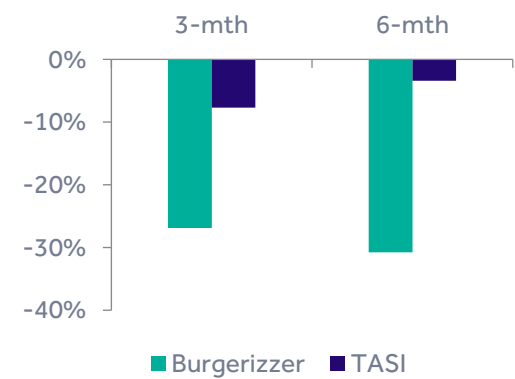


Market Data	
52-week high/low	SAR 24.9/14.9
Market Cap	SAR 578 mln
Shares Outstanding	35 mln
Free-float	35.6%
12-month ADTV	884,149
Bloomberg Code	BURGERIZ AB



■ Net Profit Beats Expectations

May 22, 2025

Upside to Target Price	3.0%	Rating	Neutral
Expected Dividend Yield	1.1%	Last Price	SAR 16.50
Expected Total Return	4.1%	12-mth target	SAR 17.00

BURGERIZZR	1Q2025	1Q2024	Y/Y	4Q2024	Q/Q	RC Estimate
Sales	78.4	75.8	3%	76.4	2%	76.2
Gross Profit	24.2	25.8	(6%)	20.8	16%	20.6
Gross Margins	31%	34%		27%		27%
Operating Profit	2.7	5.8	(54%)	(0.04)	-	1.4
Net Profit	2.2	5.3	(58%)	(1.2)	-	1.0

(All figures are in SAR mln)

- Burgerizzr’s revenue grew by +3% Y/Y and +2% Q/Q to SAR 78.4 mln, in line with our estimates. The Y/Y growth came despite having 30 days of Ramadan in 1Q25 compared to 20 days in 1Q24. This was supported by new branch openings and higher sales per branch. By the end of the quarter, the total number of branches reached 109, up from 103 branches in the same period last year.
- Gross profit reached SAR 24.2 mln, above our expectations, with a +16% increase Q/Q. This was the primary driver behind the deviation from our estimates, which assumed a higher cost of revenue. However, it decreased -6% Y/Y, due to higher labor, rent, and maintenance costs resulting from network expansion. Gross margin expanded by +400 bps Q/Q but declined by approximately -300 bps Y/Y, reaching 31%, a level exceeding our forecasts of 27%.
- Burgerizzr reported operating profit of SAR 2.7 mln after posting an operating loss in the previous quarter, beating our estimate of SAR 1.4 mln. However, it declined Y/Y mainly due to a +11% increase in selling expenses and lower Y/Y gross profit.
- 1Q25 ended with a net profit of SAR 2.2 mln, compared to a loss of SAR 1.2 mln in the previous quarter and net profit of SAR 5.3 mln in the same period last year. The Y/Y decline was driven by higher costs in line with business growth. We maintain our recommendation and target price.

Raghad Saleh Aljumah
raghad.s.aljumah@riyadcapital.com
+966-11-203-6816

■ Stock Rating

Buy	Neutral	Sell	Not Rated
Expected Total Return Greater than +15%	Expected Total Return between -15% and +15%	Expected Total Return less than -15%	Under Review/ Restricted

The expected percentage returns are indicative, stock recommendations also incorporate relevant qualitative factors
For any feedback on our reports, please contact research@riyadcapital.com

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