



Sphera Franchise Group

Investor & Analyst Call

Q1 2024 Results

15.05.2024

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Agenda for today's call

- 1 Q1 2024 Highlights
- 2 Business updates
- 3 Brand performance
- 4 Q&A session



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Therefore, the final results achieved may vary significantly from the forecasts, and the variations may be material.



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Welcome to SFG Q1 2024 Results Call



Călin Ionescu
Chief Executive Officer



Valentin Budeș
Chief Financial Officer



Monica Eftimie
Chief Marketing Officer



Zuzanna Kurek
Investor Relations Officer



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Q1 2024 Results Highlights



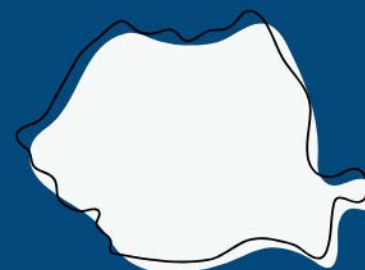
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Key Q1 2024 Highlights

excl. IFRS16

Q1 2024 Consolidated Sales



RON 317.1 mn
+10% vs. Q1 2023



RON 317.6 mn
+12% vs. Q1 2023



RON 43.3 mn
+6% vs. Q1 2023



RON 27.4 mn
-12% vs. Q1 2023



RON 5.5 mn
+12% vs. Q1 2023



RON 20.9 mn
+5% vs. Q1 2023

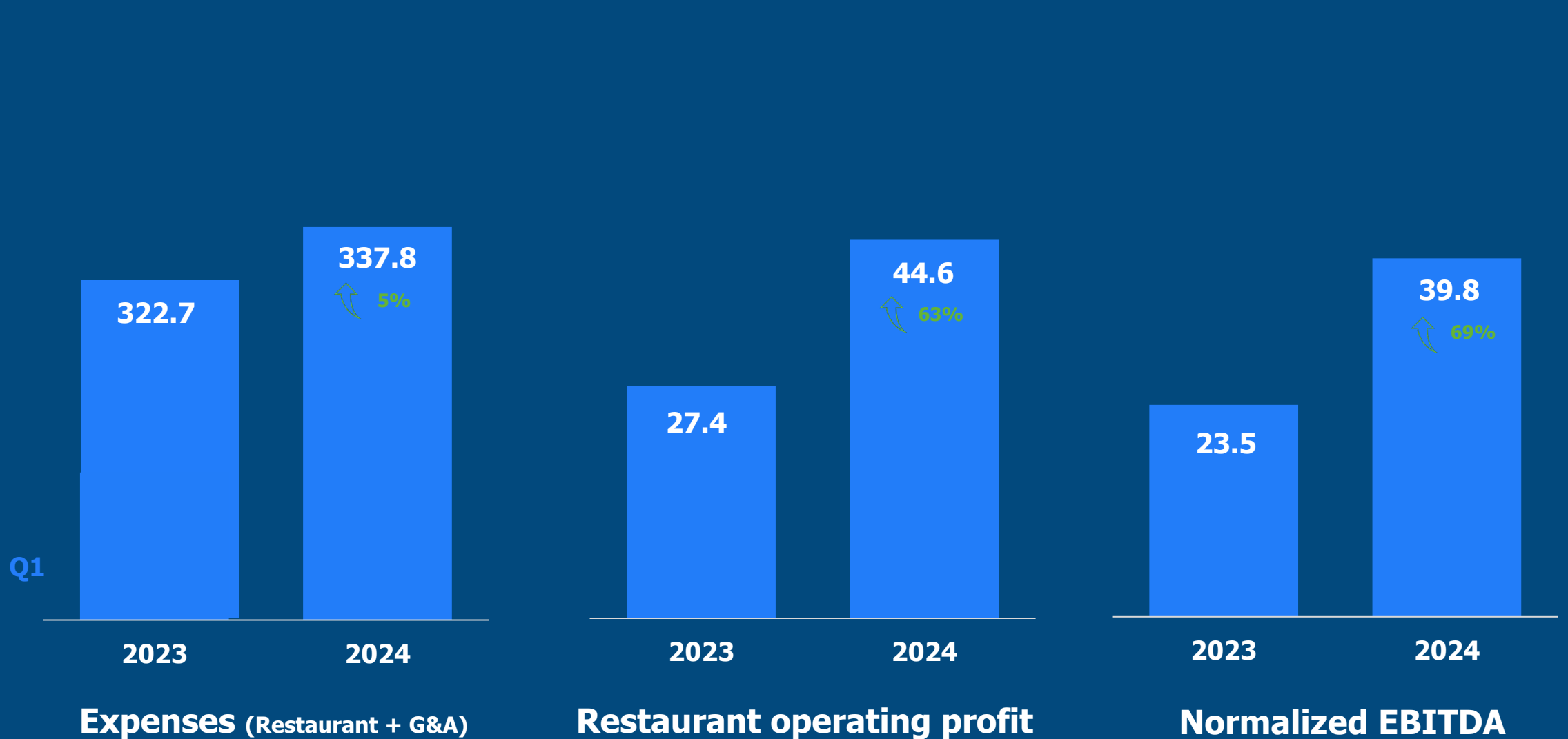


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Evolution of key indicators

in RON m, excl. IFRS16





Q1 2024 key financials

in RON m, excl. IFRS16

Data in RON'000	Q1'24	Q1'23	Y/Y %
Restaurant sales	365,924	335,060	9.2%
Other restaurant income	771	-	100.0%
Restaurant expenses	322,086	307,705	4.7%
Restaurant operating profit	44,610	27,355	63.1%
General & Admin expenses	15,758	14,990	5.1%
EBITDA	39,779	23,523	69.1%
Operating profit	28,852	12,365	133.3%
Finance costs	2,639	3,051	-13.5%
Finance income	56	942	-94.1%
Profit before tax	26,268	10,255	156.1%
Income tax expense	4,818	2,911	65.5%
Normalized profit for the period	21,450	7,344	192.1%
Profit for the period	21,450	7,344	192.1%

The best first quarter in the history in terms **sales, EBITDA and net profit.**

Restaurant expenses grew slower than the revenues in Q1 2024, increasing 4.7% YoY to RON 322.1 million, reducing their weight in sales with almost 4pp YoY, down to 88%.

The G&A expenses decreased as % of sale from 4.5% to 4.3% in Q1 2024, amounting to RON 15.8 million.

The **operating profit** increased 133% YoY, to RON 28.9 million.

The **net profit** increased 192% YoY, to RON 21.4 million in Q1 2024.

Net debt / EBITDA ratio reached a minimum level of **0.3**.

Business updates



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TACO BELL

Business



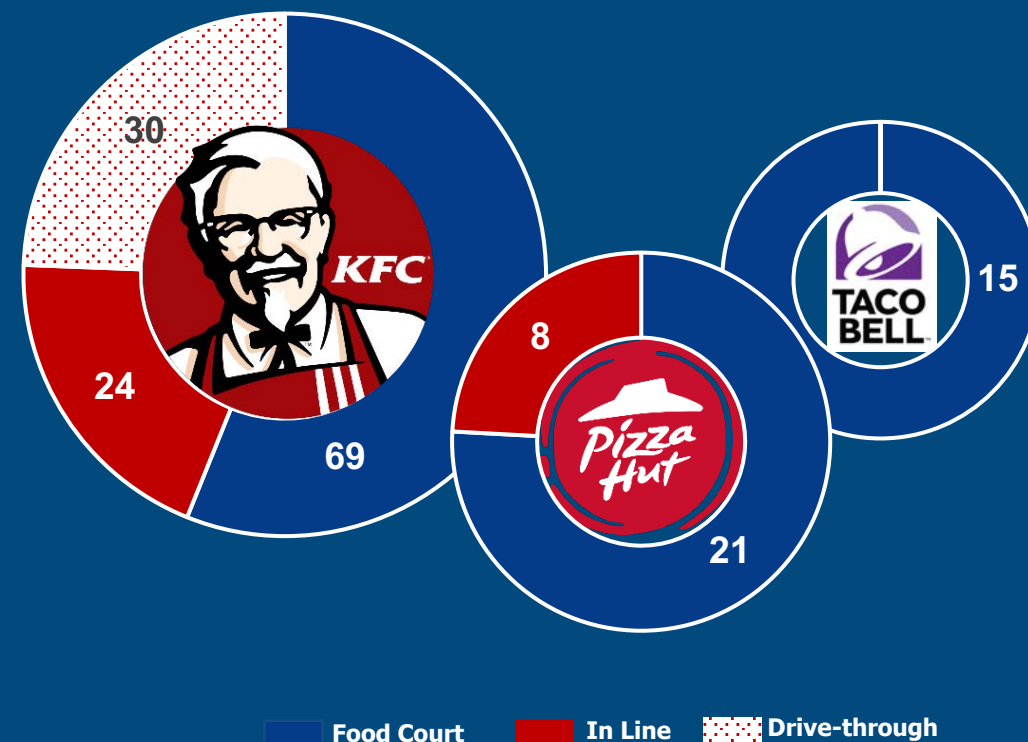
Network as of 31.03.2024

In Q1 2024, Sphera opened 1 new restaurant – a KFC drive-thru unit in Sibiu, Romania, located at 39 Calea Surii Mari.

At the same time, in January 2024, five Pizza Hut restaurants in Romania were closed, as part of the process of streamlining the restaurant network.

In Q2 2024, Sphera opened 1 new restaurant – a KFC in Arges Mall in Arges, Pitesti, the 3rd KFC unit in the city.

As of March 31st, 2024, the Group had 5,121 employees, of which 4,645 were in Romania, 403 in Italy and 73 in the Republic of Moldova.



NOTE: 1 PHD sub-franchise not included above.



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2024 Budget

in RON m, excl. IFRS16

Indicator	2024 Budget		2023		2024 Budget vs. 2023
	RON millions	% Sales	RON millions	% Sales	
Restaurant Sales (*)	1,648.9	100.0%	1,469.2	100.0%	12.2%
Other Income	-	-	-	-	-
Food and Material	528.4	32.0%	479.4	32.6%	10.2%
Restaurant Gross Margin	1,120.5	68.0%	989.8	67.4%	13.2%
Restaurant Operational Expenses	867.1	52.6%	783.3	53.3%	10.7%
Restaurant Operating Profit	253.4	15.4%	206.5	14.1%	22.7%
G&A expenses	63.5	3.9%	58.5	4.0%	8.6%
EBITDA (normalized, excluding IFRS 16 impact) (*)	189.8	11.5%	147.9	10.1%	28.3%
Normalized Net Profit for the year (*)	95.7	5.8%	79.7	5.4%	20.1%
Free Cash Flow ¹⁾ (*)	116.8		108.7		7.4%

(*) Financial indicators included in Sphera Franchise Group S.A. Remuneration Policy relevant for variable remuneration calculation.

1) Free Cash Flow = EBITDA - Δ Working Capital - Investments

Capital markets



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Q1 2024 evolution share price vs. market



SFG: **+14%**

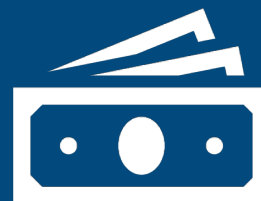
Liquidity: **+214% YoY**



BET: **+10.8%**



10/10 in the VEKTOR score for IR



RON 1.05 gross dividend per share to be paid in June 2024; intention for distribution of **supplementary dividend in H2'24**



Buyback of maximum **675,346 SFG shares** approved by EGSM



Marketing KFC

KFC

POȚI CÂȘTIGA

100.000€

1000
x HOT BUCKET
/ SĂPTĂMÂNĂ

2000
x 2 ARIPIOARE PICANTE
/ ZI

PARTICIPĂ PE [KFC.RO/PROMO](https://kfc.ro/promo)

Campania promoțională este valabilă în perioada 16.03.2024 - 28.02.2024, în toate restaurantele KFC din România, incluzând serviciile de livrare, drive-thru, delivery, agroprom, USA & collect și call center, la achiziționarea oricăror produse din meniul KFC, în valoare de minimum 20 de lei. Consultă regulamentul campaniei promoționale disponibil pe www.kfc.ro/promo sau la telefon 020.200.0004, număr cu tarif normal, disponibil de luni până vineri în intervalul 09:00-18:00 cu excepția zilelor legale. Valoarea comercială a premiilor este de 100.000 lei (peste 1000 de lei), incluzând impozitul pe venitul din premii în ratele în funcție de valoarea premiului și costurile de prezentare.

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SMART MENU

19,90 LEI

ÎȚI FACI POFTA LA OFERTĂ
ȘI STOCURI PE [Q | KFC.RO/SMARTSTOC](https://kfc.ro/smartstoc)

Sugestie de prezentare. Campania este valabilă în perioada 29 februarie - 8 mai 2024, în toate restaurantele KFC din România. Pentru mai multe detalii, consultă regulamentul pe kfc.ro/smartstoc.

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PUNE-ȚI POFTA-N PUI CU

MARTI BUCKET

31,90 LEI
20 HOT WINGS®

+ 2 COCA-COLA ZERO ZAHĂR (0.33L)

Marti Bucket - 20 buc. Coca-Cola Zero Zahăr 0.33L la 7,90 lei. Conform 11/01/2020, pentru bucuria în ambalaje inovative și sigilare garantată de 10 de ani în urmă, care nu este echival în prețul de vânzare al produs. Sugestie de prezentare. Oferta este valabilă în limita stocului disponibil, doar în zilele de marți, în perioada 27 februarie - 28 martie 2024, în restaurantele KFC din România, cu excepția celor din cadrul becoșilor parteneri și a serviciului de livrare. Hot Bucket nu este disponibil în zilele de marți.



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Marketing Pizza Hut

2x 



PIZZA MICĂ LA 1 LEU

CU ORICE PIZZA MEDIE

PENTRU CĂ NU DAI ÎNAPOI
DE LA NICIO MASĂ ÎN DOI.



Ofertă disponibilă în perioada Ianuarie - martie, la achiziționarea oricărei pizze de dimensiune medie la prețul din meniu, poți cumpăra orice pizza de dimensiune mică la doar 1.00 leu, pe blat Classic sau Pan. Nu se cumulează cu alte oferte sau reduceri afișate în destăsurare sau la comenzi plasate prin platformele agregatorilor: Glovo, Tazz by eMag, Bolt Food. Produsele din imagine sunt cu titlu de prezentare.



OFERTA DE MIERCURI

ORICE PORȚIE DE PASTE LA DOAR

21.90 LEI



ÎNCEARCĂ NOILE
**ARIPIOARE
CU ATTUDINEA
CEA MĂITARE**

**BLING-BLING
DIN 5 SOSURI**



Produse disponibile în limita stocului din restaurantele Pizza Hut din România, cu excepția celor de tip Express. Produsele din imagine sunt cu titlu de prezentare.



Marketing Taco Bell

TACO  BELL

Cheesy GORDITA CRUNCH

UNDE-S MULTE STRATURI,
GUSTUL CREȘTE

10.50 LEI



Sugestie de prezentare. Ofertă valabilă în perioada 18 ianuarie - 27 martie 2024, în toate restaurantele Taco Bell din România. Produsele sunt disponibile în limita stocului.

TACO TUESDAY



**CUMPĂRĂ UN TACO SUPREME
ȘI PRIMEȘTI ÎNCĂ UNUL
DIN PARTEA CASEI***

*SUGESTIE DE PREZENTARE. OFERTĂ DISPONIBILĂ DE LUNI PÂNĂ VINERI ÎN RESTAURANTELOR TACO BELL DIN ROMÂNIA, CU EXCEPȚIA CELOR DIN BUCUREȘTI. PRODUSE DISPONIBILE ÎN LIMITA STOCULUI.

MÁS MENU

PREA COOL CA SĂ-L RATEZI

19,90 LEI

FREE REFILL



TACO  BELL

SUGESTIE DE PREZENTARE. OFERTĂ DISPONIBILĂ DE LUNI PÂNĂ VINERI ÎN RESTAURANTELOR TACO BELL DIN ROMÂNIA, CU EXCEPȚIA CELOR DIN BUCUREȘTI. PRODUSE DISPONIBILE ÎN LIMITA STOCULUI.



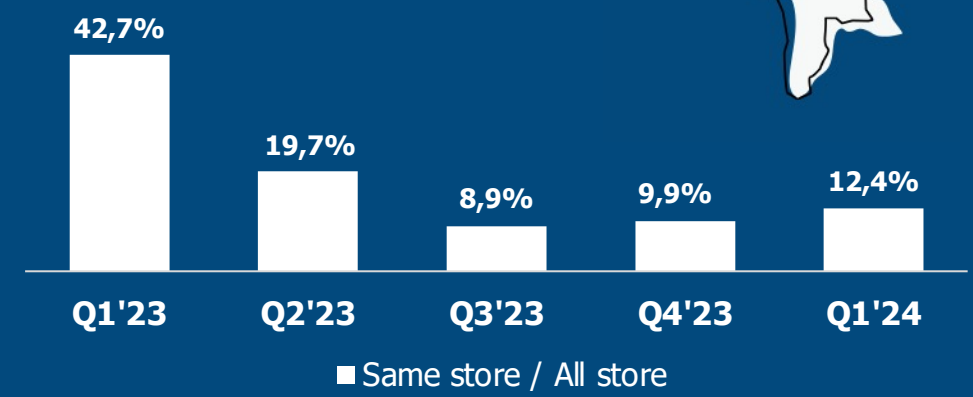
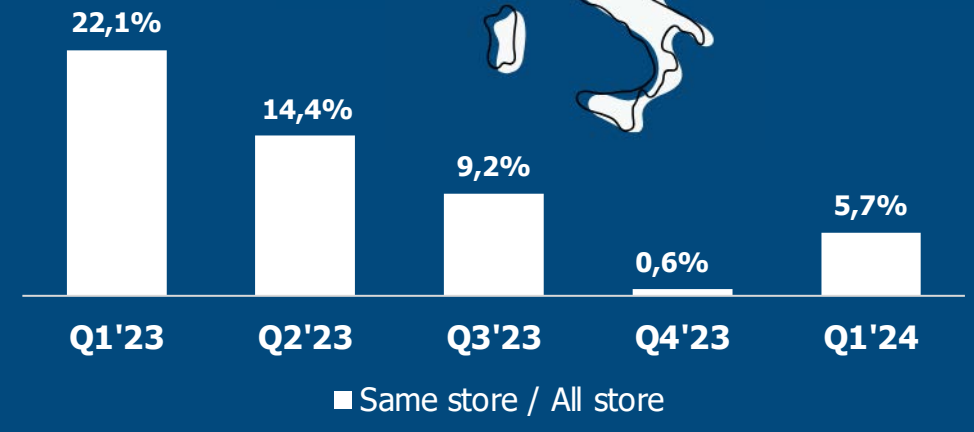
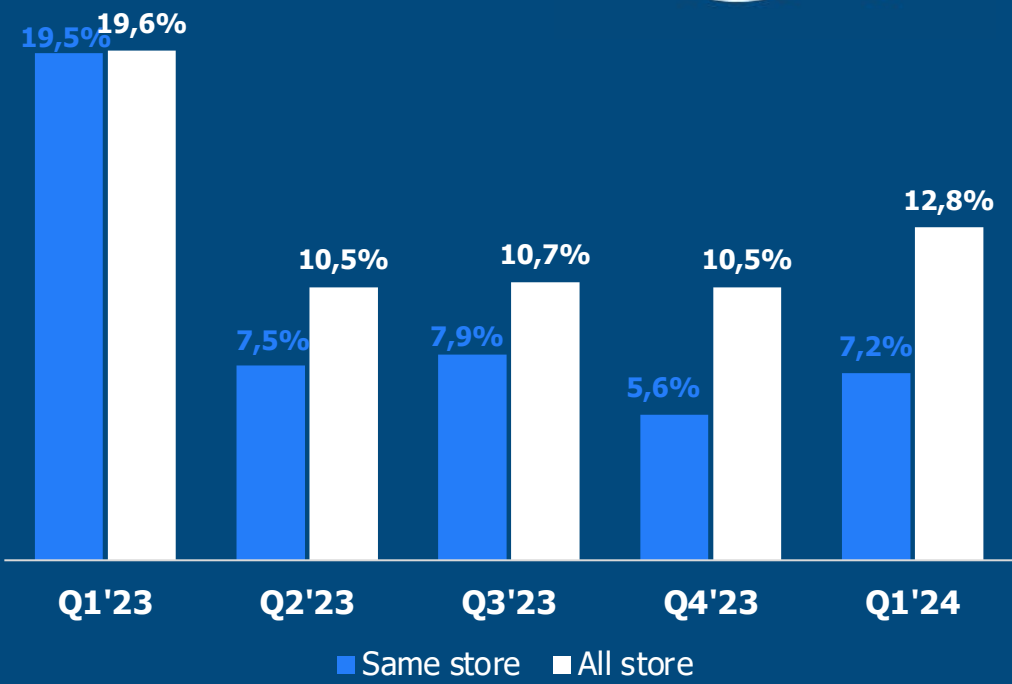
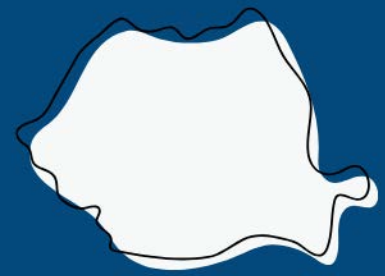
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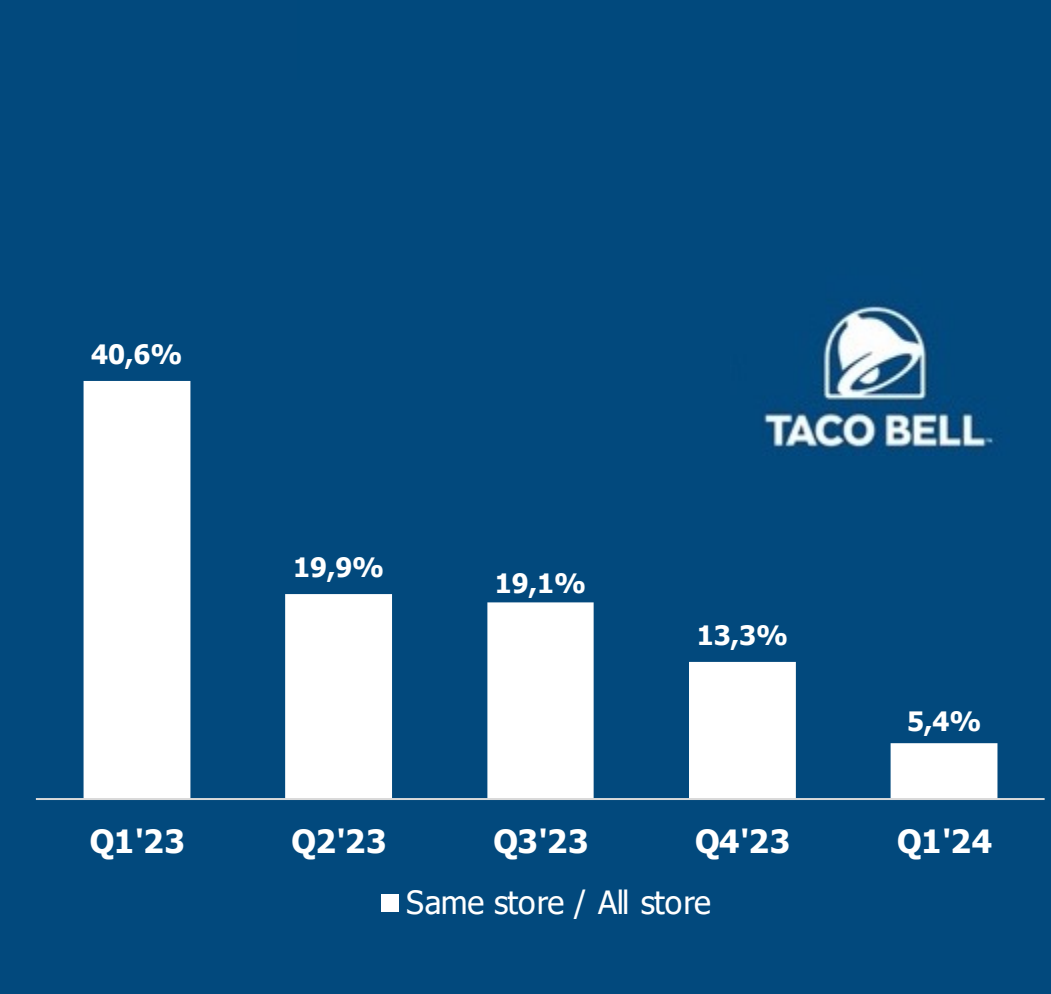
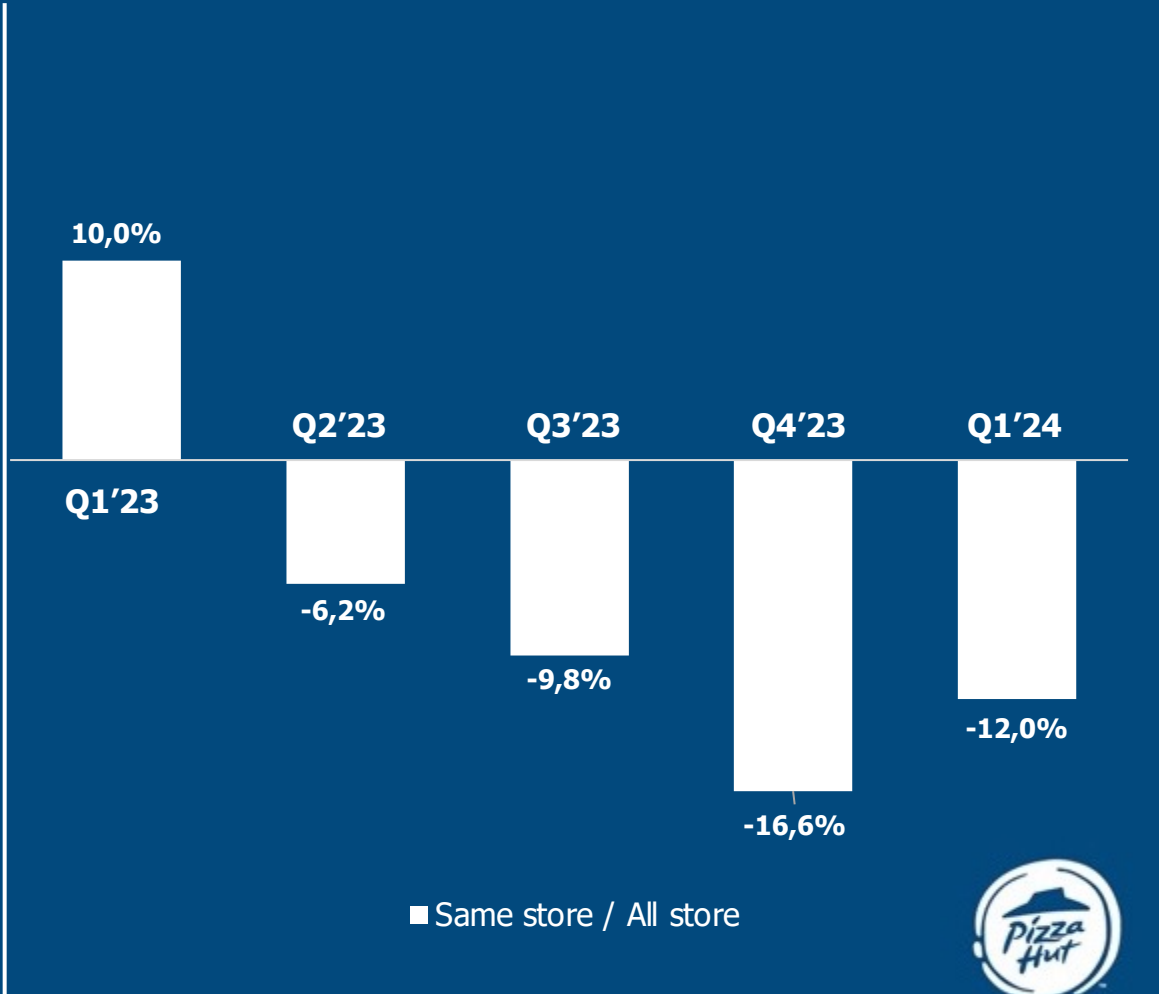


Brand performance

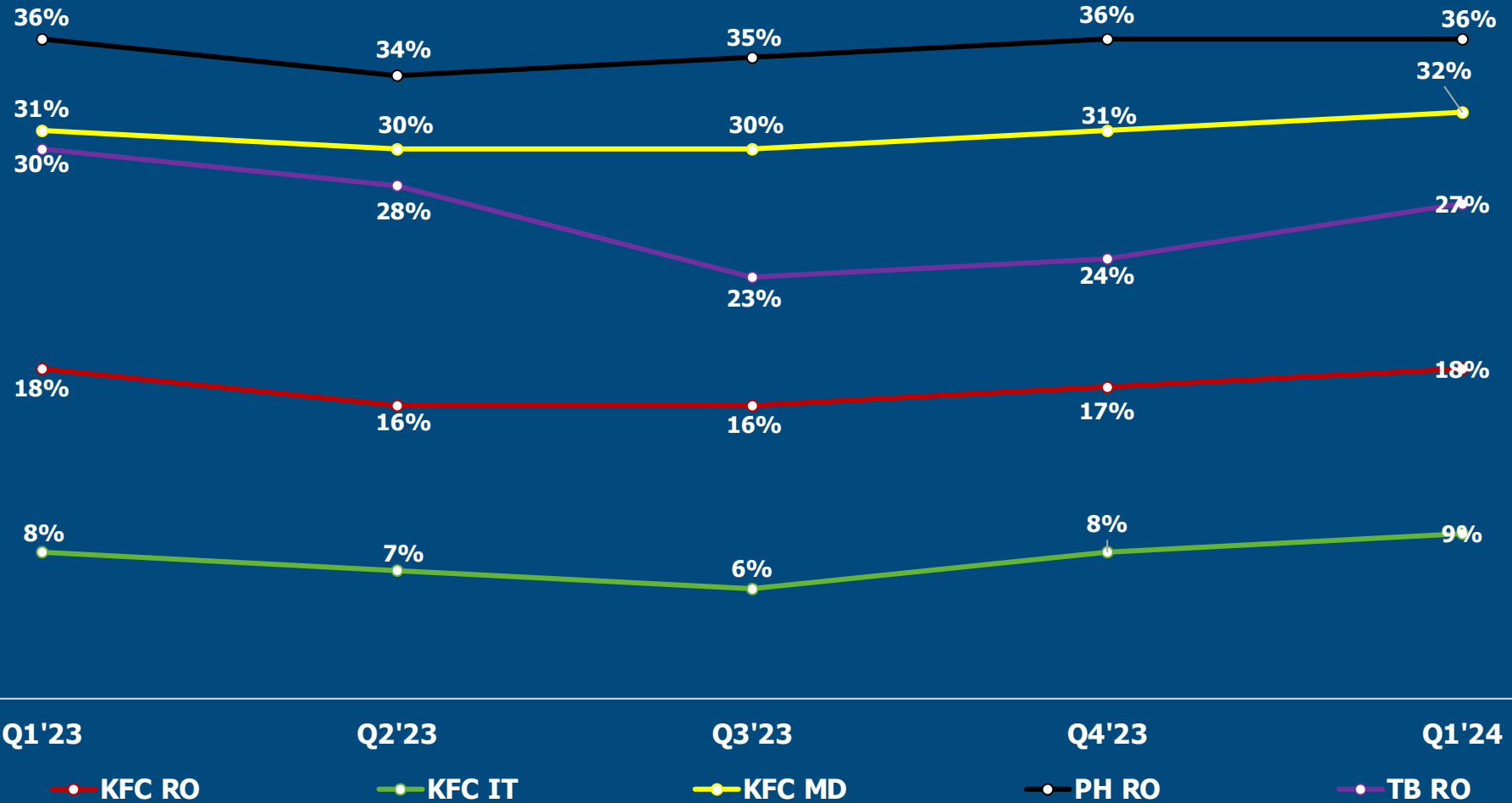
Sales brand performance: KFC



Sales brand performance: Pizza Hut & Taco Bell



Evolution of orders for delivery





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TACO BELL

Q&A session



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Thank you for joining us!

Sphera Franchise Group's consolidated Q1 2024 results are available for download on our website: www.spheragroup.com.

The recording of this conference call will be available on our website shortly.

For any follow-up questions related to Sphera Franchise Group's activity on the Bucharest Stock Exchange, please contact **Zuzanna Kurek**, IRO, at: investor.relations@spheragroup.com.