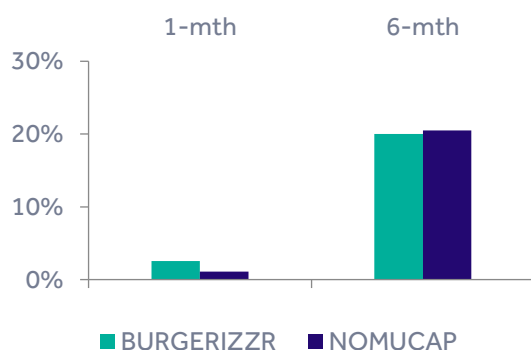


Market Data	
52-week high/low	SAR 12.20/6.29
Market Cap	SAR 336 mln
Shares Outstanding	35 mln
Free-float	28.8%
12-month ADTV	8,761
Bloomberg Code	BURGERIZ AB



Bottom-line Up +10% Y/Y

August 21, 2023

Upside to Target Price	4.3%	Rating	Neutral
Expected Dividend Yield	2.7%	Last Price	SAR 9.59
Expected Total Return	7.0%	12-mth target	SAR 10.00

BURGERIZZR	1H2023	1H2022	Y/Y	2H2022	H/H	RC Estimate
Sales	132	121	9%	130	2%	149
Gross Profit	37	34	7%	34	8%	40
Gross Margins	28%	28%		26%		27%
Operating Profit	6	5	19%	1	413%	2
Net Profit	3.3	3.0	10%	(0.3)	-	0.9

(All figures are in SAR mln)

- BURGERIZZR's top-line rose +9% Y/Y and +2% compared to 2H2022 to SAR 132 mln, below our forecast. This was attributed to +7% Y/Y higher revenue per branch and higher footfall while sales were steady compared to 2H2022.
- 1H2023 gross profit came in at SAR 37 mln, up +7% Y/Y and +8% H/H, due to an increase in average sales per branch. However, gross margin at 28% contracted -67 bps Y/Y driven by an increase in food cost but improved +154 bps compared to 2H2022.
- SG&A continues to increase by +15% Y/Y on the back of higher delivery fees due to increased contribution of online-channels.
- BURGERIZZR reported a bottom-line of SAR 3.3 mln versus SAR 3.0 mln in the same period last year and loss of SAR (0.3) mln in 2H2022. Net income beat our estimates on the back of better cost control than expected, which translated positively on margins. We increase our target price to SAR 10.00 but maintain our 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
For any feedback on our reports, please contact research@riyadcapital.com

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