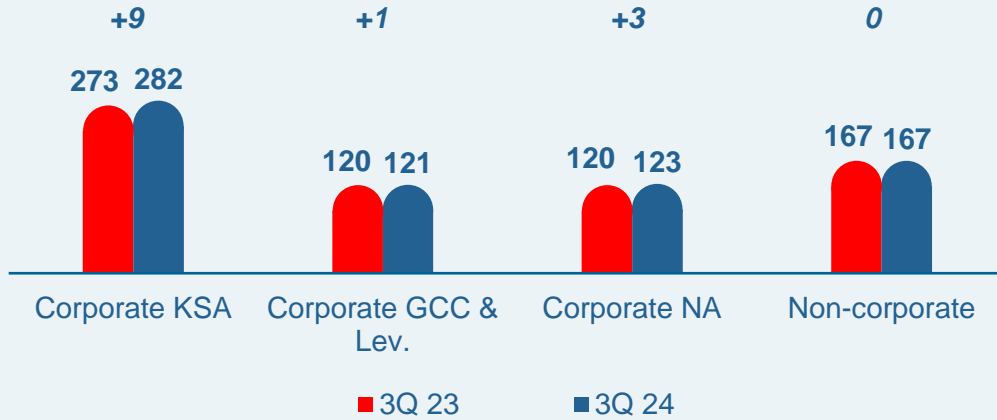


FCF
-61% YOY



Group Store Count by Region

3Q 2024

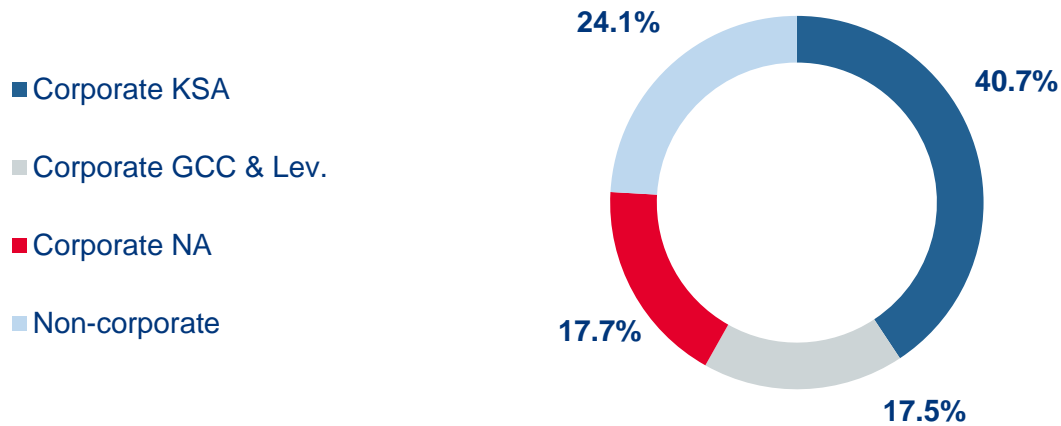


Group Store Count by Brand

Brand	3Q 23	3Q 24	YoY Change
Domino's	620	630	+10
Dunkin'	60	63	+3
Total	680	693	+13

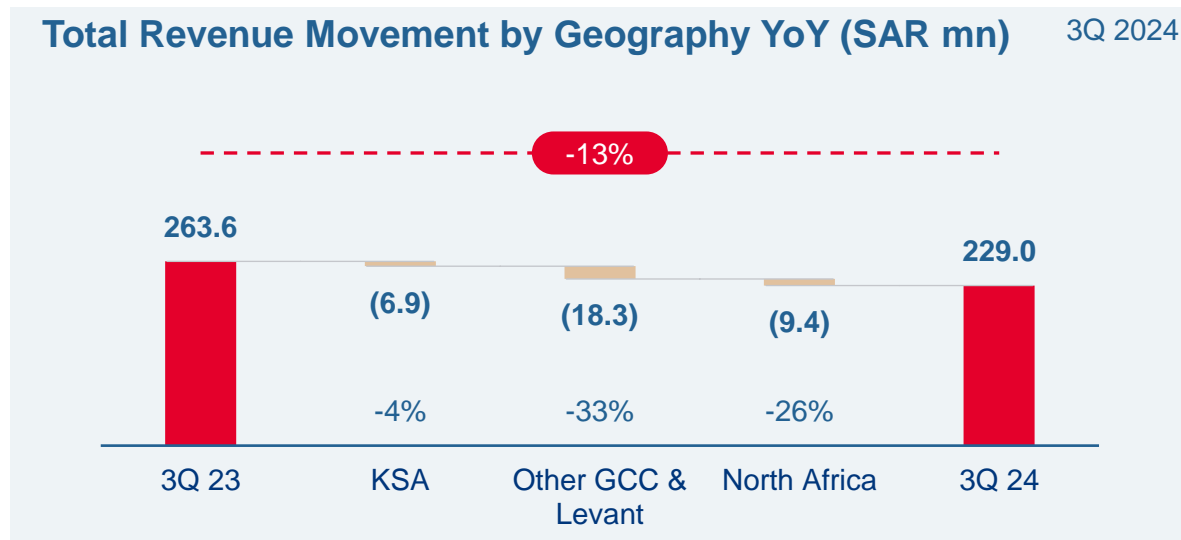
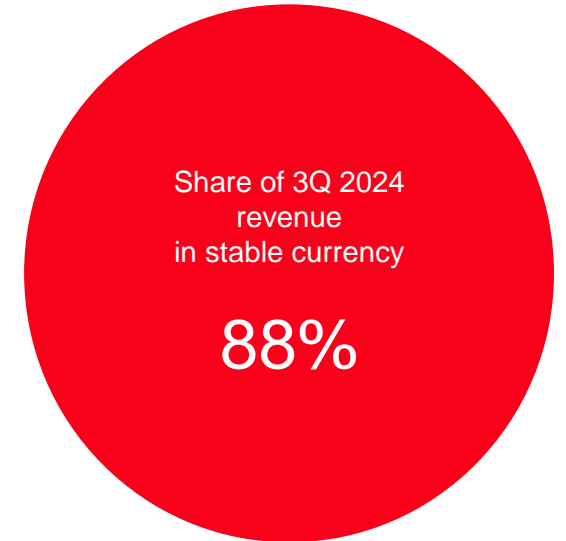
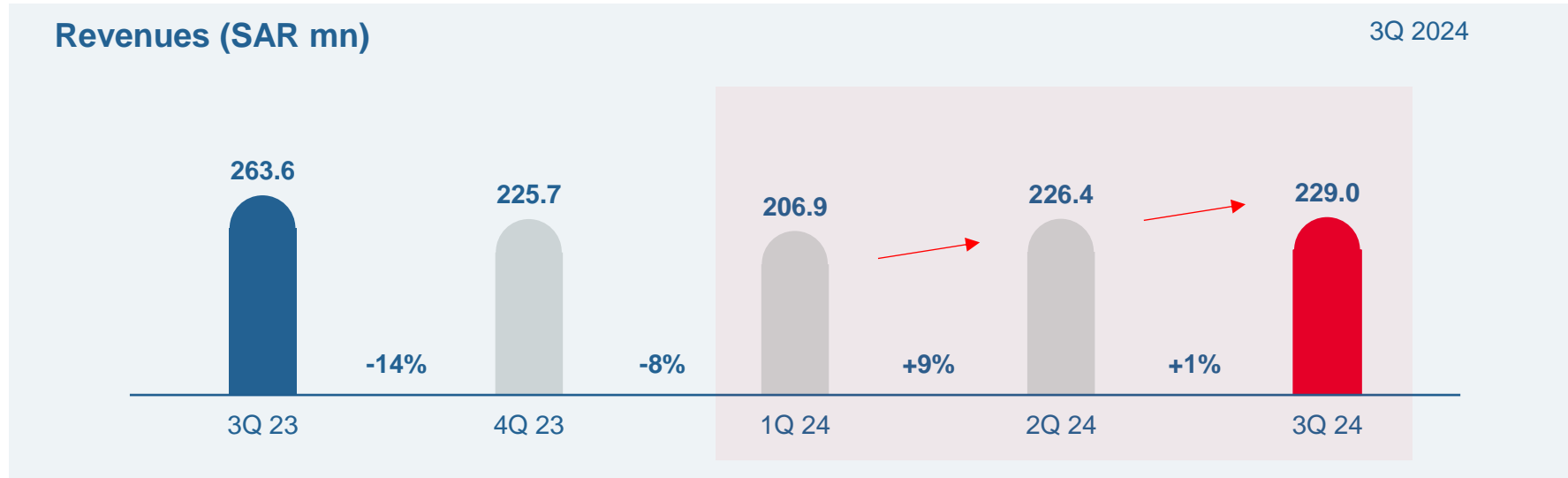
Group store count by region

9M 2024



Group Store Count by Type

Type	3Q 23	3Q 24	YoY Change
Corporate	513	526	+13
Non-Corporate	167	167	0
Total	680	693	+13

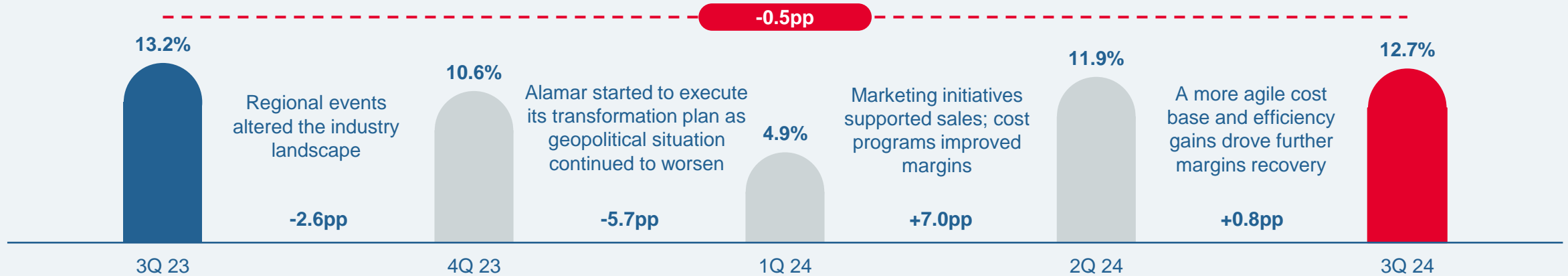


Revenue performance trends

- Revenue grew 1% QoQ as targeted marketing initiatives and continued service level improvements mitigated the adverse impact of the geopolitical situation in the region.
- A high share of revenue in USD-pegged currency contained the negative effect of currency devaluation in Egypt.
- KSA business showed a stable performance YoY, while the decline was mostly driven by other GCC countries and Levant.

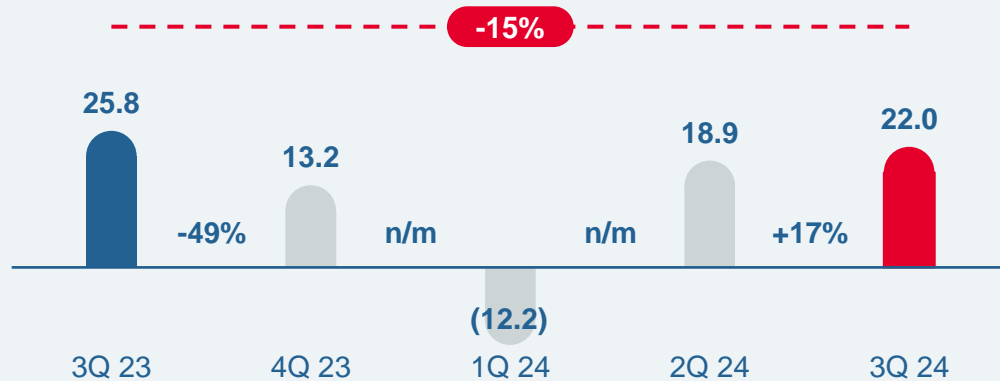
Adj. EBITDA Margin (%)

3Q 2024



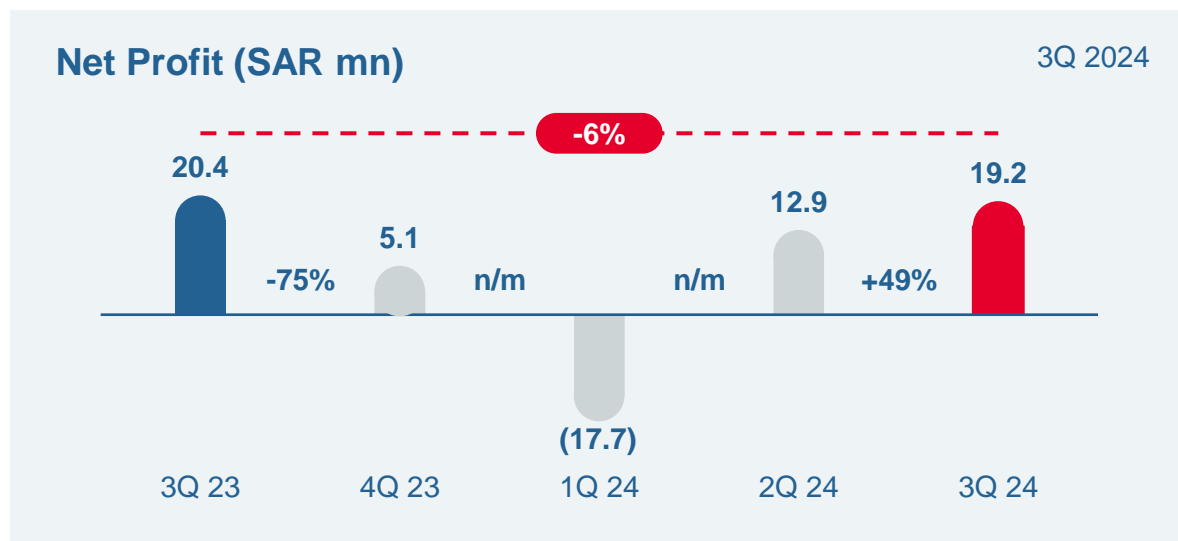
Operating Profit (EBIT) (SAR mn)

3Q 2024



Profitability trends

- Alamar's adjusted EBITDA margin improved to 12.7% in 3Q 2024 from 11.9% in 2Q 2024 and 4.9% in 1Q 2024.
- In absolute terms, adjusted EBITDA increased 8% QoQ to SAR 29mn.
- Continued operating margins recovery reflects increased operational agility and rigid cost controls, which offset soft revenue dynamics.

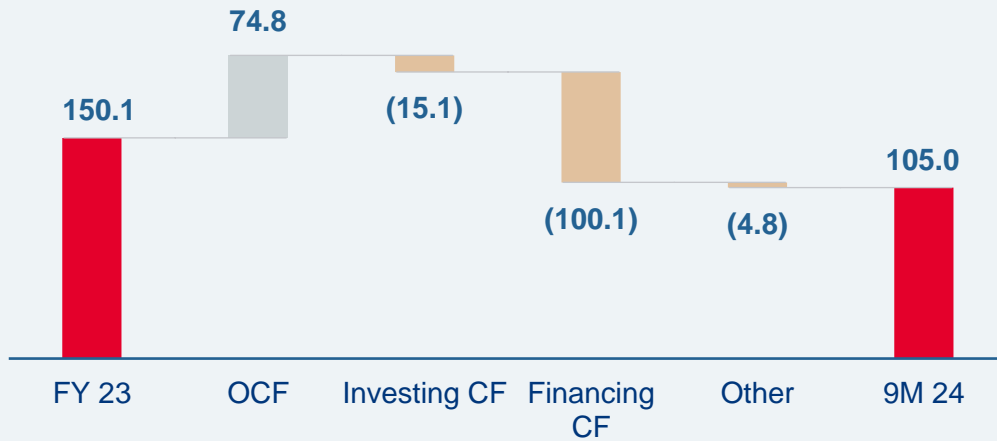


- The net profit performance in 3Q 2024 was affected by:**
- Negative sales performance due to the intensified geopolitical tensions in the region.
 - Efficiency projects that enabled cost savings across materials, delivery and other cost items.
 - The non-recurrent items include:
 - SAR 3.6mn gain, from a release of receivable provision from a sub-franchisee
 - SAR 1.4mn related to marketing sponsorship
 - SAR 1.5mn related to other expenses

EBITDA reconciliation

(SAR mn)	3Q 2024
Net Income	19.2
Finance cost, net	2.6
Zakat and income tax	(0.2)
Depreciation & amortization	26.5
Reported EBITDA (IFRS 16)	48.0
EBITDA margin	20.9%
Rent	(14.8)
ESOP	(3.6)
Non-recurring items	(0.6)
One-off marketing expenses	1.4
Receivables provision	(3.6)
Others	1.5
Adj EBITDA (pre-IFRS 16)	29.0
Adj. EBITDA margin	12.7%

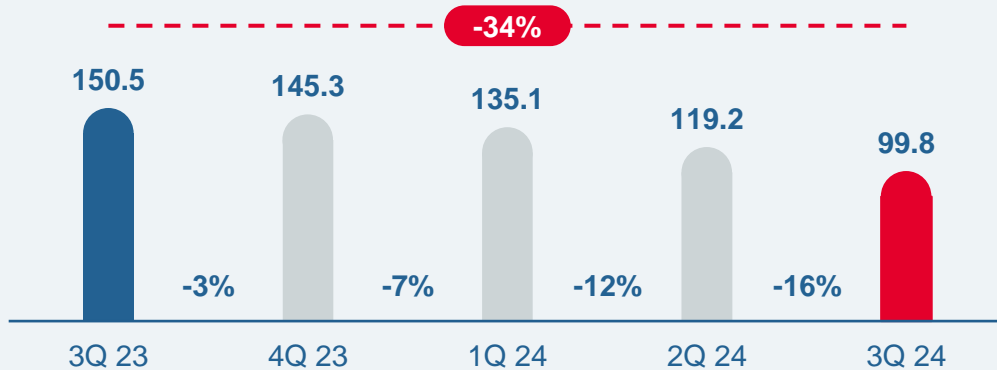
Cash & Cash Equivalents Movement YTD (SAR mn) 9M 2024



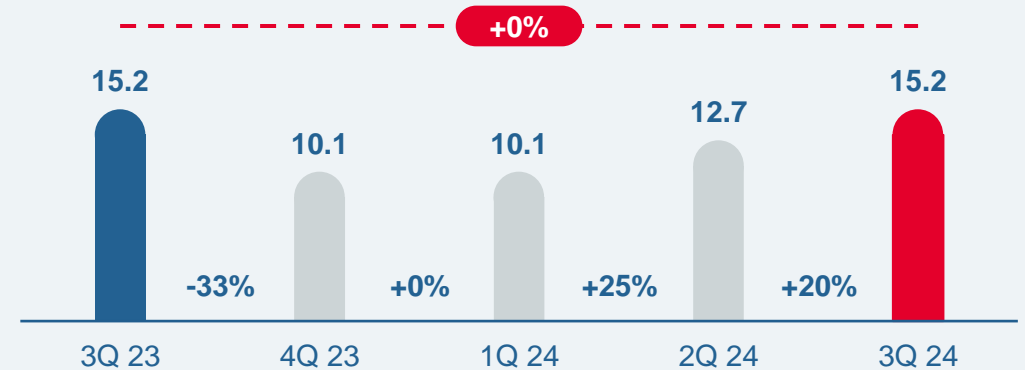
Cash flow performance and balance sheet

- Operating cash flow for the first nine months of the year was SAR 74.8 million, including SAR 29.7 million generated in 3Q 2024, which was 2.2x higher than in the previous quarter
- Investing cash flow was SAR 15.1 million year to date, a 66.2% YoY decrease, as the company temporarily scaled down expansion with four corporate restaurant openings on a net basis during the period. Capital spending accounted for 2.2% of 9M 2024 revenue versus 5.6% a year ago.
- Financing cash flow in 9M 2024 included SAR 32.5mn dividends distribution for 4Q 2023, 1Q 2024 and 2Q 2024.
- Alamar maintained a robust balance sheet with a net cash position of SAR 99.8mn as of end of September 2024.

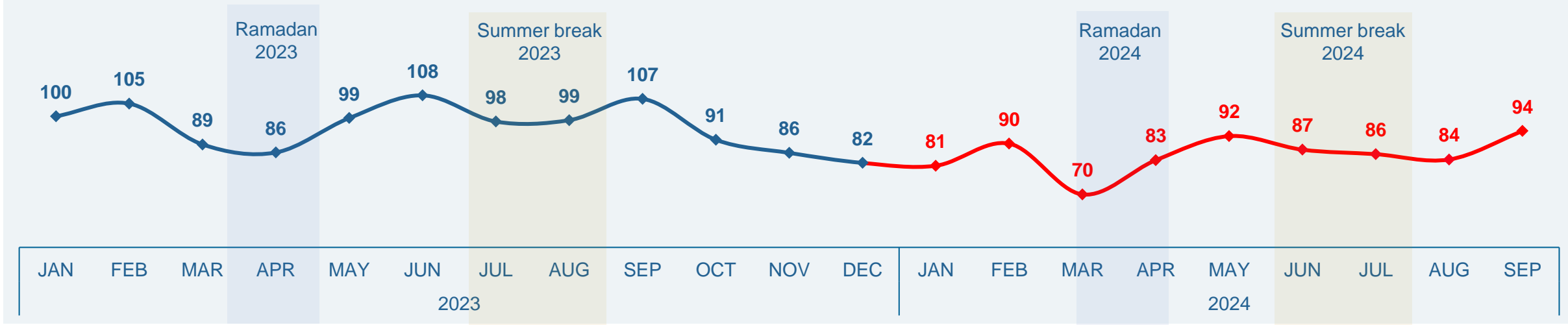
Net Cash (SAR mn) 3Q 2024



Dividends, Net (SAR mn)



Average daily sales - Group (January 2023 = 100%)



2023 sales trends

- Seasonal Ramadan impact during March and April.
- Normalized sales levels with relatively higher performance in June and September.
- Downturn during 4Q23, starting in the middle of October due to the impact from the regional situation.

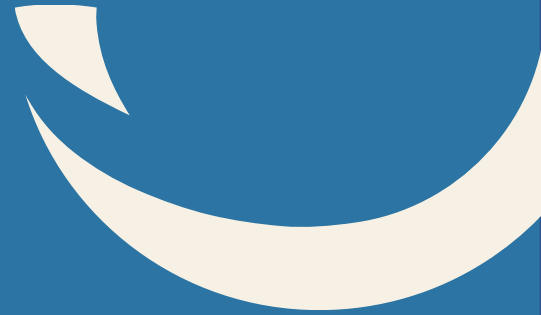
2024 sales trends

- The regional situation continued to weigh on revenue in 1H24.
- In 2024, Ramadan started earlier than in 2023, resulting in a deeper revenue decline in 1Q 2024 followed by a recovery in April and May.
- Summer break started in June, which negatively affected sales. This followed with a pickup in September amid the back-to-school season.
- UAE and KSA continue to outperform other markets with a slower pace of decline.

* October figures are based on the first 26 days of the month

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Outlook and Guidance



2025- 2027 Guidance

Sales per store¹
Growth %

3-5% CAGR

Corporate store count¹
Growth %

11-13% CAGR

Adj. EBITDA margin²

19-21%

Organic capex
% of sales

5-6%

Dividend payout ratio

70-80%

Leverage³

No expected debt raising

Notes:
1. Only Corporate Store Count
2. Pre IFRS 16
3. Except for the insignificant Moroccan revolving credit line. Does not include any M&A

Questions & Answers

