



Sphera Franchise Group

Investor & Analyst Call

2024 Preliminary Results

28.02.2025

KFC



Agenda for today's call

- 1 2024P 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 2024P Results Call



Călin Ionescu

Chief Executive Officer



Valentin Budeș

Chief Financial Officer



Zuzanna Kurek

Investor Relations Officer



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2024P Results Highlights



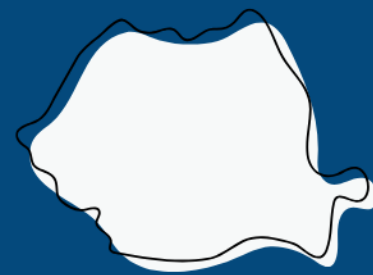
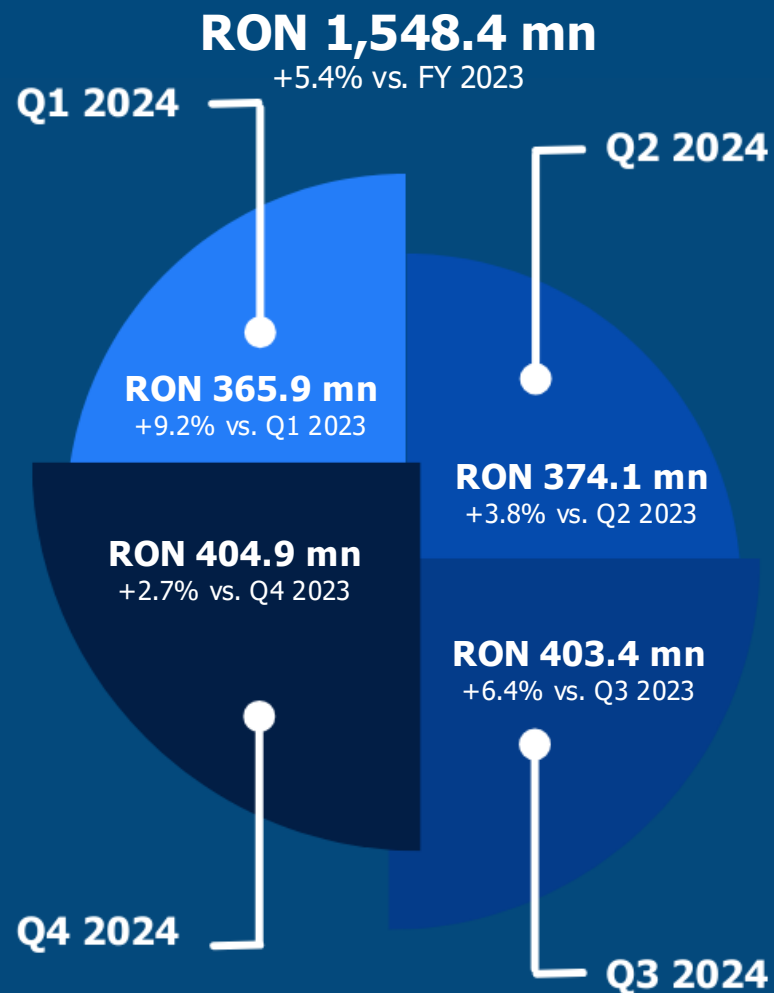
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Key 2024P Highlights

excl. IFRS16

2024P Consolidated Sales



RON 1,333 mn
+5.4% vs. 2023



RON 191.7 mn
+4.3% vs. 2023



RON 23.7 mn
+15% vs. 2023

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RON 1,348.1 mn
+6.2% vs. 2023



RON 108.4 mn
-5.9% vs. 2023



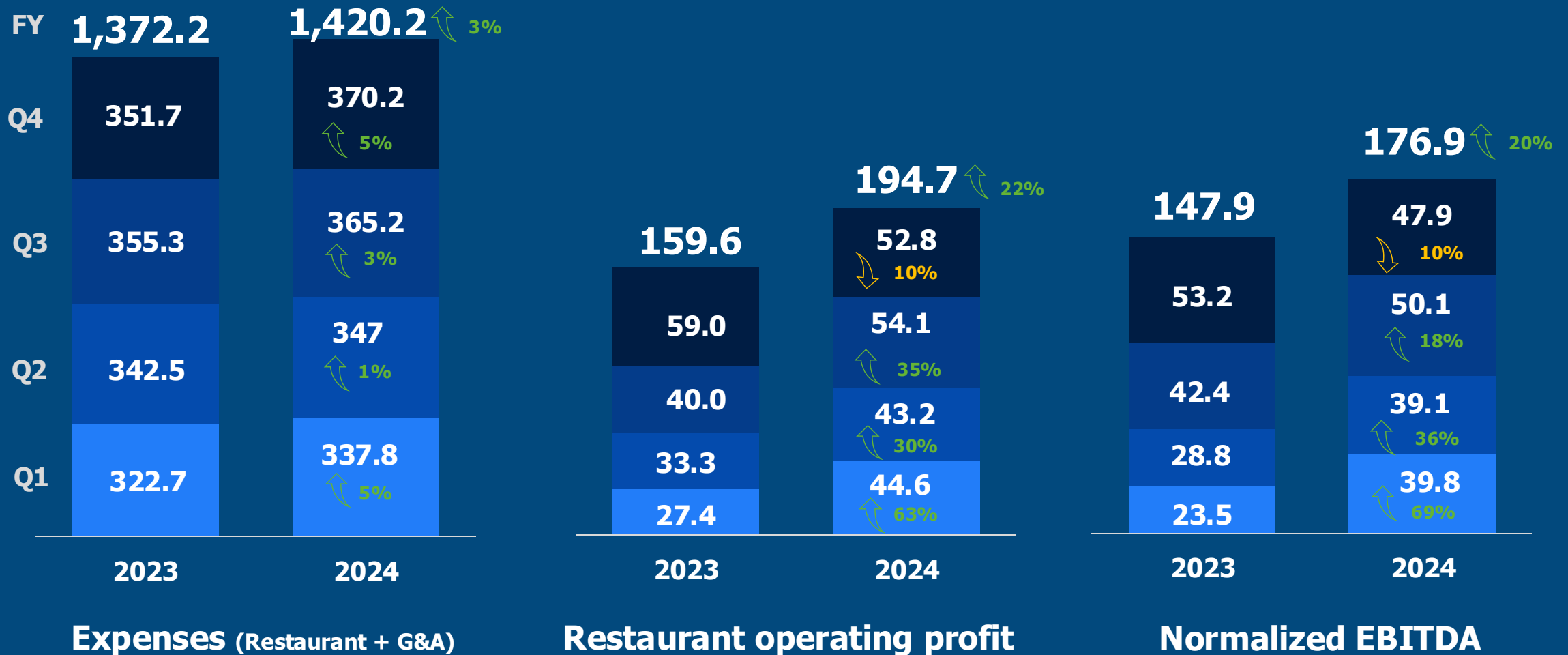
TACO BELL

RON 91.9 mn
+8.7% vs. 2023



Evolution of key indicators

in RON m, excl. IFRS16





Q4 2024 key financials

in RON m, excl. IFRS16

Data in RON'000	Q4'24	Q4'23	Y/Y %
Restaurant sales	404,935	394,436	2.7%
Other restaurant income	1,001	-	-
Restaurant expenses	353,125	335,449	5.3%
Restaurant operating profit	52,811	58,986	-10.5%
General & Admin expenses	17,109	16,285	5.1%
EBITDA	47,905	53,218	-10.0%
Normalized EBITDA	47,905	53,233	-10.0%
Operating profit	35,702	42,701	-16.4%
Finance costs	2,875	2,772	3.7%
Finance income	231	48	382.0%
Profit before tax	33,059	39,978	-17.3%
Income tax expense	7,281	3,799	91.7%
Profit for the period	25,777	36,179	-28.7%
Normalized profit for the period	25,777	36,751	-29.9%

Q4 2024 was the **strongest quarter in the company's history**, surpassing the RON 400 million sales milestone for the second time in a single year at the quarterly level.

Restaurant expenses saw a 5.3% increase YoY to RON 353.1 million, driven by payroll costs, higher 10.3% YoY, reflecting industry-wide adjustments.

Food and material costs remained almost flat despite the sales increasing 2.7% YoY.

Normalized EBITDA margin decreased 1.7 pp YoY, due to higher restaurant operating costs.

Net profit decreased 28.7% YoY, to RON 25.8 million in Q4 2024, impacted by almost doubling of the income tax, primarily due to USFN Romania becoming an income taxpayer.



2024P key financials

in RON m, excl. IFRS16

Data in RON'000	2024P	2023A	Y/Y %
Restaurant sales	1,548,382	1,469,172	5.4%
Other restaurant income	2,280	-	-
Restaurant expenses	1,355,965	1,309,595	3.5%
Restaurant operating profit	194,698	159,577	22.0%
General & Admin expenses	64,274	62,655	2.6%
EBITDA	176,892	145,290	21.8%
Normalized EBITDA	176,892	147,937	19.6%
Operating profit	130,424	96,923	34.6%
Finance costs	10,393	11,772	-11.7%
Finance income	564	1,239	-54.5%
Profit before tax	120,596	86,389	39.6%
Income tax expense	23,410	14,410	62.5%
Profit for the period	97,185	71,979	35.0%
Normalized profit for the period	97,185	79,680	22.0%

Record sales in 2024, with **turnover** overpassing **RON 1.5 billion** milestone for the first time in history.

Restaurant expenses saw a moderate, 3.5% increase YoY to RON 1,356 million, reducing their weight in sales by 1.6pp YoY, down to 87.6%.

Food and material costs increased by mere 0.9% YoY, to RON 483.6 million, decreasing their weight in sales with 1.4pp.

Normalized EBITDA margin boost with 1.4pp from 10.1% in 2023 to 11.4% in 2024.

The normalized **operating profit** increased 24.7% YoY, to RON 130.4 million in 2024.

The net profit grew 35% YoY, to RON 97.2 million, with normalized profit increasing 22% (normalization impacting only 2023).

The **net debt/EBITDA ratio** reached the lowest level in history for the yearend, of **0.25**.

Business updates



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Business

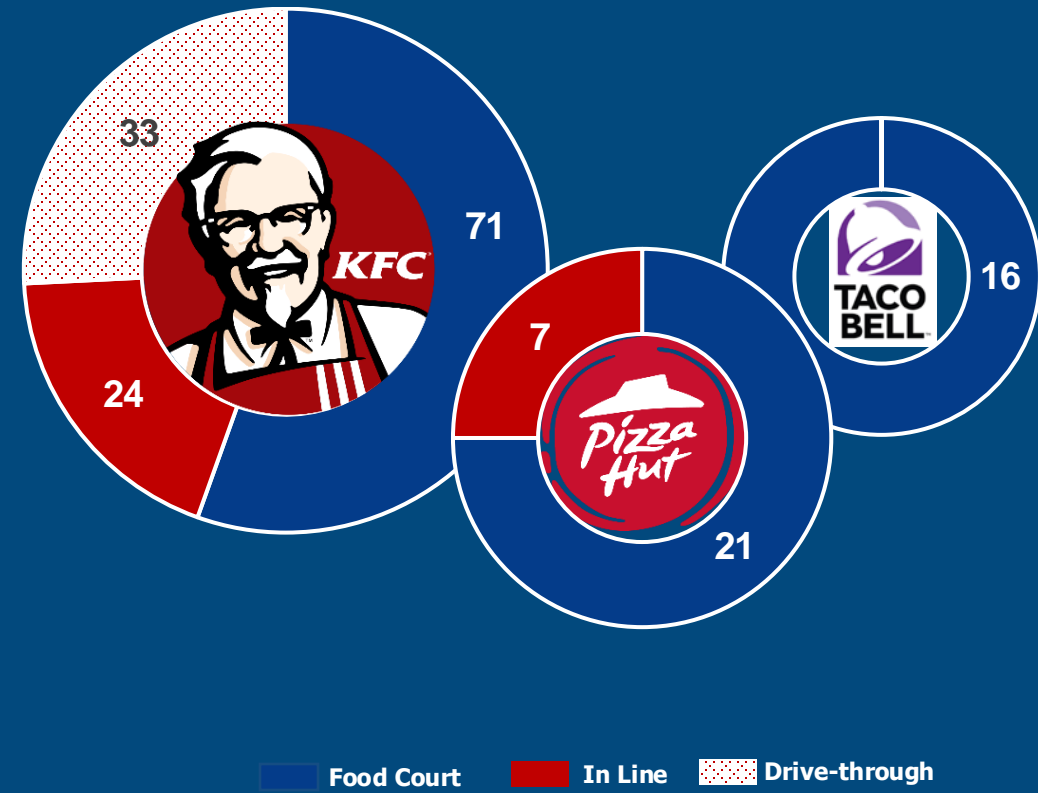


In Q4 2024, Sphera opened a new restaurant in Bucharest, Taco Bell, located in Plaza Romania Mall.

Overall, in 2024, Sphera Franchise Group inaugurated 7 new restaurants – 6 KFC locations, of which 5 new stores were inaugurated in Romania and 1 in the Republic of Moldova, and 1 Taco Bell store in Romania.

As of December 31st, 2024, Sphera Franchise Group operated 173 restaurants: 107 KFC restaurants in Romania, 3 in Moldova and 18 in Italy, as well as 28 Pizza Hut restaurants, 16 Taco Bell restaurants, and one Pizza Hut Delivery sub-franchise.

Network as of 31.12.2024



NOTE: 1 PHD sub-franchise not included above.

Brands portfolio



In Q4 2024, the Group announced the expansion of its portfolio by adding the Cioccolatitaliani franchise, part of Gioia Group. The franchising rights are held by Choco Franchise SRL, a newly established entity in Italy, fully owned by US Food Network Italy.

The Group plans to develop the franchise on the Italian market, with the first unit to be opened in the first half of 2025, after an investment of approximately EUR 0.5 million.

The Group estimates cca. 4 new openings per year over the following 5 years, initially focusing on the northern regions of Italy. Expansion to Romania is also considered, as the agreement signed with Gioia Group also covers this market, but the timing depends on the local economic conditions.



Capital markets



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2024 evolution share price vs. market



SFG: **+56.8%**

SFG-TR: **+65.0%**

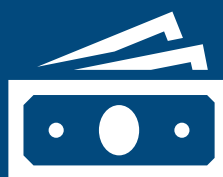
Liquidity: **+186.8% YoY**



BET: **+8.8%**

BET-TR: **+16.2%**

In Q4 2024, SFG shares continued to appreciate – growing 2% , while the BET index decreased 5.1%.



Supplementary RON 1.05 gross dividend per share was paid on November 7th 2024; the total DivY for 2024 amounted to 5.6% considering the June and November 2024 dividend payouts.



125,878 shares were bought back from the market between Nov'24 and Jan'25, for RON 4.98 million. The process of **cancelling the shares** will be initiated, estimated for completion in 2025.



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Brand performance

Marketing KFC



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**CRISPY
SHAORMA**
**19⁹⁰
LEI**

**RESPECT SHAORMA.
RESPECT PASIUNEA
PENTRU POFTA #PEBUNE.**

DISPONIBIL ȘI ÎN

KFC APP

Imagine de prezentare. Oferta valabilă în limita stocului disponibil, în perioada 19 noiembrie 2024 - 19 decembrie 2024, în toate restaurantele KFC din România, cu excepția celor din cadrul distribuției partener.

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*Bun de împărțit la
— Masa de —
Aproape-Crăciun*

**KFC
CHRISTMAS
BUCKET**

DISPONIBIL ȘI ÎN

KFC APP

Sugestie de prezentare. Ofertă valabilă în toate restaurantele KFC din România, în perioada 21 noiembrie 2024 - 08 ianuarie 2025.

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SALVEAZĂ LUNEA CU
**MONDAY
BURGERS**

**10⁰⁰
LEI
FIECARE**

ZINGER[®]
BURGER

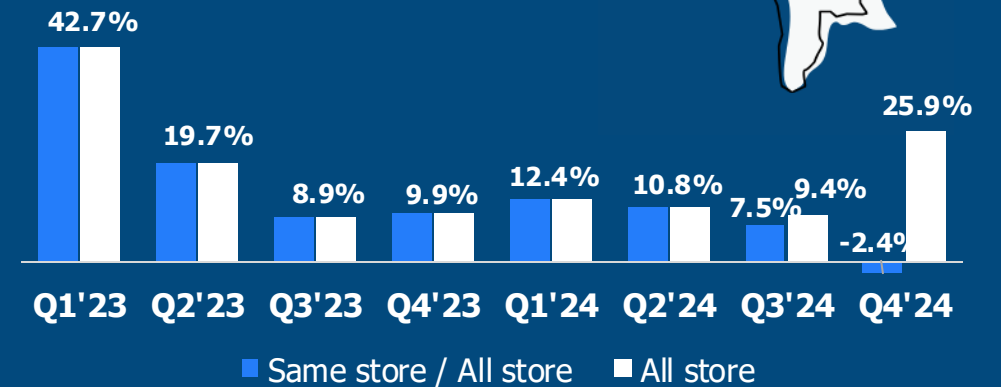
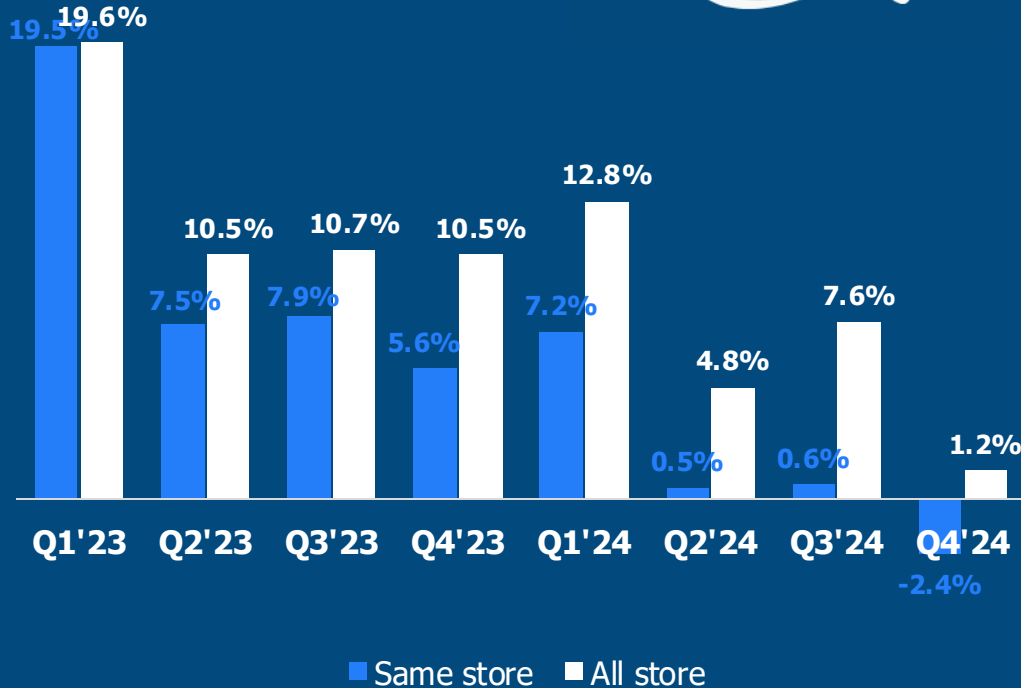
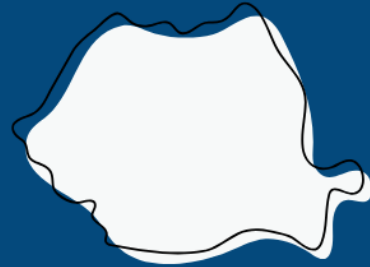
DUBLU
BOOSTER

DUBLU CRISPY
BURGER

REAL
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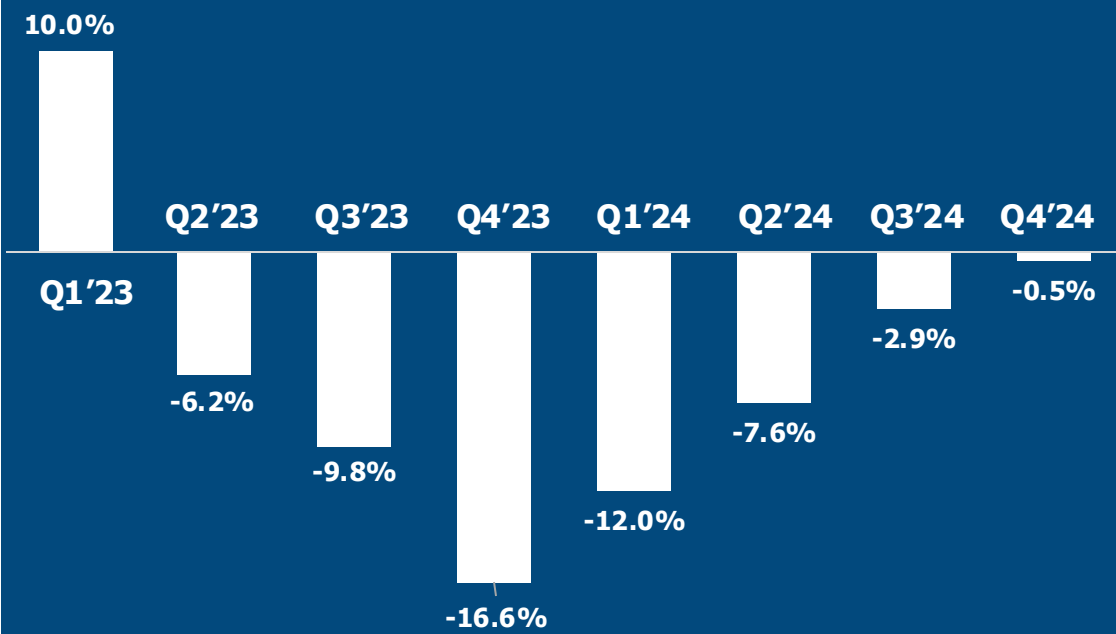
Sugestie de prezentare. Ofertă valabilă în limita stocului disponibil, doar în zilele de luni, în perioada 5 august - 26 august 2024, în restaurantele KFC din România și în aplicația de mobilă KFC România. Oferta nu este disponibilă în restaurantele din cadrul benzinelor partener și nici la serviciul de delivery prin platformele partenerilor.

Sales brand performance: KFC





Sales brand performance: Pizza Hut



■ Same store / All store

NOU EDIȚIE LIMITĂTĂ CU CHEDDAR

CHEDDAR CHEESY BITES

BLATUL ADORAT, ACUM REINVENTAT

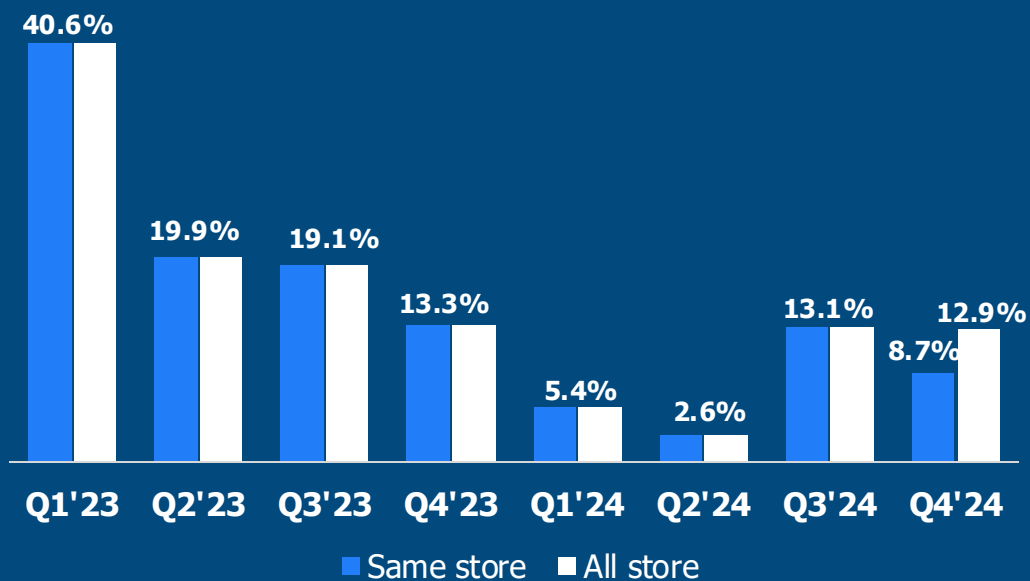
Ofertă valabilă în perioada octombrie 2024 - ianuarie 2025, în limita stocului disponibil. Produsul din imagine este cu titlu de prezentare.

1+1+1=33 LEI

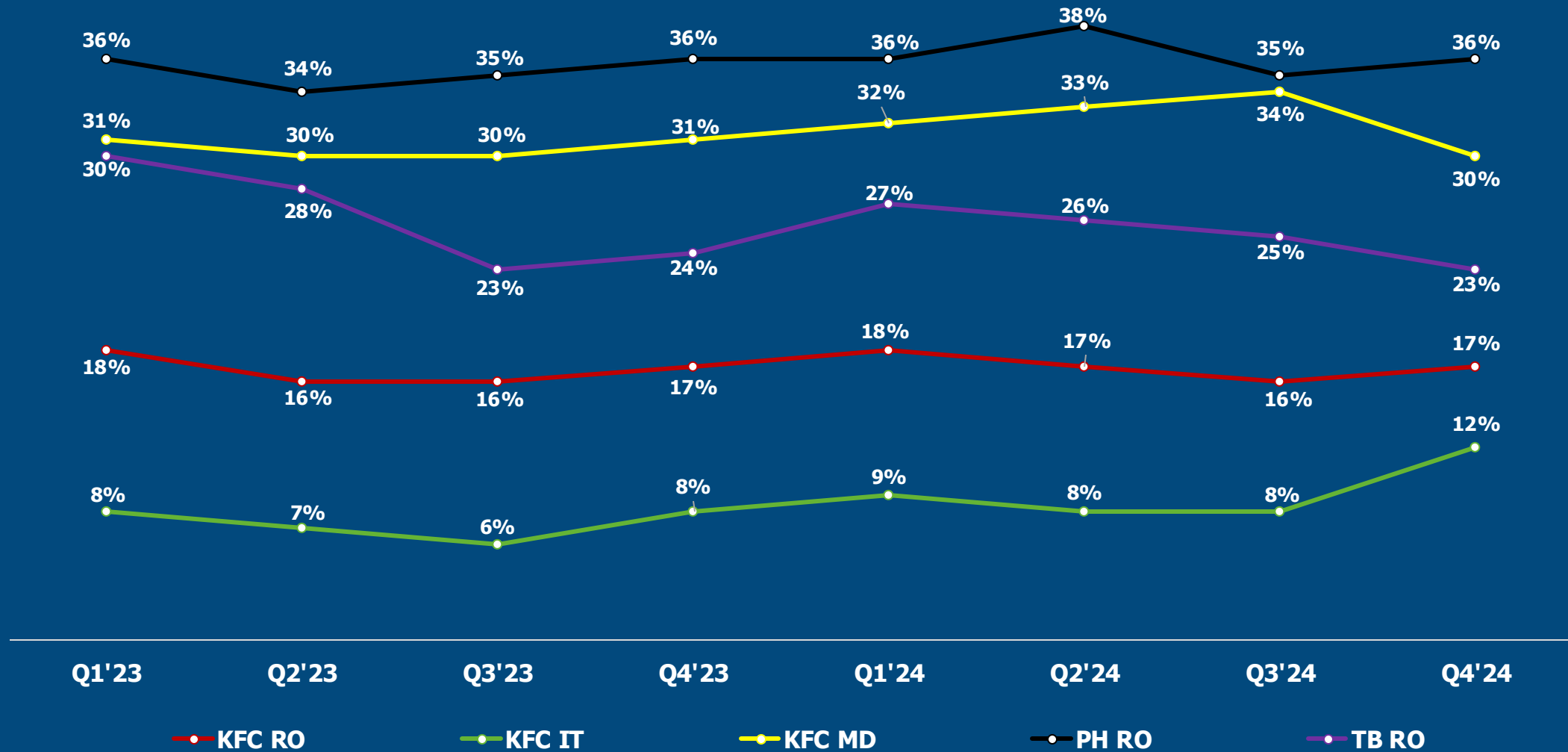
COMBINI TREI PENTRU UN PRÂNZ AȘA CUM VREI

Meniul de prânz este valabil de luni până vineri, în intervalul orar 12:00 - 15:00, disponibil în restaurant, la pachet și la livrare. În cadrul ofertei se pot comanda 3 produse pentru 33 de lei, dinre cele 3 categorii disponibile, astfel: un produs la alegere dintr-ună dintre următoarele: hrană cheddar, hrană mozzarella, hrană pepperoni, Cheddar & Jucășel, Pouch, Mozzarella Garlic Bread, Garlic Bread Mix, Scapă Coprăie, un produs la alegere dintr-ună dintre următoarele: orice dintr-unele din rețete de pizza din meniul pizza sau bunuri, orice dintr-unele mică, orice dintr-unele cele 7 rețete de paste din meniul, orice dintr-unele cele 6 rețete de cârpicare WingStreet 5, orice dintr-unele Coca-Cola Regular sau Soft. Nu se combină cu alte reduceri sau promoții. Produsele din imagine sunt cu titlu de prezentare.

Sales brand performance: Taco Bell



Evolution of orders for delivery





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Q&A session



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Thank you for joining us!

Sphera Franchise Group's consolidated preliminary 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.