Shatirah House Restaurant Co. (BURGERIZZR)

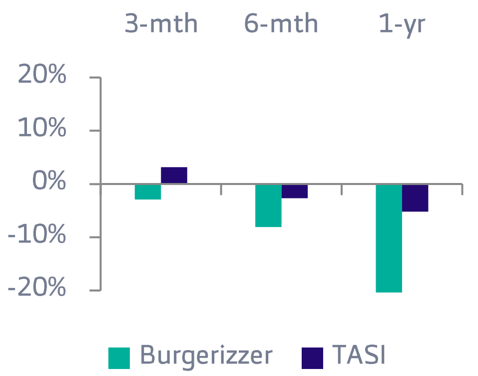
3Q2025 First Look

Record Revenues, Margins Rise Despite Cost Pressure

November 16, 2025

Upside to Target Price	11.5%	Rating	Neutral
Expected Dividend Yield	1.1%	Last Price	SAR 15.70
Expected Total Return	12.6%	12-mth target	SAR 17.50

Market Data	
52-week high/low	SAR 24.9/14.5
Market Cap	SAR 550 mln
Shares Outstanding	35 mln
Free-float	35.6%
12-month ADTV	825,113
Bloomberg Code	BURGERIZ AB



BURGERIZZR	3Q2025	3Q2024	Y/Y	2Q2025	Q/Q	RC Estimate
Sales	98	77	27%	84	17%	90
Gross Profit	34	23	47%	24	41%	26
Gross Margins	35%	30%		29%		29%
Operating Profit	4.4	3.2	39%	1.4	211%	1.6
Net Profit	3.6	2.9	24%	1.1	240%	1.3

(All figures are in SAR mln)

- Burgerizzr reported revenues of SAR 98 mln, reaching a new quarterly high, increasing by +27% Y/Y and +17% Q/Q, slightly above our estimate of SAR 90 mln. This growth was driven by a +15% Y/Y and +13% Q/Q increase in sales per branch, in addition to the opening of new branches. The total number of branches reached 117 by the end of the quarter, compared to 106 branches in the same quarter last year.
- Gross profit reached SAR 34 mln, increasing +47% Y/Y and +41% Q/Q, above our estimate. Cost of sales stood at SAR 64 mln for 3Q25, in line with our expectations. Despite this, gross profit deviated from our estimate due to higher-than-expected sales per branch. Gross margin expanded significantly by +480 bps Y/Y and +593 bps Q/Q, reaching 35% in 3Q25. This improvement occurred despite ongoing increases in maintenance, utilities, and rental expenses associated with branch expansions, as it was offset by lower food material costs.
- Operating profit came in above our estimate of SAR 1.6 mln, reaching SAR 4.4 mln in 3Q25, with strong increases on both Y/Y and Q/Q. This was achieved despite a +68% Y/Y and +38% Q/Q increase in selling expenses, driven by promotional campaigns and higher costs of digital channels, including delivery apps. G&A expenses also increased by +20% Y/Y and +16% Q/Q, due to expenses related to the acquisition of Coffee Bean Trading Co. (SHOVEL). Nevertheless, the operating margin improved by +280 bps Q/Q, while remaining broadly stable Y/Y.
- Burgerizzr recorded a net profit of SAR 3.6 mln, exceeding our estimate of SAR 1.3 mln, with strong Y/Y and Q/Q growth. This performance was supported by robust revenue growth and lower food material costs. Given the margin improvements despite cost pressures, as well as the completion of the Coffee Bean Trading Co. (SHOVEL) acquisition, we raise our target price but maintain our Neutral rating.

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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

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