Shatirah House Restaurant Co. (BURGERIZZR)

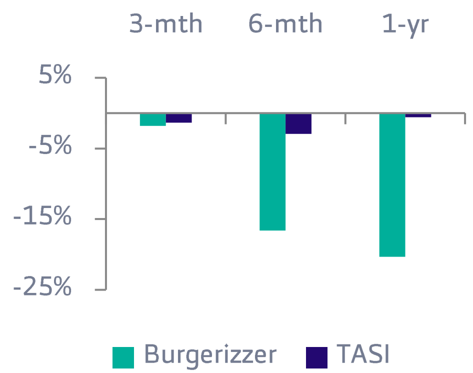
2Q2026 First Look

Margin Expansion Supports Profitability Growth

August 06, 2026

Upside to Target Price	14.8%	Rating	Neutral
Expected Dividend Yield	0.0%	Last Price	SAR 7.58
Expected Total Return	14.8%	12-mth target	SAR 8.70

Market Data	
52-week high/low	SAR 11.3/7.1
Market Cap	SAR 424 mln
Shares Outstanding	56 mln
Free-float	35.6%
12-month ADTV	501,728
Bloomberg Code	BURGERIZ AB



Burgerizzr	2Q2026	2Q2025	Y/Y	1Q2026	Q/Q	RC Estimate
Sales	114	84	36%	105	9%	109
Gross Profit	39	24	60%	36	7%	38
Gross Margins	34%	29%		35%		35%
Operating Profit	8.5	1.5	468%	7.6	13%	8.0
Net Profit	5.5	1.2	369%	5.7	(4%)	6.2

(All figures are in SAR mln)

- Burgerizzr reported 2Q26 revenue of SAR 114 mln, increasing +36% Y/Y and +9% Q/Q, driven by higher sales per branch across the Burgerizzr brand, alongside contributions from newly opened branches. The Company operated 140 branches as of 2Q26 (including Shovel), compared to 113 branches in 2Q25.
- Gross profit reached SAR 39 mln, increasing +60% Y/Y and +7% Q/Q, broadly in line with our SAR 38 mln estimate. Cost of sales increased +27% Y/Y and +10% Q/Q to SAR 75 mln, slightly above our SAR 71 mln forecast. Gross margin expanded by +510 bps Y/Y, as revenue growth outpaced cost growth, while contracting -78 bps Q/Q due to higher raw material prices, reaching 34.0%, broadly in line with our 34.6% estimate.
- Operating profit increased significantly to SAR 8.5 mln in 2Q26, compared to SAR 1.5 mln in 2Q25 and SAR 7.6 mln in the previous quarter, supported by stronger revenue and gross margin expansion. Selling expenses increased +41% Y/Y and +6% Q/Q, while G&A expenses rose +20% Y/Y, reflecting higher promotional activities, increased sales through online channels and the Company's delivery application, in addition to the consolidation of Shovel's results. Operating margin expanded by +568 bps Y/Y and +23 bps Q/Q to 7.5%, broadly in line with our 7.3% forecast.
- Net profit reached SAR 5.5 mln, increasing Y/Y supported by strong revenue growth and margin expansion, while declining -4% Q/Q and coming below our SAR 6.2 mln estimate. Despite limited growth in operating costs and stable finance costs on Q/Q, net profit was impacted by SAR 0.6 mln in property write-off losses compared to no similar losses in the previous quarter. We also believe zakat expense increased during the quarter. We maintain our rating and Target Price.

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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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