

الآمار alamar

Q1



Alamar Foods

# EARNINGS RELEASE

First Quarter 2025





01

First Quarter 2025

# FINANCIAL HIGHLIGHTS



## Alamar Builds on Turnaround Momentum in Q1 2025 with Robust YoY Margin and Earnings Improvements

Revenue

**₪ 211.1mn**

▲ 2% YoY

Revenue grew 2% YoY to ₪ 211.1 million.  
At constant FX, revenue grew 5% YoY.



Gross Profit

**₪ 55.4mn**

▲ 9% YoY

Gross profit grew 9% YoY to ₪ 55.4 million  
with 26.2% margin, up 1.7pp YoY.

Adjusted EBITDA <sup>1</sup>

**₪ 13.2mn**

▲ 31% YoY

Adjusted EBITDA grew 31%  
YoY to ₪ 13.2 million with 6.3%  
margin, up 1.4pp YoY.



Net Loss

**₪ 1.8mn**

▼ 90% YoY

Net loss of ₪ 1.8 million was  
90% YoY smaller than in Q1  
2024.

Adj. Net Loss <sup>2</sup>

**₪ 0.3mn**

▼ 94% YoY

Adj. net loss was reduced by  
94% YoY to ₪ 0.3 million in  
Q1 2025.

Net Cash

**₪ 77.5mn**

Net cash position amounted to ₪ 77.5  
million as of 31 March 2025.

<sup>1</sup> Adj. EBITDA is calculated on pre-IFRS 16 basis adjusted for employees share plan compensation expense and non-recurring items (if any)

<sup>2</sup> Adj. net profit is calculated as reported net profit adjusted for employees share plan compensation expense and non-recurring items (if any)



**Riyadh, 13 May 2025** – Alamar Foods delivered a strong start to the year, with Q1 2025 results demonstrating continued revenue recovery and solid execution on operational efficiency and cost discipline.

Revenue rose 2.1% YoY to SAR 211.1 million, or 5.0% at constant FX, maintaining positive recovery momentum despite the year-on-year comparison including nine additional Ramadan days and a headwind of approximately 100 basis points (1%) from the absence of a leap year trading day.

Gross profit margin expanded by 1.7pp to 26.2%, driven by successful marketing initiatives and strict cost management. Adjusted EBITDA grew 31% YoY to SAR 13.2 million, with margin improving by 1.4pp to 6.3%, reflecting stronger operational leverage and improved margin conversion. Net loss narrowed significantly to SAR 1.8 million from SAR 17.7 million in the same period last year, while adjusted net loss declined 94% YoY to SAR 0.3 million.





## Filippo Sgattoni, CEO of Alamar Foods, commented on the Q1 2025 results and outlook:



Alamar has come a long way from the challenges it faced a year ago, when geopolitical headwinds tested the strength of our operations and the resilience of our organization. Instead of merely navigating these circumstances, we chose to shape our environment proactively. We invested strategically in technology, product development, brand enhancement, and human capital to redefine our operational landscape.

This quarter's performance demonstrates how those investments have translated into tangible progress. In addition to improved revenue quality, healthier margins, stronger

flow-through, and a more efficient cost structure, we've strengthened the business with the capabilities and infrastructure required to pursue and absorb future growth, whether through new store openings, digital innovation, or strategic acquisitions.

Our focus is to build on this momentum. We're committed to scaling what's working, executing with consistency, and continuing to drive sustainable, profitable growth across our markets.



02

First Quarter 2025

# FINANCIAL RESULTS





## Income Statement Summary

SAR mn	Q1 2024	Q1 2025	YoY % Change
Revenues	206.9	211.1	+2.1%
Cost of revenues	(156.2)	(155.8)	-0.3%
Gross profit	50.6	55.4	+9.3%
Operating profit (EBIT)	(12.2)	3.6	n/m
Adj. EBITDA <sup>3</sup>	10.1	13.2	+31.0%
Net profit	(17.7)	(1.8)	n/m
Adj. net profit <sup>4</sup>	(6.7)	(0.3)	n/m

## Margins Summary

SAR mn	Q1 2024	Q1 2025	YoY % Change
Gross Profit Margin	24.5%	26.2%	+1.7 ppt
EBIT Margin	-5.9%	1.7%	+7.6 ppt
Adj. EBITDA Margin	4.9%	6.3%	+1.4 ppt
Net Profit Margin	-8.6%	-0.9%	+7.7 ppt
Adj. Net Profit Margin	-3.2%	-0.2%	+3.0 ppt

## Revenue Mix by Brand

SAR mn	Q1 2024	Q1 2025	YoY % Change
Domino's	194.0	195.6	+0.8%
Dunkin'	10.0	10.4	+4.6%
Other	2.9	5.2	+80.7%
<b>Total Revenue</b>	<b>206.9</b>	<b>211.1</b>	<b>+2.1%</b>

## Revenue Mix by Geography <sup>5</sup>

SAR mn	Q1 2024	Q1 2025	YoY % Change
KSA	141.3	142.3	+0.7%
Other GCC & Levant	44.5	48.3	+8.5%
North Africa	21.0	20.5	-2.1%
<b>Total Revenue</b>	<b>206.9</b>	<b>211.1</b>	<b>+2.1%</b>

<sup>3</sup> Adj. EBITDA is calculated on pre-IFRS 16 basis adjusted for employees share plan compensation expense and non-recurring items (if any)

<sup>4</sup> Adj. net profit is calculated as reported net profit adjusted for employees share plan compensation expense and non-recurring items (if any)

<sup>5</sup> Geographical revenue breakdown has been restated to reflect a consistent revenue allocation methodology across various geographies



## 4Q 2024 Revenue Growth on Constant FX Basis and Reported Basis

	YoY % Change (constant FX)	YoY % Change (as reported)		YoY % Change (constant FX)	YoY % Change (as reported)
KSA	+0.7%	+0.7%	Domino's	+1.8%	+0.8%
Other GCC & Levant	+8.5%	+8.5%	Dunkin'	+44.3%	+4.6%
North Africa	+26.4%	-2.1%	Other	+80.7%	+80.7%
<b>Total Revenue</b>	<b>+5.0%</b>	<b>+2.1%</b>	<b>Total Revenue</b>	<b>+5.0%</b>	<b>+2.1%</b>

### Revenue Performance

At constant exchange rates, revenue grew by 5.0% YoY in Q1 2025, supported by the company's targeted marketing initiatives and enhancements to customer experience. On a reported basis, revenue grew 2.1% YoY to SAR 211.1 million, impacted by the currency devaluation in Egypt.

Revenue increased by 8.8% at constant currency and 5.6% on a reported basis, comparing January, February, and 29 days of Ramadan in 2025 with January, February, and 29 days of Ramadan in 2024. The 2024 period included one additional trading day due to the leap year, which has not been adjusted for and represents a headwind of approximately 1%.

In Q1 2025, Saudi Arabia recorded its first positive year-on-year revenue growth in over two years, with revenue up 0.7% despite nine additional Ramadan days and the leap year headwind. Comparing January, February, and 29 days of Ramadan in 2025 to the same period in 2024, revenue rose by 5.4%, driven primarily by a sustained increase in transaction volumes. Importantly, the recovery trend held steady with no signs of losing momentum.

North Africa continued to see the strongest revenue recovery with 26.4% revenue growth YoY at constant FX, supported by a solid recovery at Dunkin' Egypt. Reported revenue declined 2.1% YoY due to the currency devaluation in Egypt.

GCC countries and Levant showed an 8.5% YoY revenue increase, on the back of continued marketing activities following the easing of geopolitical tensions at the end of 2024.

Domino's revenues increased by 0.8% YoY on a reported basis and by 1.8% YoY at constant FX. Dunkin' revenues grew by 44.3% YoY in Q1 2025 at constant FX, while in actual currencies the growth was 4.6% YoY due to the currency devaluation in Egypt.

The company proceeded with a more active rollout of new restaurants that started from 4Q 2024 following the easing of the geopolitical situation. During Q1 2025, the Group opened three corporate Domino's restaurants and two corporate Dunkin' restaurants on a net basis, taking its total corporate store count to 542 restaurants as of end of March 2025.





## Cost and Profitability Trends

In Q1 2025, Alamar delivered solid year-on-year improvement across key profitability metrics, building on the turnaround initiated in early 2024. Gross profit margin rose by 1.7 percentage points to 26.2%, up from 24.5% in Q1 2024, supported by procurement savings, favorable commodity trends, headcount optimization, and disciplined cost control.

At the same time, aggregator commissions increased, with aggregators accounting for 39% of revenue in Q1 2025 compared to 31% in Q1 2024. The aggregator channel has established itself as a profitable and strategically important part of Alamar's delivery business, driving access to new customer segments and delivering strong gross margins that help outweigh the impact of higher commission costs.

Despite the increase in aggregator usage, selling and distribution expenses declined year-on-year, reflecting lower advertising spend, including the absence of SAR 6.2 million in brand-building costs recorded in Q1 2024. Administrative expenses, meanwhile, rose YoY in Q1 2025, mostly due to SAR 1.5 million in non-recurring items.

As a result, adjusted EBITDA rose 31% year-on-year to SAR 13.2 million, with margin improving by 1.4 percentage points to 6.3%. Net loss narrowed significantly from SAR 17.7 million to SAR 1.8 million, with net margin improving from -8.6% to -0.9%. Adjusted net loss improved from SAR 6.7 million in Q1 2024 to just SAR 0.3 million, reflecting structural improvements in profitability.



03

First Quarter 2025

# CAPEX AND CASH FLOW



Net operating cash flow fell 62% YoY to SAR 11.9 million<sup>6</sup>, affected by working capital movements. Capital spending<sup>7</sup> dropped by 52% YoY to SAR 4.3 million in Q1 2025 and accounted for 2.0% of Q1 2025 revenue, compared to 4.3% a year ago and a mid-term guidance range of 5.0-6.0%. Capex is expected to accelerate over the remainder of the year in line with the planned ramp-up in new store openings.

This resulted in a positive free cash flow of SAR 7.6 million in Q1 2025. The Company's net cash position amounted to SAR 77.5 million as of the end of Q1 2025.



<sup>6</sup> In the financial statements, interest expense on loans and borrowings and finance income on deposits were reclassified from cash flows from operating activities to cash flows from financing activities. However, both items are presented in cash flows from operating activities in the earnings release to ensure consistency with prior disclosures.

<sup>7</sup> Starting from Q1 2025, capital spending calculation includes capital advances. Capital spending for prior periods is recalculated accordingly.

## **Additional Information**

The company will be hosting the Q1 2025 earnings call on the 13th of May 2025 at 3pm KSA time to present its financial results to analysts and investors. Participants can register for the call through the link provided on the company website or by reaching out to our IR department at the email provided below.

**[investor.relations@alamar.com](mailto:investor.relations@alamar.com)**

The Q1 2025 financial statements, earnings release, earnings presentation and financial data supplement will be made available on the website of Alamar Foods at:

**[www.alamar.com/investor-relations](http://www.alamar.com/investor-relations)**

### **Alamar Foods Company**

P. O. Box 4748 Riyadh 11412 KSA

KSA, Riyadh, Olaya, Prince Sultan Bin  
Abdulaziz Road, Alamar Tower 3507

Tel: +966 11 250 4747

E-mail: [investor.relations@alamar.com](mailto:investor.relations@alamar.com)

[www.alamar.com](http://www.alamar.com)