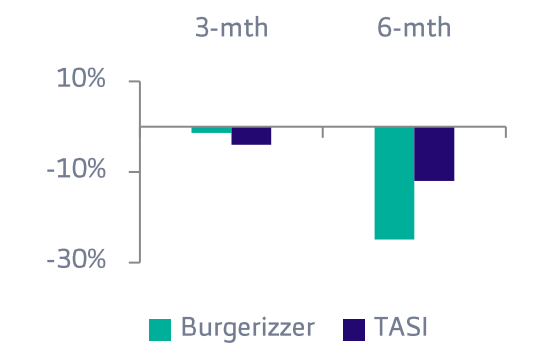


Market Data	
52-week high/low	SAR 24.9/14.5
Market Cap	SAR 589 mln
Shares Outstanding	35 mln
Free-float	35.6%
12-month ADTV	935,135
Bloomberg Code	BURGERIZ AB



Operating Pressures Offset Revenue Growth

August 07, 2025

Upside to Target Price	1.0%	Rating	Neutral
Expected Dividend Yield	1.1%	Last Price	SAR 16.83
Expected Total Return	2.1%	12-mth target	SAR 17.00

BURGERIZZR	2Q2025	2Q2024	Y/Y	1Q2025	Q/Q	RC Estimate
Sales	83.8	70.3	19%	78.4	7%	80.3
Gross Profit	24.1	21.1	14%	24.3	(0.6%)	24.9
Gross Margins	29%	30%		31%		31%
Operating Profit	1.4	2.0	(30%)	2.7	(47%)	3.2
Net Profit	1.1	1.4	(25%)	2.2	(51%)	2.8

(All figures are in SAR mln)

- Burgerizzr recorded revenues of SAR 83.8 mln, marking a solid +19% Y/Y in and +7% Q/Q, in line with our estimates of SAR 80.3 mln. This growth was driven by the opening of new branches in addition to higher sales per branch by +9% Y/Y and +3% Q/Q. The number of branches reached 113 by the end of the current quarter, compared to 103 in the same period last year.
- Gross profit reached SAR 24.1 mln, rising by +14% Y/Y but declining marginally by -0.6% Q/Q, in line with our estimates of SAR 24.9 mln. Gross margin declined by -130 bps Y/Y, and -217 bps Q/Q to 29% in 2Q25, mainly due to higher costs of food, labor, rent, and maintenance expenses.
- Operating profit came below our estimates, decreasing by -30% Y/Y and -47% Q/Q to SAR 1.4 mln, impacted by a +24% Y/Y and +5% Q/Q increase in selling expenses, driven by higher costs of online channels including delivery apps. G&A expenses also rose by +10% Y/Y.
- Net profit stood at SAR 1.1 mln in 2Q25, declining both Y/Y and Q/Q, below our optimistic expectations, mainly due to higher-than-expected operating costs. Despite the operational pressures, we believe that the ongoing expansion and revenue growth could support profitability over the medium term if cost controls are achieved. We maintain our target price and recommendation.

■ 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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