

AmRest Holdings, SE

Individual annual report 2024

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La Tagliatella

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Balance sheet as of 31 December 2024

	Notes	31 December 2024	31 December 2023
Assets			
Intangible assets		0.1	0.1
Non-current investment and loans in group companies		618.4	588.2
Non - Current Investments in group companies	6 and 8	460.8	450.2
Loans to group companies	5, 7 and 17	157.6	138.0
Non-current financial investments	5 and 7	-	0.1
Deferred tax assets	15	12.3	10.7
Total non-current assets		630.8	599.1
Trade and other receivables		0.9	3.2
Other receivables from group companies	5, 7 and 17	0.9	2.9
Other tax receivables	15	-	0.3
Investments and loans in group companies	5, 7 and 17	92.6	119.1
Loans to group companies		80.1	111.5
Other financial assets		12.5	7.6
Cash and cash equivalent	9	14.1	62.1
Total current assets		107.6	184.4
TOTAL ASSETS		738.4	783.5
Capital and Reserves and adjustments for changes in value			
Share capital	10.1	22.0	22.0
Share premium	10.6	237.3	237.3
Reserves	10.2 and 11	106.8	102.7
Treasury shares and equity instruments	10.3	(18.4)	(9.9)
Interim dividend	11	(15.2)	-
Profit for the period	11	24.0	4.2
Other equity instruments	10.4	(19.1)	(14.5)
Adjustments for changes in value	10.5	(6.7)	(6.7)
TOTAL EQUITY		330.7	335.1
Liabilities			
Non-current provisions	14	-	0.1
Non-current financial liabilities	5 and 12	384.0	353.4
Loans and borrowings from financial institutions		384.0	353.4
Non - current debts with group companies	5, 12 and 17	5.9	-
Total non-current liabilities		389.9	353.5
Current financial liabilities		11.7	35.8
Loans and borrowings from financial institutions	5 and 12	11.7	-
Other financial debt	5 and 12	-	35.8
Current debts with group companies	5, 12 and 17	1.8	49.3
Trade and other payables		4.3	9.8
Trade and other payables to third parties	5 and 12	0.4	7.6
Trade and other payables to group companies	5, 12 and 17	1.7	1.8
Personnel (salaries payable)		0.1	0.1
Other payables with tax administration	15	2.1	0.3
Total current liabilities		17.8	94.9
TOTAL LIABILITIES		407.7	448.4
TOTAL EQUITY AND LIABILITIES		738.4	783.5

The accompanying notes are an integral part of the Financial Statements for 2024

Income Statement for the year ended 31 December 2024

	Notes	YEAR ENDED	
		31 December 2024	31 December 2023
Revenues	16.1 and 17	65.8	32.9
Dividends received from subsidiaries		46.8	17.9
Finance income from group companies		19.0	15.0
Personnel expenses	16.2	(0.7)	(0.6)
Other operating expenses	16.3	(3.5)	(3.6)
Impairments of investments and loans in group companies	6, 7 and 17	(9.6)	(0.2)
Results from operating activities		52.0	28.5
Finance income from third parties		0.4	-
Finance expenses	16.5	(33.9)	(26.2)
Exchange rates gains and losses	16.6	(1.1)	(3.5)
Net finance income (expense)		(34.6)	(29.7)
Profit before income tax		17.4	(1.2)
Income tax expense	15	6.6	5.4
Profit for the period	11	24.0	4.2

The accompanying notes are an integral part of the Financial Statements for 2024

Statement of recognized income and expenses for the year ended 31 December 2024

	Notes	YEAR ENDED	
		31 December 2024	31 December 2023
Profit for the period	11	24.0	4.2
Other income and expenses recognized during the period		-	-
Total recognized income and expenses for the period		24.0	4.2

The accompanying notes are an integral part of the Financial Statements for 2024

Statement of cash flows for the year ended 31 December 2024

	Notes	YEAR ENDED	
		31 December 2024	31 December 2023
Cash flows from operating activities			
Profit before tax		17.4	(1.2)
Adjustments:		(21.6)	(3.0)
Impairment losses	6, 7 and 17	9.6	0.2
Dividends from subsidiaries	16.1	(46.8)	(17.9)
Finance income	16.1	(19.4)	(15.0)
Finance expenses	16.5	33.9	26.2
Exchange gains/losses	16.6	1.1	3.5
Changes in operating assets and liabilities		(3.2)	11.2
Trade and other receivables		2.3	2.2
Trade and other payables		(5.5)	9.0
Other cash flows from operating activities		38.3	19.1
Interest received		8.2	5.5
Purchase of treasury shares	10.3	(10.5)	(6.6)
Dividends received from subsidiaries	16.1	40.6	20.2
Net cash provided by operating activities		30.9	26.1
Cash flows from investing activities			
Increase in investments loans and borrowings with group companies	5, 7 and 17	(99.0)	(66.8)
Proceeds from investment loans and borrowings with group companies	5, 7 and 17	56.6	56.5
Net cash used in investing activities		(42.4)	(10.3)
Cash flows from financing activities			
Proceeds from debts with financial institutions	5 and 12	40.0	413.3
Proceeds from debt with group companies	5, 12 and 17	4.5	70.9
Interest paid		(30.3)	(22.7)
Repayment of debt with financial institutions	5 and 12	(35.5)	(404.8)
Repayment of debt with group companies	5 and 12	-	-29.5
Dividends paid to equity holders of the parent	11	(15.2)	-
Net cash provided by/(used in) financing activities		(36.5)	27.2
Net change in cash and cash equivalent		(48.0)	43.0
Balance sheet change of cash and cash equivalents		(48.0)	43.0
Cash and cash equivalents at the beginning of the period	9	62.1	19.1
Cash and cash equivalents as of the end of the period	9	14.1	62.1

The accompanying notes are an integral part of the Financial Statements for 2024

Total statement of changes in equity for the year ended 31 December 2024

	Share capital (Note 10)	Share premium (Note 10)	Legal Reserve (Note 10)	Voluntary Reserves (Note 10)	Treasury shares (Note 10)	Interim dividend (Note 11)	Profit or loss for the period (Note 11)	Other Equity instruments (Note 10)	Adjustment for changes in value (Note 10)	Total Equity
As of 31 December 2022	22.0	237.3	4.4	103.1	(3.7)	-	(4.8)	(20.1)	(6.7)	331.5
Total recognised income and expense (Note 11)	-	-	-	-	-	-	4.2	-	-	4.2
Transactions on own shares and equity holdings (net)	-	-	-	-	(6.2)	-	-	5.6	-	(0.6)
Transfer of profit or loss to reserves	-	-	-	(4.8)	-	-	4.8	-	-	-
As of 31 December 2023	22.0	237.3	4.4	98.3	(9.9)	-	4.2	(14.5)	(6.7)	335.1
Total recognised income and expense (Note 11)	-	-	-	-	-	(15.2)	24.0	-	-	8.8
Transactions on own shares and equity holdings (net)	-	-	-	(0.1)	(8.5)	-	-	(4.6)	-	(13.2)
Transfer of profit or loss to reserves	-	-	-	4.2	-	-	(4.2)	-	-	-
As of 31 December 2024	22.0	237.3	4.4	102.4	(18.4)	(15.2)	24.0	(19.1)	(6.7)	330.7

The accompanying notes are an integral part of the Financial Statements for 2024

Notes to the Financial Statements

1. General information

AmRest Holdings SE ("The Company", "AmRest") was incorporated in the Netherlands in October 2000. Since 2008 the Company operates as a European Company (Societas Europea, SE). The company is domiciled in Spain.

Paseo de la Castellana 163, 28046 Madrid (Spain) is the Company's registered office as of 31 December 2024 and has not changed during the year 2024.

The shares of AmRest Holdings SE are listed in the Warsaw Stock Exchange ("WSE") and in all four Spanish stock exchanges through the Spanish Automated Quotation System (Sistema de Interconexión Bursátil – SIBE).

The main activity of the Company is the subscription, possession, management and transfer of securities and shares of other companies, with the exemption of those subject to specific regulations.

The Company is the parent of a group in the terms established in article 42 section 2 of the Commercial Code and prepares its consolidated financial statements under IFRS-EU. The Group is the largest independent chain restaurant operator in Central and Eastern Europe. The Group is also conducting its operations in Western Europe and China. The Group's principal place of business is Europe.

The Group operates Kentucky Fried Chicken ("KFC"), Pizza Hut ("PH"), Burger King ("BK") and Starbucks ("SBX") restaurants through its subsidiaries in Poland, the Czech Republic (hereinafter Czechia), Hungary, Slovakia, Serbia, Croatia, Bulgaria, Romania, Germany, France, Austria, Slovenia and Spain, on the basis of franchise rights granted. Starting from October 2016 the Group as a master-franchisee has the right to grant a license to third parties to operate Pizza Hut Express and Pizza Hut Delivery restaurants (sub-franchise) in countries of Central and Eastern Europe, while ensuring a certain share of restaurants operated directly by AmRest. Since November 2024, AmRest does not operate Pizza Hut restaurants in the French market. In December 2024 the Group signed an agreement to separate the business operations with SCM sp. z o.o. ("SCM") that is a majority owned subsidiary. In 2023 AmRest sold its KFC business in Russia. Further details are presented in note 6.

In Spain, Portugal and Andorra the Group operates its own brand La Tagliatella. In China the Group operates its own brand Blue Frog. Both businesses are based on operating equity and franchise restaurants supported by the central kitchens located in Spain (La Tagliatella) and in China (Blue Frog) that produce and deliver products to the whole network.

In 2018 the Group acquired the Bacoa and Sushi Shop brands, as a result of which it operates licensed restaurants in Spain (Bacoa) and proprietary and franchise Sushi Shop restaurants in France, Belgium, Spain, Switzerland, United Kingdom, Luxembourg, United Arab Emirates and Saudi Arabia. Bacoa is a primarily premium burger concept in Spain and Sushi Shop is one of the major operators of the European chains of restaurants for sushi, sashimi and other Japanese specialties.

As of 31 December 2024, FCapital Dutch, S.L. is the largest shareholder of AmRest Holdings, SE and held 67.05% of its shares and voting rights. The parent entity of the Group on the top level is Grupo Far-Luca, S.A. de C.V.

These financial statements have been prepared and formulated by the Company's Board of Directors on 26 February 2025. The Board of Directors considers that the financial statements for 2024 will be approved with no changes by the shareholders at their annual general meeting.

Simultaneously, the Board of Directors has formulated the consolidated financial statements of AmRest Holdings, SE and its Subsidiaries for the financial year 2024, which show consolidated profit of Euros 13.5 million and consolidated Equity of Euros 388.4 million (profit of Euros 50.9 million and 400.7 million, respectively for the financial year 2023).

2. Basis of preparation

True and fair view

The Financial Statements for 2024 have been prepared on the basis of the accounting records of AmRest Holdings, SE by the Company's Board of Directors in accordance with current commercial legislation and with the rules established in the General Accounting Plan approved by Royal Decree 1514/2007 and the modifications incorporated thereto, most recent being those incorporated by Royal Decree 1/2021, of 12 December, effective for fiscal years beginning on or after January 1, 2024, in order to give a true and fair view of the Company's equity and financial position as of 31 December 2024 and the results of operations, changes in equity and cash flows for the year ended 31 December 2024.

The preparation of the Financial Statements requires the Company to use certain estimates and judgments regarding the future that are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable, under the circumstances.

The estimates and judgments more complex or with a higher impact on the carrying amounts of the assets and liabilities are related to:

The recoverability of the investments, and the corresponding valuation adjustments for the difference between the book value and the recoverable amount. In determining the impairment estimate of these investments (considering impairment evidence), the future cash flows expected to be generated by the investees are taken into account using hypotheses based on the existing market conditions).

Despite the fact that the estimates were calculated based on the best information available at 31 December 2024, it is possible that events which may occur in the future will make it necessary to modify them in later financial years. The effect on the separated financial statements deriving from the adjustments made in later financial years will be recorded prospectively.

Aggregation of items

To facilitate an understanding of the balance sheet and profit and loss account, some items on these statements are presented in a grouped manner, with the required analyses presented in the corresponding notes of the report.

Comparative information

Each item of the balance sheet, the statement of profit and loss, the statement of changes in equity, the statement of recognized income and expenses, the statement of cash flows, and the notes on the financial statements present for comparative purposes, the amounts from the previous financial year, which form part of the financial statements of the financial year ended 31 December 2023, approved by the Shareholders on 9 May 2024.

Functional and presentation currency

The financial statements are presented in euros, which is the functional and presentation currency of the Company.

3. Accounting policies

3.1 FINANCIAL ASSETS

■ Financial assets at amortised cost:

Included in this category are those financial assets, even those admitted to negotiation in an organised market, in which the Company has the investments with the purpose for obtaining cash flows from the execution of the contract, and the contractual conditions from these financial assets give in determined dates cash flows that are the reimbursement of the principal and interest from the remaining amounts.

Contractual cash flows that are solely collections of principal and interest on the principal amount outstanding are inherent in an agreement that is in the nature of an ordinary or common loan, notwithstanding that the transaction is arranged at a zero or below-market interest rate.

This category includes credits for commercial operations and credits for non-commercial operations:

- Credits for commercial operations are those financial assets that originate from the company's sale of goods and the provision of services for traffic operations of the company with deferred collection, and
- Credits for non-commercial operations are those financial assets that, not being equity instruments or derivatives, have no commercial origin and whose collections are of a determined or determinable amount, which derive from loan operations or credit granted by the company.

Initial measurement

The assets recognized in this category are initially recognised at fair value, which is equal to the fair value of the consideration given, plus any directly attributable transaction costs.

However, credits for commercial operations with a maturity not exceeding one year with no explicit contractual interest rate, as well as loans to personnel, dividends receivable and disbursements required on equity instruments, whose amount is expected to be received in the short term, can be valued at the nominal value when the effect of not updating the cash flows is insignificant.

Subsequent measurement

Financial assets included in this category are valued at their amortised cost. The accrued interest is recorded on the profit and loss account, applying the effective interest rate method.

However, credits maturing in no more than one year, that, in accordance with the provided in the previous section, are initially valued at their nominal value, continue to be valued at said amount, unless they have impaired.

When the contractual cash flows of a financial asset change due to financial difficulties of the issuer, the company analyses whether it is appropriate to record an impairment loss.

Impairment

The necessary valuation corrections are made, at least at the annual closing date, and whenever there is objective evidence that the value of a financial asset, or of a group of financial assets with similar risk characteristics valued collectively, is impaired as a result of one or more events occurring after the initial recognition that causes a reduction or delay in future estimated cash flows, which may be motivated by the insolvency of the debtor.

The impairment loss is calculated as the difference between the net book value and the current value of future cash flows, including, where appropriate, those from the execution of real and personal guarantees, which is estimated to be generated and discounted at the effective interest rate calculated at the time of initial recognition.

Impairment loss adjustments, as well as their reversal when the amount of said loss decreases for reasons related to a subsequent event, are recognised as an expense or income, respectively, in the profit and loss account. The reversal of impairment is limited to the book value of the asset that would be recognised on the reversal date if the impairment had not been recorded.

■ Financial assets at cost:

This category includes the Investments in the equity of group, multi-group and associated companies.

Initial measurement

Investments included in this category are initially valued at cost, which equals to the fair value of the consideration given plus any directly attributable transaction costs. Investments in group companies are valued at cost less (at least) the correction amount of the impairments.

However, in cases where there is an investment prior to its classification as a group, multi-group or associated company, the cost of said investment is the book value that it should have immediately before the company has made such qualification.

The initial valuation includes the amount of preferential subscription rights and similar rights that may have been acquired.

Subsequent measurement

Equity instruments included in this category are valued at cost less impairment losses, if any.

When value must be assigned to these assets due to derecognition or other reason, the weighted average cost method is applied for homogeneous groups (values with equals rights) Regarding the sale of preferential subscription rights and the like or segregation of the same to exercise them, the amount of the cost of the rights decreases the book value of the respective assets. Said cost is determined by applying a generally accepted valuation formula.

Impairment

As a minimum, the necessary valuation adjustments are made at year-end whenever there is objective evidence that the book value of an investment is not recoverable. The amount of the valuation adjustment is the difference between its book value and the recoverable amount, understood as the higher of i) its fair value less sales costs and ii) the present value of the future cash flows derived from the investment, which in the case of equity instruments, it is calculated either by estimating what is expected to be received as a result of the distribution of dividends made by the investee company and the disposal or derecognition of the investment therein, or by estimating of its participation in the cash flows that are expected to be generated by the investee company, from both its ordinary activities and from its disposal or derecognition.

Unless there is better evidence of the recoverable amount of investments in equity instruments, the estimate of the loss due to impairment of this asset class is calculated based on the equity of the investee and the tacit capital gains existing at the valuation date, net of the tax effect. In determining this value, and provided that the investee company has in turn invested in another company, the equity included in the consolidated financial statements prepared by applying the criteria of the Code of Commerce and its implementing regulations is taken into account.

The recognition of valuation corrections for value impairment and, if applicable, their reversal, is recorded as an expense or income, respectively, in the profit and loss account. The reversal of impairment is limited to the book value of the investment that would be recognised on the reversal date if the impairment is not recorded.

■ **Interest and dividends received from financial assets:**

Interest and dividends accrued on financial assets after acquisition are recognised as revenue. Interest is registered for using the effective interest rate method, while dividends are recognised when the equity holder's right to receive payment is established.

Upon initial measurement of financial assets, accrued explicit interest receivable at the measurement date is recognised separately, based on maturity. Dividends declared by the pertinent body at the acquisition date are also accounted for separately. "Explicit interest" is the interest obtained by applying the financial instrument's contractual interest rate.

If distributed dividends are clearly derived from profits generated prior to the acquisition date because the amounts that have been distributed are higher than the profits generated by the investment since acquisition, the difference is considered as a deduction in the carrying amount of the investment and is not recognised as income.

3.2 EQUITY

The share capital is represented by ordinary shares. The costs of issuing new shares or options are presented directly against equity, as lower reserves.

In the case of acquisition of the Company's own shares, the consideration paid, including any directly attributable incremental cost, is deducted from equity until its cancellation, reissue or disposal. When these shares are subsequently sold or reissued, any proceeds received, net of any directly attributable incremental transaction costs, are included in equity.

3.3 FINANCIAL LIABILITIES

Financial liabilities, for valuation purposes, are included in one of the following categories:

■ **Financial liabilities at amortized cost:**

The company classifies all financial liabilities in this category except when fair value must apply, with changes in the profit and loss account.

In general, this category includes debits from operations commercial transactions and debits for non-commercial operations:

a) Debits from commercial operations are those financial liabilities that stem from the purchase of goods and services for traffic operations of the company with deferred payment, and

b) Debits from non-commercial operations are those financial liabilities that, not being derivative instruments, are not commercial in origin, but stem from loan or credit operations received by the company.

Initial measurement

The financial liabilities included in this category are initially valued at their fair value, which is the transaction price, which is equivalent to the fair value of the consideration received and adjusted for any directly attributable transaction costs.

However, debits for commercial operations with a maturity of no more than one year and that do not have a contractual interest rate, as well as disbursements required by third parties on participations, the amount of which is expected to be paid in the short term, are valued at their nominal value, when the effect of not updating the cash flows is insignificant.

Subsequent measurement

Financial liabilities included in this category are valued at their amortised cost. Accrued interest is recorded in the profit and loss account, applying the effective interest rate method.

However, debts maturing in no more than one year that are initially valued at their nominal value continue to be valued at that amount.

Derecognition of financial liabilities

The company will write off a financial liability, or part of it, when the obligation is concluded; that is, when it has been satisfied, cancelled, or expired.

When the current conditions of a financial liability are substantially modified, it is recorded the derecognition of the original financial liability is recorded and the new financial liability recognised.

In the case the modifications are not substantially different, the original financial liability is not derecognised. Any transaction cost or commission incurred adjusts the book value of the financial liability and the amortised cost of the financial liability is determined by applying the effective interest rate equal to the book value of the financial liability with the cash flows to be paid under the new conditions from the modification date.

For these purposes, the conditions of the contracts are considered substantially different, among other cases, when the present value of the cash flows of the new contract, including any commission paid and net of any commission received, differs by at least ten percent of the present value of the original contract's remaining cash flows, restating both amounts at the effective interest rate of the latter.

3.4 CURRENT AND DEFERRED TAXES

Income tax includes the current income tax and deferred income tax.

Current and deferred tax are recognised as income or an expense and included in profit or loss for the year, except to the extent that the tax arises from a transaction recognised in the same or a different year directly in equity, or from a business combination.

Current tax assets and liabilities are valued at the amounts that are expected to be paid or recovered from tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

The Company as the representative of the tax group, and the Spanish subsidiaries file consolidated tax returns. In addition to the factors to be considered for individual taxation, set out previously, the following factors are taken into account when determining the accrued income tax expense for the companies in the consolidated tax group:

- Temporary and permanent differences arising from the elimination of profits and losses on transactions between Group companies, derived from the process of determining consolidated taxable income.
- Deductions and credits corresponding to each company in the consolidated tax group. For these purposes, deductions and credits are allocated to the company that carried out the activity or obtained the profit necessary to obtain the right to the tax deduction or tax credit.

Temporary differences arising from the elimination of profits and losses on transactions between group companies are allocated to the company that recognises the profit/loss and are valued using the tax rate of that company.

A reciprocal credit and debit arise between the companies that contribute tax losses to the consolidated Group and the rest of the companies that offset those losses. When a tax loss cannot be offset by the other consolidated group companies, these tax credits for loss carryforwards are recognised as deferred tax assets using the applicable recognition criteria, considering the tax group as a taxable entity.

The Company records the total consolidated income tax payable (recoverable) with a debit (credit) to receivables (payables) from/to group companies and associates.

The amount of the debt (credit) relating to the subsidiaries is recognised with a credit (debit) to payables (receivables) to/from group companies and associates.

Deferred tax liabilities are calculated according to the liability method, on the temporary differences that arise between the tax bases of the assets and liabilities and their book values. However, if the deferred tax liabilities arise from the initial recognition of a goodwill or an asset or a liability in a transaction other than a business combination that at the time of the transaction does not affect either the accounting result or the taxable basis of the tax, they are not recognised.

Deferred tax assets are recognised to the extent that it is probable that future tax profits will be available to offset the temporary differences. Deferred tax assets are recognised on temporary differences that arise in investments in subsidiaries. Associates and joint ventures, except in those cases in which the Company can control the reversal of the temporary differences and it is likely that these will not reverse in a foreseeable future.

The deferred tax assets and liabilities are determined by applying the regulations and tax rates approved or about to be approved on the date of the balance sheet and which are expected to apply when the corresponding deferred tax asset is realised, or the deferred tax liability is settled.

3.5 SHARE-BASE PAYMENT TRANSACTIONS

Share-based payments and employee benefits recognition for the benefit plans of the Company's employees

The Company has both equity-settled share-based programs and cash-settled share-based programs.

Equity-settled transactions

The cost of equity-settled transactions with employees is measured by reference to awarding fair value at the grant date.

The cost of equity-settled transactions is recognized, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("vesting date").

Cash-settled transactions

Cash-settled transactions have been accounted since 2014 as a result of a modification introduced to existing share-based programs. Some programs were modified so that they may be settled in cash or in shares upon decision of a participant. As a result, the Company re-measures the liability related to cash-settled transaction.

The liability is subsequently measured at its fair value at every balance sheet date and recognized to the extent that the service vesting period has elapsed, with changes in liability valuation recognized in income statement.

Cumulatively, at least at the original grant date, the fair value of the equity instruments is recognized as an expense (share-based payment expense).

At the date of settlement, the Company remeasures the liability to its fair value. The actual settlement method selected by the employees, will dictate the accounting treatment:

If cash settlement is chosen, the payment reduces the fully recognized liability.

If the settlement is in shares, the balance of the liability is transferred to equity, being consideration for the shares granted. Any previously recognized equity component shall remain within equity.

Recognition of the share-based plans correspondent to employees of other group companies

The Company has both equity-settled share-based programs and cash-settled share-based programs.

Equity-settled transactions

When the obligation to deliver the instruments is held by the parent company, in the books of the parent, the transaction represents a contribution to the subsidiary that is made effective through the personnel service it receives in exchange for the equity instruments of the parent and the options delivered generally represent an increase in the value of the investment that the parent company has in the equity of the subsidiary.

According to consultation nº2 of the BOICAC 97/2014 when the parent company sign settlement agreements (Share transfer agreements) through which the parent company charge the intrinsic value of the cost of the agreement equivalent to the market value of the shares delivered, it is considered that there are two separated operations:

- A non-genuine corporate operation of contribution of the parent company in the subsidiary that is registered as a higher value of the investment according to consultation nº 7 of BOICAC Nº 75/2008;
- And a second corporate operation of distribution or recovery of the investment that is equivalent to difference between the re-charge described above and the valuation of the options at grant date.

Cash-settled transactions

When the obligation to deliver the instruments of the parent is held by the subsidiary, the transaction is accounted for as cash-settled according to NRV 17^a.

If the subsidiary pays the intrinsic fair value of the shares at the settlement date, from the perspective of the parent, the agreement to deliver options to employees should be considered as a commitment between the parent and the subsidiary to deliver equity instruments of the parent that would not give rise to any accounting recognition until the date of delivery of the equity instruments, at which time the parent accounts for the cash received and the increase in equity.

3.6 PROVISIONS AND CONTINGENCIES

Provisions are recognised when the Company has a present obligation, whether legal, contractual implicit or tacit, as a result of past events, and it is likely that an outflow of resources will be necessary to settle the obligation and the amount can be estimated reliably. Restructuring provisions include penalties for cancellation of the lease and payments for dismissal to employees. No provisions are recognised for future operating losses.

Provisions are valued at the present value of the disbursements that are expected to be necessary to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the specific risks of the obligation. The adjustments in the provision due to its update are recognised as a financial expense as they are accrued.

Provisions with maturity less than or equal to one year, with insignificant financial effect, are not discounted.

When it is expected that part of the disbursement necessary to settle the provision is reimbursed by a third party, the reimbursement is recognised as an independent asset, provided that its reception is practically certain. The reimbursement is recognised as income on the income statement of the nature of the expenditure up to the amount of the provision.

Contingent liabilities, meanwhile, are those possible obligations arising because of past events, the materialisation of which is conditional on the occurrence or non-occurrence of one or more future events independent of the Company's will.

If it is not probable that an outflow of resources will be required to settle an obligation, the provision is reversed.

3.7 REVENUE RECOGNITION

The amounts related to income derived from equity investments in group companies are an integral part of the net amount of the turnover of a holding company. Based on the provisions of consultation B79C02 of the Institute of Auditors and Censors from September 2009, therefore the result on the execution of employee stock-option plans, interest and dividends received from subsidiaries are presented in the revenue of the Company.

- Interest income on financial assets measured at amortised cost is recognised using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount by discounting the estimated future cash flows at the instrument's original effective interest rate and continues to carry the discount as a reduction of interest income. Interest income on impaired loans is recognised using the effective interest rate method.

- Dividend income is recognised as income on the income statement when the right to receive payment is established, provided that, from the acquisition date, the investee or any group company in which the investee has an interest has generated profits in excess of the equity being distributed. Notwithstanding the foregoing, if the dividends distributed unequivocally arise from profits generated prior to the date of because amounts in excess of the profits generated by the investee since acquisition have been distributed, they are not recognised as income and reduce the carrying amount of the investment.

3.8 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are translated to the functional currency using the spot exchange rate applicable on the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the closing rate, while non-monetary assets and liabilities measured at historical cost are translated at the exchange rate prevailing on the transaction date.

Non-monetary assets measured at fair value are translated to the functional currency at the spot exchange rate on the date that the fair value is determined. In the statement of cash flows, cash flows from foreign currency transactions are translated to Euros at the average exchange rate for the year.

The effect of exchange rate fluctuations on cash and cash equivalents denominated in foreign currencies is recognised separately in the statement of cash flows as effect of exchange rate fluctuations.

Exchange gains and losses arising on the settlement of foreign currency transactions and on translation to the functional currency of monetary assets and liabilities denominated in foreign currencies are recognised as profit or loss.

3.9 TRANSACTIONS BETWEEN RELATED PARTIES

In general, transactions between group companies are initially accounted for at their fair value. If the agreed price differs from its fair value, the difference is recorded according to the economic reality of the operation. The subsequent evaluation is carried out in accordance with the provisions of the corresponding regulations.

The Company carries out all of its operations with Group companies, entities and parties linked to market values. In addition, the transfer prices are adequately supported, which is why the Company's Board of Directors consider that there are no significant risks in this respect from which future liabilities could arise.

4. Financial Risk Management

The Board of Directors of AmRest is responsible for the risk management system and the internal control system as well as for reviewing these systems for operating efficiency. These systems help to identify and manage risks which may prevent the execution of the long-term objectives of AmRest. However, having these safeguards in place does not ensure completely against the risk of fraud or against breaking laws. The Board of Directors of AmRest is permanently analysing and reviewing risks to which the Group is exposed. The main current risks and threats have been summarised in this section. AmRest reviews and improves its risk management and internal control systems on an on-going basis.

AmRest has a Global Risk Inventory, considering the following 5 risk taxonomies: Operations/Infrastructure, Compliance, Strategy and Planning, Governance and Reporting. Under these taxonomies, the AmRest' Global risk inventory considers different categories of the risk.

Liquidity risk

Liquidity risk is defined as the risk of incurring losses resulting from the inability to meet payment obligations in a timely manner when they become due or from being unable to do so at a sustainable cost. The Group is exposed to the risk of a lack of financing at the moment of the maturity of bank loans.

As of 31 December 2024, the Group has sufficient liquidity to fulfil its liabilities over the next 12 months.

The Group analyses liquidity needs with particular focus on the maturity of debt and proactively investigates various forms of financing that could be utilized as needed.

Dependency on the franchisor

AmRest manages KFC, Pizza Hut, Burger King and Starbucks (in Romania, Bulgaria, Serbia, Germany and Slovakia) as a franchisee, and therefore a number of factors and decisions related to the business activities conducted by

AmRest and the possibility of renewing or extending the duration of the franchise agreements, depend on the conditions (including limitations or specifications) imposed by the franchisors or are subject to their consent.

Therefore, in relation to the duration of those agreements, the renewal is not automatic and AmRest cannot guarantee that after the expiry of the initial periods of duration of the franchise agreements, which are typically ten years, a given franchise agreement will be extended.

Dependency on cooperation with minority shareholders and Starbucks' call option

AmRest operates Starbucks restaurants in Poland, the Czech Republic and Hungary based on partnership agreements with Starbucks Coffee International, Inc. The partnerships establishes that Starbucks Coffee International, Inc. is the minority shareholder of companies operating Starbucks stores in mentioned countries. Therefore, some decisions as part of the joint business activities are dependent on Starbucks' consent.

Upon occurrence of an event of default, both AmRest and Starbucks (as the case may be, acting as non-defaulting shareholder) will have the option to purchase all of the shares of the other shareholder (the defaulting shareholder) in the terms and conditions foreseen in the corresponding agreements. In the event of a deadlock, Starbucks will have in the first place, the option to purchase all the shares of AmRest. In the event of a change of control AmRest Holdings, Starbucks will have the right to increase its participation in each of the companies up to 100%.

No exclusivity rights

International Franchise Agreements per se do not typically grant exclusivity rights to the franchisee in the relevant territories. In order to secure exclusivity rights for a certain territory, franchisees aim to have either a master franchise agreement or a development agreement with the franchisor. Currently, AmRest does not have master franchise agreements or development agreements in all territories and cannot secure that it will have exclusivity on certain territories.

Risks related to the consumption of food products

Changes in consumer preferences arising from concerns over the nutritious properties of chicken, which is the main ingredient in the KFC menu, or as a result of unfavorable information being circulated by the mass media concerning the quality of the products, could pose a threat to the Group.

Also, the result of the disclosure of unfavorable data prepared by the competent authorities or a certain market sector in relation to products served in AmRest restaurants and the restaurants of other franchisees of KFC, Pizza Hut, Burger King, Starbucks, La Tagliatella, Blue Frog and Sushi Shop, could also pose a threat to the Group.

Furthermore, possible diseases (i.e. food poisoning), any health-related issues as a result of eating in AmRest restaurants and restaurants of other franchisees of KFC, Pizza Hut, Burger King, Starbucks, La Tagliatella, Blue Frog and Sushi Shop as well as issues related to the functioning patterns of one or more restaurants run by AmRest or the competitors, could also pose a threat to the Group.

- Food risks can result from a microbiological, chemical (formed during preparation like acrylamide e.g., burned meat, dark brown fried French fries) or physical factors.
- Risks associated with new technologies - that alter the characteristics of the food, such as genetic modification or food irradiation, may change the composition of the food, replacing an existing or traditional method of food production can also lead to a change in the levels of a hazard, such as the levels of pathogenic microorganisms.
- Risks associated with allergenic foods - can range from mild to severe gastrointestinal effects, headaches, respiratory problems or skin reactions to potentially life-threatening anaphylaxis.
- Food poisoning (e.g., by incautious storage and preparation of food, contaminated food, or water).
- Hormones or antibiotics in meat.

Risks related to key personnel turnover in the Group and increasing labour costs

AmRest's success depends, to some extent, on the individual effort of selected employees and key members of management.

Excessive turnover of employees and too frequent changes in managerial positions may pose a significant risk to the stability and quality of the business activities.

Risk related to increase in the cost of commodities, raw material and goods

Increases in the cost of commodities, raw materials and goods can have an adverse impact on Group's operating profit margins.

AmRest's situation is also affected by the need to ensure frequent deliveries of fresh agricultural products and foodstuffs and anticipating and responding to changes in supplies costs. Also the increased demand for certain products accompanied by limited supply may lead to difficulties in obtaining these by the Group or to relevant price increases. The product price increases may have an adverse effect on the Group's results, operations and financial standing.

Disruption in the supply chain

Disruption to supply of goods, or to logistics suppliers, resulting in limited access to essential supplies.

The Group cannot rule out the risk related to delivery shortage or interruptions caused by factors such as unfavourable weather conditions, changes in legal regulations, problems with delivery infrastructure, reduction in available sources withdrawing some foodstuffs from trading, third-party breach of transport obligations, key suppliers' bankruptcy or lack of alternative sources of supply.

The shortages may have an adverse effect on the Group's results, operations and financial standing.

Risks related to the incorporation of new business and failed openings of new restaurants

Opening or taking over restaurants operating in a new geographical and political area involves the risk of varying consumer preferences, a risk of insufficient knowledge of the market, the risk of legal restrictions arising from local regulations, the ability to obtain the permits required by relevant bodies, the possibility of delays in opening new restaurants, and the political risk of these countries.

Currency risk

The results of AmRest are exposed to currency risk related to transactions and exchanges into currencies other than the currency in which business transactions are measured in the individual Capital Group companies. The Group adjusts its currency portfolio of debt to the geographical structure of its profile of activities.

Risks related to the current geopolitical situation

The Company operates in regions with dynamic political climates, which can influence the economy through factors like currency fluctuations, interest rates, liquidity, supply chain dynamics, and consumer confidence.

In 2024, sanctions, and regional conflicts, such as the Russia-Ukraine situation, have introduced market uncertainties. These events have impacted global financial markets and consumer confidence, contributing to inflation due to higher energy and commodity prices.

AmRest has developed a comprehensive Enterprise Risk Management framework to identify, assess and monitor risks. This includes geopolitical risks to ensure the company is prepared for different scenarios and can adapt quickly to changing environments.

Risk of increased financial costs

AmRest and its subsidiaries are exposed to a certain extent to adverse impact of interest rate fluctuations in connection with obtaining financing which bears floating interest rates and investing in assets bearing floating interest rates. The interest rates of bank loans and borrowings are based on a combination of fixed and floating reference rates which are updated over periods shorter than one year.

Additionally, AmRest and its subsidiaries may, as part of the interest rate hedging strategy, enter into derivative and other financial contracts, where the valuation of which is significantly affected by the level of reference rates.

Increases in the cost of energy and utilities

Most of the European markets are exposed to the risk of energy and utilities price increases, which may result in a direct increase in the Group's operating costs.

Tax risk

In the process of managing and executing strategic decisions, which may affect the tax settlements, AmRest could be exposed to tax risk. In the event of irregularities occurring in tax settlements it would increase the dispute risk in the case of a potential tax control.

Credit risk

Exposure to credit risk include cash and cash equivalents and trade and other receivables. With the development of franchise business, AmRest is getting exposed more to credit risk. Therefore the quality of the franchisees portfolio is a key priority.

Risks of economic slowdowns

Economic slowdown in the countries where AmRest runs its restaurants may affect the level of consumption expenditure in these markets, which in turn may affect the results of the AmRest restaurants operating in these markets.

Risk of system breakdowns and temporary breaks in serving customers in restaurants

Risk of systems failures and communication network failures, as well as the potential partial or complete loss of data in connection with system breakdowns or damage or loss of key tangible fixed assets of the Group might result in temporary interruptions in serving customers in restaurants, which might have an adverse effect on the Group's financial results.

Risk of an inadequate security protection of our data and IT systems and lack of capabilities to respond to cybersecurity threats

The Group's operations are supported by a wide variety of IT systems, including point-of-sale systems, electronic ordering platforms, supply-chain management systems and finance and controlling tools. Consequently, the Group is exposed to the risk of temporary operational disruption, data integrity risk and/or unauthorized access to confidential data, which may be a result of cyberattacks.

Global crisis and disruption

The potential occurrence of global disasters, such as health epidemics, economic crises, energy crises, extreme weather events, or other critical events creates a risk of disruption the Group's business, industry and economies where the Group operates and could impact the Group's day to day business concerns.

Likewise, a potential adverse impact on the Group's image or brands may deteriorate its perception with the different stakeholders.

Adverse regulatory change or evolution

Failure to anticipate, identify and respond to new regulation that may result in fines, litigations and/or the loss of operating licenses or other restrictions.

Loss of market share due to a volatile customer trends or an increase in competition

Failure to anticipate or respond to competitors leads to a loss of market share for the Group and failure to anticipate or address consumer's preferences in the Group's products, services, or channels.

Risk related with ESG

Inadequate management of environmental, social and governance ("ESG") aspects in own operations and non-compliance with the current regulatory framework can lead to reputational, financial or operational consequences. Additionally, non-sustainable practices by suppliers may create supply chain vulnerabilities and affect brand reputation.

AmRest developed the Global Sustainability Strategy and implemented an effective governance structure of ESG matters to mitigate these risks and ensure resilience in short and long term time perspective. The Strategy consists of three pillars: Food, People and Environment, and applies to all AmRest employees and executives across each brand operated by AmRest in every geography where the Company is present.

5. Financial instruments

a) Analysis by categories:

The net book value of each one of the categories of financial instruments established in the registration and valuation rule for "Financial Instruments" except for investments in the equity of group was as follows:

Financial Assets:

Categories 2024	Non-current financial assets		
	Equity Instruments	Debt Securities	Loans and Other
Financial Assets at Amortised Cost	-	-	157.6
Total	-	-	157.6

Current financial assets

Categories 2024	Equity Instruments	Debt Securities	Loans and Other
Financial Assets at Amortised Cost	-	-	93.5
Total	-	-	93.5

Non-current financial assets

Categories 2023	Equity Instruments	Debt Securities	Credits and Other
Financial Assets at Amortised Cost	-	-	138.1
Total	-	-	138.1

Current financial assets

Categories 2023	Equity Instruments	Debt Securities	Credits and Other
Financial Assets at Amortised Cost	-	-	122.0
Total	-	-	122.0

Financial Liabilities:

Non-current financial liabilities

Categories 2024	Debts with Financial Institutions	Bonds and other negotiable securities	Derivatives and others
Financial liabilities at Amortised Cost	389.9	-	-
Total	389.9	-	-

Current financial liabilities

Categories 2024	Debts with Financial Institutions	Bonds and other negotiable securities	Derivatives and others
Financial liabilities at Amortised Cost	11.7	-	3.9
Total	11.7	-	3.9

Non-current financial liabilities

Categories 2023	Debts with Financial Institutions	Bonds and other negotiable securities	Derivatives and others
Financial liabilities at Amortised Cost	353.4	-	-
Total	353.4	-	-

Current financial liabilities

Categories 2023	Debts with Financial Institutions	Bonds and other negotiable securities	Derivatives and others
Financial liabilities at Amortised Cost	-	35.8	58.7
Total	-	35.8	58.7

Analysis by maturity:

As of 31 December 2024 and 2023, the amounts of financial instruments with a determined or determinable maturity classified by year of maturity were the following:

Financial assets:

2024	2025	2026	2027	2028	Subsequent years	Total
Loans to group companies	80.1	27.6	63.8	12.8	53.4	237.7
Trade and other receivables	0.9	-	-	-	-	0.9
Other financial assets with group companies	12.5	-	-	-	-	12.5
Total	93.5	27.6	63.8	12.8	53.4	251.1

2023	2024	2025	2026	2027	Subsequent years	Total
Loans to group companies	111.5	56.1	0.2	41.9	39.8	249.5
Non-current financial investments	-	-	-	-	0.1	0.1
Trade and other receivables	2.9	-	-	-	-	2.9
Other financial assets with group companies	7.6	-	-	-	-	7.6
Total	122.0	56.1	0.2	41.9	39.9	260.1

Financial liabilities

2024	2025	2026	2027	2028	Subsequent years	Total
Debts with financial Institutions	11.7	59.1	59.1	265.8	-	395.7
Debts with group companies	1.8	-	5.9	-	-	7.7
Trade and other payables	2.1	-	-	-	-	2.1
Total	15.6	59.1	65.0	265.8	-	405.5

2023	2024	2025	2026	2027	Subsequent years	Total
Debts with financial Institutions	-	11.3	47.2	47.2	247.7	353.4
Other debts and payables	35.8	-	-	-	-	35.8
Debts with group companies	49.3	-	-	-	-	49.3
Trade and other payables	9.4	-	-	-	-	9.4
Total	94.5	11.3	47.2	47.2	247.7	447.9

6. Investments in group companies

The value of the Company's shares in its subsidiaries as of 31 December 2024 and 2023 was as follow:

	31 December 2024		31 December 2023			
	Interest ownership	Value of Shares	Interest ownership	Value of Shares	Dividends declared in 2024	Dividends declared in 2023
AmRest Sp. z o.o.	100%	269.5	100%	272.6	37.5	-
AmRest China Group PTE Ltd.	100%	40.5	100%	40.8	-	-
AmRest s.r.o.	100%	7.5	100%	7.8	9.3	17.9
AmRest France SAS	100%	130.0	100%	69.7	-	-
AmRest EOOD	100%	4.2	100%	4.3	-	-
AmRest Acquisition Subsidiary	100%	-	100%	45.2	-	-
AmRest Global S.L.U.	100%	8.4	100%	9.1	-	-
AmRest Coffee SRB d.o.o.	100%	0.7	100%	0.7	-	-
		460.8		450.2	46.8	17.9

The movement of the equity instruments in group companies as of 31 December 2024 was as follow:

	31 December 2023	Increase	Decrease	Share-base plans	31 December 2024
Cost					
AmRest Sp. z o.o.	272.6	-	-	(3.1)	269.5
AmRest China Group PTE Ltd.	40.8	-	-	(0.3)	40.5
AmRest s.r.o.	7.8	-	-	(0.3)	7.5
AmRest France SAS	69.7	60.5	-	(0.2)	130.0
AmRest EOOD	4.3	-	(0.1)	-	4.2
AmRest Acquisition Subsidiary	61.0	-	(61.0)	-	-
AmRest Global S.L.U.	9.1	-	-	(0.7)	8.4
AmRest Coffee SRB d.o.o.	0.7	-	-	-	0.7
	466.0	60.5	(61.1)	(4.6)	460.8
Impairment					
AmRest Acquisition Subsidiary	(15.8)	-	15.8	-	-
	(15.8)	-	15.8	-	-
Total Equity instruments in Group companies	450.2	60.5	(45.3)	(4.6)	460.8

The main movements occurred during 2024 were:

- On 31 December 2024 AmRest Acquisition Subsidiary Ltd, was deregistered. As a consequence of the liquidation of AmRest Acquisition Subsidiary, the Company derecognised a loan granted by AmRest Acquisition Subsidiary Ltd,

amounting to EUR 45.3 million, that was outstanding at the liquidation date. The Company recognised positive result of EUR 0.1 million in the income statement "Impairments of investments and loans in group companies".

- On 12 December 2024, the sole shareholder of AmRest France SAS approved a capital increase of EUR 60.5 million, which was fully paid up by offsetting the liquid and enforceable loans that AmRest Holdings SE had granted to AmRest France SAS.
- The investment value of some subsidiaries was affected by the valuation of share-based payments plans (Note 13).

The movement of the equity instruments in group companies as of 31 December 2023 was as follow:

	31 December 2022	Increase	Decrease	Share-base plans	31 December 2023
Cost					
AmRest Sp. z o.o. (Poland)	268.5	-	-	4.1	272.6
AmRest China Group PTE Ltd. (China)	40.6	-	-	0.2	40.8
AmRest s.r.o. (Czechia)	7.5	-	-	0.3	7.8
AmRest France SAS	69.5	-	-	0.2	69.7
AmRest HK Ltd	5.2	-	(5.2)	-	-
AmRest EOOD (Bulgaria)	4.3	-	-	-	4.3
AmRest Acquisition Subsidiary (Malta)	61.0	-	-	-	61.0
AmRest Global S.L.U.	8.3	-	-	0.8	9.1
AmRest Coffee SRB d.o.o.	0.7	-	-	-	0.7
	465.6	-	(5.2)	5.6	466.0
Impairment					
AmRest HK Ltd	(5.2)	-	5.2	-	-
AmRest Acquisition Subsidiary (Malta)	(15.8)	-	-	-	(15.8)
	(21.0)	-	5.2	-	(15.8)
Total Equity instruments in Group companies	444.6	-	-	5.6	450.2

The main movements occurred during 2023 were:

- On 20 January 2023, AmRest HK Ltd. was deregistered.
- On 31 December 2023 AmRest Holdings SE, the sole shareholder of AmRest Acquisition Subsidiary Ltd, decided to liquidate the company. As of the date of this report, the liquidation process had concluded.
- The investment value of some subsidiaries was affected by the valuation of share-based payments plans (Note 13).

Equity investment impairment test for group companies:

To estimate the potential impairment of the Company's investments in group companies and given that the fair value of these investments is not traded on an active market, this is determined using valuation techniques. The Company uses judgment to select a variety of methods and make assumptions that are based primarily on market conditions existing on the balance sheet date.

The Company considers that there are indications of impairment in its investees if the net book value of the investment exceeds the theoretical book value of the equity of the investee, considering the subgroup in the investee holding entities. Additionally, other considerations such as decrease in the activity of the investees or other situations that could indicate signs of deterioration in the companies, are taken into account.

31 December 2024

As of 31 December 2024, the Company identified impairment indicators for its investments in AmRest China Group PTE Ltd, AmRest Global, S.L, AmRest France SAS and AmRest Coffee SRB d.o.o.

-AmRest China Group PTE Ltd: The hypothesis considered in the impairment testing of AmRest China Group PTE Ltd considered an average EBITDA margin of 8.15%, a pre-tax rate of 11.9% and a post-tax discount rate applied of 9.81%. For the terminal value calculation a perpetual growth rate of 2% is considered from 2029 exercise.

-AmRest Global, S.L: The hypothesis considered in the impairment testing of AmRest Global,S.L.considered an average EBITDA margin of 23.8%, a pre-tax rate of 13.04% and a post-tax discount rate applied of 10.82% . For the terminal value calculation a perpetual growth rate of 2.2% has been considered from 2029 exercise.

-AmRest France SAS: The hypothesis considered in the impairment testing of AmRest France SAS, considered an average EBITDA margin of 8.2%, a pre-tax rate of 11.54% and a post-tax discount rate applied of 8.87% . For the terminal value calculation a perpetual growth rate of 1.8% has been considered from 2029 exercise.

-AmRest Coffee SRB d.o.o: The hypothesis considered in the impairment testing of AmRest Coffee SRB d.o.o. considered an average EBITDA margin of 8.5%, a pre-tax rate of 15.6% and a post-tax discount rate applied of 14.0% . For the terminal value calculation a perpetual growth rate of 3.1% has been considered from 2029 exercise.

As a result of the above analysis, no impairments were recognised as of 31 December 2024, as the carrying amount did not exceed the recoverable amount.

The company carried out a sensitivity analysis for the impairment tests performed. The sensitivity analysis examined the impact of changes in the:

- discount rate applied,
- weighted average budgeted EBITDA margin,
- growth rate for residual value,
- assuming other factors remain unchanged.

The objective of the sensitivity analysis is to determine if reasonable possible changes in the main financial assumptions would lead to the recognition of impairment loss.

For the discount rate, growth rate, and weighted average budgeted EBITDA margin, a reasonable possible change was determined as 10% of the input data, applicable for a particular unit. Consequently, each impairment test has a different level of a reasonable change in inputs, which can be determined by multiplying the base input data used in the impairment test described before by 10%.

Based on the sensitivity analysis performed a reasonably possible change in any of the key assumptions used would not lead to recognition of impairment losses i.e. the carrying amount would not exceed the recoverable amount, for all the entities, except AmRest France SAS.

In the case of AmRest France SAS, the following table presents the scenario where changes in assumptions would lead to the potential impairment. For the remaining scenarios, no impairment risk was identified:

Input / Change in input	Impairment loss (EUR million)
Discount rate	
10% of base value	4.3
Weighted average budgeted EBITDA margin value	
(-10%) of base value	9.8

31 December 2023

As of 31 December 2023, the Company identified impairment indicators for its investments in AmRest Acquisition Subsidiary (owner of the Russian Business until the sale), AmRest China Group PTE Ltd and AmRest Global, S.L.

- AmRest Acquisition Subsidiary: AmRest Holdings, SE holds a 100% stake in AmRest Acquisition Subsidiary Ltd, the cost of which amounted to EUR 61 million on 31st December 2023 and 31st December 2022. In 2022, the Company recognised an impairment of EUR 15.8 million on its shareholding in AmRest Acquisition Subsidiary Ltd. The investee, AmRest Acquisition Subsidiary Ltd, owned a stake of 44.72% in the Group business in Russia that was sold in 2023.

Investment in the Russian business was 44.72% owned by AmRest Acquisition Subsidiary Ltd and 55.28% owned by AmRest Sp. z o.o. Both companies are 100% owned by AmRest Holdings, S.E.

In December 2022 AmRest Holdings, SE through its subsidiaries AmRest Sp. z o.o. and AmRest Acquisition Subsidiary Ltd, entered into an agreement with Almira OOO, for the sale of its KFC business in Russia (the "Transaction"). The closing of the Transaction was subject to the approval of the competition authority in Russia, consent from Yum! Brands Inc. and to other regulatory authorisations that may be applicable in Russia. The final terms of the transaction were subject to certain external factors, including the EUR/RUB exchange rate.

In February 2023 Unirest LLC, an affiliate of Yum! Brands Inc. exercised its right of first refusal pursuant to the underlying franchise agreements for itself or for the benefit of a third party, and appointed Smart Service Nord Ltd as the purchaser

of the KFC restaurant business in Russia. As a consequence of Unirest's exercise of its right of first refusal, AmRest terminated the sale and purchase agreement entered in December 2022, and signed a new sale and purchase agreement with Smart Service on 25 February 2023, largely under the same terms and conditions.

On 28 April 2023, after the fulfilment of the conditions precedent to which it was subject, the transaction between AmRest's subsidiaries AmRest Sp. z.o.o. and AmRest Acquisition Subsidiary Ltd and Smart Service Nord Ltd. for the sale of AmRest's KFC business in Russia was closed. The final price of EUR 100 million was received by AmRest Holdings, SE, and as required by local regulations, the transaction was submitted to the relevant registries for registration. Registration took place on 15 May 2023.

The final price of EUR 100 million that AmRest Holdings, SE received from the sale, EUR 55.2 million belonged to AmRest Sp. z.o.o. and was therefore transferred by AmRest Holdings, SE to its subsidiary, and EUR 44.8 million of which belonged to AmRest Acquisition Subsidiary Ltd. for which a loan agreement was entered into on 28 August 2023 with effect from 24 May 2023, with maturity date in December 2024. The loan between AmRest Holdings, SE. and AmRest Acquisition Subsidiary Ltd. was partially repaid in 2023, and the outstanding debt at 31 December 2023, considering principal and interest, that according to the agreement interest should be capitalised, amounted to EUR 44.5 million euros (Note 17).

Regarding the impairment for the investments in AmRest Acquisition Subsidiary Ltd. and considering the outstanding debt at 31 December 2023 mentioned above, and the future interest to be accrued and capitalised until maturity, between AmRest Holdings, SE and AmRest Acquisition Subsidiary Ltd, the Company considered that there were not indications of impairment over its investment.

-AmRest China Group PTE Ltd: The hypothesis considered in the impairment testing of AmRest China Group PTE Ltd considered an average EBITDA margin of 9.2%, a pre-tax rate of 13.1% and a post-tax discount rate applied of 10.7%. For the terminal value calculation a perpetual growth rate of 2.1% was considered from 2028 exercise.

-AmRest Global, S.L: The hypothesis considered in the impairment testing of AmRest Global,S.L.considered an average EBITDA margin of 17.1%, a pre-tax rate of 14.6% and a post-tax discount rate applied of 11.6% . For the terminal value calculation a perpetual growth rate of 1.9% was considered from 2028 exercise.

The company carried out a sensitivity analysis for the impairment tests performed. The sensitivity analysis examined the impact of changes in the:

- discount rate applied,
- weighted average budgeted EBITDA margin,
- growth rate for residual value,
- assuming other factors remain unchanged.

The objective of the sensitivity analysis is to determine if reasonable possible changes in the main financial assumptions would lead to the recognition of impairment loss.

For the discount rate, growth rate, and weighted average budgeted EBITDA margin, a reasonable possible change was determined as 10% of the input data, applicable for a particular unit. Consequently, each impairment test has a different level of a reasonable change in inputs, which can be determined by multiplying the base input data used in the impairment test described before by 10%.

Based on the sensitivity analysis performed a reasonably possible change in any of the key assumptions used would not lead to recognition of impairment losses i.e. the carrying amount would not exceed the recoverable amount.

The details of the main subsidiaries are presented below:

Company name	Registered office	2024				2023			
<i>Holding activity</i>		Total Equity	Net result	Operating result	Dividends distributed	Total Equity	Net result	Operating result	Dividends distributed
AmRest China Group PTE Ltd	Singapore	8.6	(0.5)	(0.1)	-	17.9	0.4	1.9	-
AmRest France SAS	Paris France	91.8	(1.8)	(0.2)	-	37.1	(0.8)	(0.5)	-
Amrest Global S.L.U.	Madrid Spain	9.1	2.2	3.7	-	8.1	0.9	1.7	-

Company name	Registered office	2024				2023			
<i>Restaurant, franchise and master-franchise activity</i>		Total Equity	Net result	Operating result	Dividends distributed	Total Equity	Net result	Operating result	Dividends distributed
AmRest Sp. z o.o.	Wroclaw Poland	584.2	97.6	42.4	37.5	516.3	58	38.7	-
AmRest s.r.o.	Prague Czechia	36.5	20.6	29.0	9.3	25.2	22.1	29.7	17.9
AmRest EOOD	Sofia Bulgaria	11.8	2.8	3.1	-	5.9	1.3	1.5	-
AmRest Coffee SRB d.o.o.	Belgrade Serbia	0.7	(0.1)	0.1	-	0.7	0.1	0.1	-

The data above were derived from local documentation of the main subsidiaries in accordance with local GAAPs in each country. In some countries, the local audits for 2024 have not finalised.

7. Financial assets at amortised cost

As of 31 December 2024 and 2023, the financial assets at amortised cost were composed as followed:

	31 December 2024	31 December 2023
Non current		
Loans to group companies (Note 17)	157.6	138.0
Non-current financial investments	-	0.1
	157.6	138.1
Current		
Trade and other receivables	0.9	2.9
Loans to group companies (Note 17)	80.1	111.5
Other financial assets with group companies (Note 17)	12.5	7.6
	93.5	122.0

-Loans to group companies:

The Company grants loans to group companies at variable interest rates in the range of 2.3%-5.5% plus 3-months Euribor/Libor margin, with maturities starting in 2025 (note 5).

To estimate the potential impairment of the Company's financial assets and given that the fair value of these assets is not traded in an active market, this is determined using valuation techniques. The Company uses judgment to select a variety of methods and make assumptions that are based primarily on market conditions existing at the balance sheet date. The methods and assumptions used are the same as those applied to estimate the impairment of investments in group companies (note 6)

The Company considers that there are indications of impairment in its credits to group companies, if the net book value of the investment exceeds the theoretical book value of the equity of the group company. Additionally, other considerations such as decrease in the activity of the investees or other situations that could indicate signs of deterioration in the companies.

The total amount of loans with the entity AmRest Pizza GmbH is fully impaired as it is a dormant entity, that the Company does not expect to reactivate. In 2024, the Company registered an impairment loss of EUR 0.1 million (EUR 0.2 million in 2023) (note 17).

The total amount of loans with the entity AmRest Topco France SAS was fully impairment during the year 2024, as consequence of its business closure. The Company registered an impairment loss of EUR 0.7 million (note 17).

The Company recognized, during 2024, an impairment loss of EUR 8.9 million of the loan granted to AmRest Opco France, SAS. The total amount of the loan granted was EUR 43.2 million, net book value of EUR 34.3 million, as of 31 December 2024. (note 17).

Based on the analysis performed, the Company did not recognise additional impairment losses associated with loans to other group companies.

-Other current financial assets with group companies

Mainly included the reciprocal balances from the accounting of income tax under the consolidated tax regime (Note 15 and 17).

-Trade receivables:

As of 31 December 2024 and 2023, the trade and other receivables were composed as follows (note 5):

	31 December 2024	31 December 2023
Trade and other receivables with group companies (Note 17)	0.9	4.6
Impairment on other accounts receivables with group companies (Note 17)	-	(1.7)
Total Trade and other receivables	0.9	2.9

The analysis of the movements of the impairment losses deriving from the credit risk of financial assets recognised as at amortised cost was as follows:

	Year ended	
	31 December 2024	31 December 2023
Balance at the beginning of the year	(1.7)	(2.0)
Increase (Note 17)	-	-
Write off	1.7	0.3
Balance at the end of the financial year	-	(1.7)

The accounting values of the financial assets at amortised cost as of 31 December 2024 and 2023 were denominated in the following currencies:

2024

Millions of foreign currency	Denominated in CZK	Denominated in USD
Assets foreign currency		
Total non-current assets foreign currency	-	-
Total current assets foreign currency	6.2	9
Total assets foreign currency	6.2	9

2023

Millions of foreign currency	Denominated in CZK	Denominated in USD
Assets foreign currency		
Total non-current assets foreign currency	-	-
Total current assets foreign currency	-	6.0
Total assets foreign currency	-	6.0

8. Financial assets at cost

This item classifies the Investments in Group Companies (see details in note 6).

9. Cash and cash and equivalents

Cash and cash equivalents as of 31 December 2024 and 2023 are presented in the table below:

	31 December 2024	31 December 2023
Cash at bank	13.1	62.1
Cash equivalents	1.0	-
Total	14.1	62.1

Cash and cash equivalents were deposited in financial institutions of high credit quality, according to the rating received by international rating agencies.

10. Equity

10.1 Share Capital

There were no changes in share capital of the Company in year 2024.

All shares issued are subscribed and fully paid. The par value of each share is EUR 0.1. As of 31 December 2024 and as of 31 December 2023 the Company had 219,554,183 shares issued.

All the shares are ordinary shares and have the same economic and voting rights. There are no shares committed to be issued under options, employee share schemes and contracts for the sale of shares.

To the best of AmRest's knowledge as of 31 December 2024, in accordance with the information publicly available, AmRest Holdings had the following shareholder structure:

Shareholder	Number of shares and votes at the Shareholders' meeting	% of shares and votes at the Shareholders' meeting
FCapital Dutch S.L.*	147,203,760	67.05%
FYNVEUR S.C.A.	11,612,680	5.29%
Nationale-Nederlanden PTE SA	10,742,600	4.89%
PTE Allianz Polska SA	9,531,792	4.34%
Other Shareholders	40,463,351	18.43%

* Mr. Carlos Fernández González indirectly controls the majority of the shareholding and voting rights in FCapital Dutch, S.L. (direct shareholder of the stake appearing in the above table).

To the best of AmRest's knowledge as of 31 December 2023, in accordance with the information publicly available, AmRest Holdings had the following shareholder structure:

Shareholder	Number of shares and votes at the Shareholders' meeting	% of shares and votes at the Shareholders' meeting
FCapital Dutch S.L.*	147,203,760	67.05%
Artal International S.C.A.	11,366,102	5.18%
Nationale-Nederlanden OFE	10,718,700	4.88%
Aviva OFE Aviva BZWBK SA	9,531,792	4.34%
Other Shareholders	40,733,829	18.55%

* Mr. Carlos Fernández González indirectly controls the majority of the shareholding and voting rights in FCapital Dutch, S.L. (direct shareholder of the stake appearing in the above table).

10.2 Reserves

The composition of reserves as of 31 December 2024 and 2023 was as follows:

	31 December 2024	31 December 2023
Voluntary Reserves	102.4	98.3
Legal reserves	4.4	4.4
Total	106.8	102.7

The legal reserves have been accrued according to section 274 of the Capital Companies Act, which establishes that, without exception, an amount of 10% of the profit for the period will be distributed to legal reserves until it reaches, at least, 20% of the share capital.

Reserves cannot be distributed and are used to offset losses. When no further reserves are available, they will be replaced with future profits.

As of 31 December 2024 and 31 December 2023, the company had fully endowed this reserve with the minimum limit established.

10.3 Treasury shares

As of 31 December 2024, AmRest held 2 927 790 own shares representing 1.33% of the share capital (1 412 446 shares in 2023 representing 0.64% of the share capital). The movement of treasury shares for the stock option plan was as follows:

	YEAR ENDED	
	31 December 2024	31 December 2023
Initial Balance	(9.9)	(3.7)
Purchase of treasury shares	(10.5)	(6.6)
Value of disposed treasury shares	2.0	0.4
Ending Balance	(18.4)	(9.9)

10.4 Other equity instruments

The movement of the accrual for the equity instruments of the stock option and LTI plan was as follow:

	YEAR ENDED	
	31 December 2024	31 December 2023
Initial balance	(14.5)	(20.1)
Equity share-based plan accrual	0.8	6.1
Cash settled plan	(5.3)	-
Value of disposed treasury shares	(0.1)	(0.5)
Ending balance	(19.1)	(14.5)

10.5 Adjustments for changes in value

The balance of the adjustments for changes in value was as follow:

	31 December 2024	31 December 2023
Currency translation reserve	(6.7)	(6.7)
Adjustments for changes in value	(6.7)	(6.7)

The foreign currency translation reserve item included the result of changing the functional and presentation currency from PLN to EUR. The change occurred in the FY 2018, when the 2017 financial statements that were published on the Warsaw Stock Exchange in Polish zlotys (PLN) were converted to the current presentation currency, which is the euro (EUR).

10.6 Share premium

This reserve is unrestricted up to the amount which, as a result of its distribution, means that the equity is not less than the share capital.

This item reflects the surplus over the nominal value of the share capital increase and additional contributions to equity without the issue of shares made by shareholders prior to becoming a public entity.

There were no transactions in the share premium in 2024 and 2023.

11. Distribution of result

The Board of Directors proposed the following distribution of the benefits for the year ended 31 December 2024 and the shareholders approved the following for 31 December 2023.

	YEAR ENDED	
	31 December 2024	31 December 2023
Basis of Distribution		
Profit and loss for the period in EUR	23 971 976.65	4 233 495.77
Distribution		
Voluntary Reserves	4 014 461.63	4 233 495.77
Interim Dividend	15 167 738.02	-
Offsetting of prior years' losses	4 789 777.00	-
	23 971 976.65	4 233 495.77

According to a resolution of the Board of Directors dated on 11 December 2024, an interim dividend of 0.07 euros per share, totalling EUR 15.2 million, was distributed to shareholders on 23 December 2024.

These amounts to be distributed did not exceed the results obtained since the end of the last financial year, net of the estimated corporate income tax payable on these results, in line with the provisions of article 277 of the Capital Companies Act (Consolidated Text) of RD 1/2010 of 2 July 2010.

The provisional accounting statement prepared in accordance with the legal requirements and which showed the existence of sufficient liquidity for the distribution of the aforementioned dividend is set out below:

	5 December 2024
Net profit	24.9
Prior year's negative results	(4.8)
Maximum distributable amount	20.1
Available liquidity	41.5

Details of non-distributable reserves as of 31 December 2024 and 2023 are as follows:

	31 December 2024	31 December 2023
Legal reserve	4.4	4.4

The Company's freely distributable reserves, as well as the results of the period, are nonetheless subject to legal limits. Dividends may not be distributed if equity would be less than share capital as a result. In any case, at 31 December 2024, Voluntary Reserves and Share Premium were totally distributable.

12. Financial liabilities at amortized cost

As of 31 December 2024 and 2023 the financial liabilities at amortised cost were composed as follow:

	31 December 2024	31 December 2023
Non current		
Debts with financial institutions	384.0	353.4
Debts with group companies (Note 17)	5.9	-
Total non-current	389.9	353.4
Current		
Debts with financial institutions	11.7	-
Other financial liabilities	-	35.8
Debts with group companies (Note 17)	1.8	49.3
Trade and other payables to third parties	0.4	7.6
Trade and other payables to group companies (Note 17)	1.7	1.8
Total current	15.6	94.5
Total	405.5	447.9

-Debts with financial institutions:

Key characteristics of the loans and borrowings with financial institutions:

Currency	Loans/bonds	Effective interest rate	Final maturity	31 December 2024	31 December 2023
EUR	Syndicated bank loan 2023	3M EURIBOR+margin	2028	278.7	236.4
PLN	Syndicated bank loan 2023	3M WIBOR+margin	2028	117.0	117.0
EUR	SSD Bonds	Fixed	n/a	-	26.4
EUR	SSD Bonds	6M EURIBOR+margin	n/a	-	9.4
Total				395.7	389.2

In December 2023 the Group signed Syndicated Bank Loan agreement. Various transaction costs directly attributable to the issuance of that loan were deducted from the initial fair value of the new debt and are included in the calculation of the amortized cost of the borrowing.

Regarding the Syndicated Bank Loan agreement, and in accordance with the provisions of the financing agreement, on 23 December 2024, a modification was signed to include certain sustainability objectives, thereby converting the agreement into a Sustainability Linked Loan.

The Group is required to meet certain ratios as agreed with financing institutions. Those covenants were met as of 31 December 2024.

Available credit limits

The Company had the following unused credit limits and available tranches as of 31 December 2024 and 31 December 2023:

	31 December 2024	31 December 2023
Available Tranche B of Syndicated bank loan 2023	70.0	110.0
Syndicated bank loan 2023 credit line	130.0	130.0
Total	200.0	240.0

Collaterals on borrowings

The Group granted several guarantees to finance institutions under the previous syndicated bank loan agreement. Those guarantees were fully cancelled together with the repayment of that loan, which took place on 14 December 2023.

The new Syndicated Bank Loan 2023 is jointly and severally guaranteed by the Borrowers (AmRest Holdings SE and AmRest Sp. z o. o.) and other group companies, in particular, AmRest S.R.O., AmRest Coffee Deutschland Sp. z o. o. &

Co.KG, AmRest DE Sp. z o. o. & Co.KG, AmRest Vendéglátó Korlátolt Felelősségű Társaság, AmRest Coffee SRL, AmRest Tag S.L.U., Restauravia Food S.L.U., Pastificio Service S.L.U.

Additionally, pledge on shares of Sushi Shop Group and AmRest France SAS has been established as security for the bank financing.

-Debts with group companies:

This item consisted mostly of reciprocal balances with group companies originating from the accounting of the income tax under the consolidation tax regime (note 15 and 17).

-Trade and other payables:

As of 31 December 2024 and 2023 the trade and other payables were composed as follows:

	31 December 2024	31 December 2023
Trade and other payables with third parties	0.4	7.6
Trade and other payables with group companies	1.7	1.8
Total trade and other payables	2.1	9.4

Information on average payment period to suppliers. Third additional regulation "Information requirement" of Law 15/2010 of July 5.

	31 December 2024	31 December 2023
Number of days:		
Average payment to suppliers	30	65
Ratio of payments	37	82
Ratio of outstanding invoices	2	25
Millions of EUR:		
Total payments	6.9	5.3
Outstanding invoices	1.8	2.4
Amount payments<60 days	4.6	2.9
Number of invoices paid < 60 days	342	404
% Amount of payments made < 60 days out of the total payments	67%	54%
% Number of invoices paid < 60 days out of the total payments	73%	71%

The maximum legal period applicable to the Company in accordance with Law 3/2004, of 29 December, which establishes measures to combat late payment in commercial operations, and in accordance with the transitory provisions established in Law 15/2010, of 5 July, is 60 days from 1 January 2013.

Law 18/2022 of 29 September on the creation and growth of companies once again amends, the Law on the average supplier payment period, requiring all trading companies that do not present abridged financial statements to expressly include in the corresponding notes to their financial statements their average supplier payment period and extending the content to the following (applicable from 2022):

- the monetary volume and number of invoices paid in a period shorter than the maximum established in the regulations on late payment and

- the percentage they represent of the total number of invoices and of the total monetary payments to their suppliers.

In general, payments to external suppliers were made within the legal limit of 60 days.

If the intercompany invoices are not considered in the calculation, the average payment period to suppliers period would be as follow:

	31 December 2024	31 December 2023
Number of days:		
Average payment to suppliers	28	52
Ratio of payments	24	60
Ratio of outstanding invoices	28	16
Millions of EUR:		
Total payments	5.1	2.9
Outstanding invoices	0.2	0.6
Amount payments<60 days	4.6	1.8
Number of invoices paid < 60 days	306	376
% Amount of payments made < 60 days out of the total payments	89%	63%
% Number of invoices paid < 60 days out of the total payments	76%	75%

The accounting values of the financial liabilities at amortised cost as of December 31 2024 and 2023 were denominated in the following currencies:

2024	Denominated in PLN
Liabilities foreign currency	
Total non-current liabilities foreign currency	113.0
Total current liabilities foreign currency	4.0
Total liabilities foreign currency	117.0
2023	
Liabilities foreign currency	
Total non-current liabilities foreign currency	117.0
Total current liabilities foreign currency	-
Total liabilities foreign currency	117.0

13. Employee benefits and share based payments

There are several shares based payments plans in AmRest Group as of 31 December 2024. Since 2021 the Group introduced share based payments programs referred as Long Term Incentive plan (LTI). Earlier, the Group was granting options within programs referred as Stock Option and Management Incentive Plans.

Long Term Incentive Plans

In 2021 the Group introduced Long Term Incentive (LTI) Program which is addressed to members of the management team and other relevant personnel of the Group. Participants of the LTI plans have the opportunity to receive AmRest shares. Under each annual program participants are granted three tranches with different vesting periods. The number of shares to be finally received by participant that stays within Group during vesting period is linked to the Group's performance defined as realization of Global EBITDA for three years following the date of approval of each annual grant. The rights under the LTI Plans are granted as an amount (denominated in payroll currency of each participant). The grant date for each annual plan takes place at the vesting date of the 1st tranche. At the grant date the LTI rights are evaluated and converted into number of shares, and subsequently the shares are transferred to the participant's brokerage account. As a rule, there are no cash settlement alternatives under LTI plans.

The number of shares to be received is determined according to the following formula:

$$N = [(Grant \div ExRate) \div VWAP] \times M,$$

where:

- Grant is the value allocated to participant, denominated in payroll currency,
- ExRate is the average exchange rate for the month preceding the vesting date of the 1st tranche that is applicable to the payroll currency being converted into EUR,
- VWAP is the volume weighted average price of AmRest share expressed in EUR, during the month preceding the vesting date of the 1st tranche,
- M is the multiplier which depends on the degree of non-market performance conditions realization (minimum 0%, maximum 200%).

These programs are considered cash-settled under the terms of NRV17 from 1 January 2024.

On 1 January 2024, the parent company signed an agreement with its subsidiaries whereby all obligations towards the employee are transferred to the subsidiary, and the parent company is no longer the obligor in the main legal relationship. Therefore, as of 1 January 2024, the subsidiary assumes the commitment to deliver shares of the parent company to its employees, and the transaction should therefore be considered as cash-settled under the terms of NRV17.

According to the aforementioned agreement signed on 1 January 2024, the subsidiary pays the intrinsic fair value of the agreement, i.e. the fair value of the shares on the settlement date.

Stock Option and Management Incentive Plans

Stock Option and Management Incentive Plans are share option plans. Under these plans, entitled participants received the options at agreed exercise prices. Annual plans consisted of 3 tranches each, with vesting period of 3, 4 and 5 years. Participants are entitled to exercise options and receive shares if remain within the group during the vesting periods. Options vest when the terms and conditions relating to the period of employment are met. The plans do not provide any additional market conditions for vesting of the options. Vested options can be exercised within 10 years from the grant date of each program, otherwise they expire. The fair value of option plans has been measured using the Black-Scholes formula and determined by an external actuary.

As of 31 December 2024 there are 5 share option plans:

- Stock Option Plan (SOP 2005-2016) – currently plan is fully vested and partially exercised
- Stock Option Plan (SOP 2017-2019) – currently plan is fully vested and partially exercised
- Management Incentive Plan (MIP 2017-2019) – currently plan is fully vested and not exercised
- Stock Option Plan (SOP 2020) – plan will be fully vested in October 2025 and is partially exercised
- Management Incentive Plan (MIP 2020-2021) – plan will be fully vested in May 2026 and is not exercised

The key terms and conditions for the share options plans as of 31 December 2024 are presented in the table below:

Grant date	Terms and conditions for vesting of the options	Option exercise price in EUR
SOP 2005-2016		
9 December 2015	1-5 years, 20% per annum	3.14
30 April 2016		5.35
SOP 2017-2019		
30 May 2017	3-5 years, 60% after 3rd year, 20% after 4th and 5th year	8.14
30 April 2018		10.91
1 October 2018		10.63
10 December 2018		9.40
30 April 2019		9.62
MIP 2017- 2019		
1 October 2018	3-5 years, 33% per annum	14.54
26 March 2019		14.49
13 May 2019		12.10
SOP 2020		
13 July 2020	3-5 years, 60% after 3rd year, 20% after 4th and 5th year	4.99
1 October 2020		5.78
MIP 2020-2021		
10 February 2020	3-5 years, 33% per annum	15.10
1 October 2020		7.90
1 February 2021		7.71
23 March 2021		6.08
1 May 2021		9.50

The number of options, movements in number of options and weighted average of the exercise prices (WAEP) of options during the year ended 31 December 2024 and 2023 are presented in table below:

Number of options 2024 (in thousands)	WAEP in EUR	MIP 2020-2021	SOP 2020	MIP 2017- 2019	SOP 2017-2019	SOP 2005-2016
At the beginning of the period	8.14	2,400	2,031	700	3,710	255
Granted during the period	-	-	-	-	-	-
Exercised during the period	4.73	-	(9)	-	-	(43)
Expired during the period	9.25	-	-	-	(113)	(3)
Forfeited during the period	6.22	-	(36)	-	(5)	-
Outstanding at the end of the period	8.68	2,400	1,986	700	3,592	209
- including exercisable as of the end of the period	8.87	1,400	1,604	700	3,592	209

Number of options 2023 (in thousands)	WAEP in EUR	MIP 2020-2021	SOP 2020	MIP 2017- 2019	SOP 2017-2019	SOP 2005-2016
At the beginning of the period	8.56	2,400	2,443	700	4,707	468
Granted during the period	-	-	-	-	-	-
Exercised during the period	4.11	-	-	-	-	(99)
Expired during the period	9.05	-	-	-	(901)	(114)
Forfeited during the period	6.52	-	(412)	-	(96)	-
Outstanding at the end of the period	8.14	2,400	2,031	700	3,710	255
- including exercisable as of the end of the period	8.45	600	1,222	533	3,388	255

The weighted average share price at the dates of exercise of the options was EUR 6.11 in 2024 and EUR 6.17 in 2023.

The weighted average remaining contractual life for the share options outstanding as of 31 December 2024 was 4.7 years (2023: 5.6 years).

14. Provisions

The balance sheet item "Long Term Provisions" included a provision for the employee stock-option plan for the employees recognized under the cash settlement method:

	31 December 2024	31 December 2023
Initial Balance	0.1	0.1
Valuation fair value	(0.1)	-
Ending Balance	-	0.1

15. Taxation

The composition of the balances with the public administrations as of 31 December 2024 and 31 December 2023, was as follows:

	31 December 2024	31 December 2023
Assets		
Personal income tax and other withholding taxes	-	0.2
Other tax receivable	-	0.1
Total	-	0.3
Liabilities		
Income tax liabilities	1.2	-
Personal income tax and other withholding taxes	0.9	0.2
Other tax receivable	-	0.1
Total	2.1	0.3

Income tax

Effective 1 January 2018 the Company falls under the consolidation tax regime established in Chapter VI of Title VII of Corporate Income Tax Law 27/2014 of 27 November 2014, being the head of the tax group that includes the Company itself and the rest of the Spanish subsidiaries, which at 31 December 2024 were the following:

- AmRest TAG. S.L.U.
- Restauravia Food. S.L.U.
- Pastificio Service. S.L.U.
- Sushi Shop Madrid S.L.U.
- AmRest Global S.L.U.

The breakdown of the income tax expense of the individual Company was as follows:

	31 December 2024	31 December 2023
Corporate income tax	4.9	3.1
Change in deferred taxes and liabilities	1.7	2.3
Total income tax recognized in the income statement	6.6	5.4

The amounts reported in change in deferred tax assets corresponded to tax losses for the period and intercompany impairments and provisions.

Reconciliation between the net result and the tax base of the individual entity as of 31 December 2024 was as follows:

	Income statement		
	Additions	Decreases	Total
Profit and loss for the period	-	-	24.0
Income tax expense			(6.6)
Permanent differences	-	(44.2)	(44.2)
Temporary differences	9.7	(15.9)	(6.2)
Preliminar tax base			(33.0)
Limitation of 50% Net operating loss (NOL)			16.5
NOLs offset from previous years			(2.7)
Tax base			(19.2)
Corporate income tax expense/(revenue) 25%			(4.8)
Adjustments of previous years			(0.1)
Total Corporate income tax expense/(revenue)			(4.9)

Decreases in permanent differences during 2024, corresponded to dividend income.

Reconciliation between the net result and the tax base of the individual entity as of 31 December 2023 was as follows:

	Income statement		Total
	Additions	Decreases	
Profit and loss for the period	-	-	4.2
Income tax expense	-	-	(5.4)
Permanent differences	-	(17.0)	(17.0)
Temporary differences	0.2	(0.6)	(0.4)
With origin in the current year (*)	0.2	(0.6)	(0.4)
Preliminar tax base	-	-	(18.6)
Limitation of 50% Net operating loss (NOL)	-	-	9.3
NOLs offset from previous years	-	-	(2.9)
Tax base	-	-	(12.2)
Corporate income tax expense/(revenue) 25%	-	-	(2.9)
Total Corporate income tax expense/(revenue)	-	-	(3.1)

(*) The preliminary tax base includes the limitation of 50% of the net operating loss.

AmRest Holdings, SE held the following tax loss carryforwards generated in previous years pending to be offset as of 31 December 2024:

NOLs generated in FY 2020	6.0
NOLs generated in FY 2021	7.5
NOLs generated in FY 2023	9.3
NOLs generated in FY 2024	16.5
NOLs offset in FY 2024	(2.7)
NOLs pending to be offset	36.6

Additionally, consolidated tax group 0539/11 of which AmRest Holdings, SE is a member, held tax losses carryforwards pending to be offset in FY 2024 amounting to EUR 24.6 million. Additionally, the group had tax losses pending to be integrated amounting to EUR 36.6 million due to the limitation of compensating the 50% of the individual tax loss generated within the group introduced by Law 38/2022 from 27 December for fiscal year 2023 and Law 7/2024 from 20 December for fiscal year 2024.

The recognition of deferred tax assets associated to tax losses is supported by the expected operating performance projections established in the business plans approved by management and according to the Resolution of the ICAC issued on 9 February 2016.

Final tax quota for corporate income tax recorded by AmRest Holdings, SE as the head of the consolidated tax group included the incorporation of the tax losses compensation which were limited in FY 2023, the limitation of tax losses in FY 2024, tax losses offset in FY 2024 and the calculation of the tax in each entity resulting the following balances for FY 2024:

AmRest Holdings SE	(4.8)
Pastificio Service, S.L.U.	5.5
AmRest Global S.L.U.	0.8
AmRest TAG, S.L.U.	(0.4)
Restauravia Food, S.L.U.	0.4
Shushi Shop Madrid, S.L.U.	(0.3)

Reconciliation between the consolidated tax base and the individual tax base of the tax group was as follows:

	31 December 2024	31 December 2023
Tax base AmRest Holdings	(33.0)	(18.5)
Tax base contributed by subsidiaries of the tax group:	23.7	(1.2)
AmRest TAG, S.L.U.	(1.6)	(26.5)
AmRest Global S.L.U.	3.2	2.5
Restauravia Food, S.L.U.	1.7	(1.1)
Pastificio Service, S.L.U.	22.4	25.6
Sushi Shop Madrid, S.L.U.	(2.0)	(1.7)
Limitation of 50% Net operating losses (NOL) within the tax group according to Law 7/2024	18.3	24.0
NOLs offset from FY 2023 (Limitation of 50% NOL)	(2.0)	-
NOLs offset from previous years	(1.8)	(2.9)
Current income tax of the consolidated tax group (25%)	1.3	0.3
Withholding taxes and CIT advances	(0.1)	(0.1)
Subtotal	(0.1)	(0.1)
Income tax receivable payable (receivable)	(1.2)	0.2

The movement of the deferred tax assets and liabilities for the years ended 31 December 2024 and 2023 was as follows:

	31 December 2024	31 December 2023
Deferred tax assets		
Balance at beginning of the period	10.7	8.3
NOLS generated	4.1	2.3
Other movements	(2.5)	0.1
Balance at the end of the period	12.3	10.7

The increase in deferred tax assets corresponded, mainly, to tax losses generated and the impairment of intercompany loans. Additionally, in 2022, as consequence of the impairment over AmRest Acquisition Subsidiary Ltd participation, deferred tax assets amounting to 3.9 million euros were recognised. During 2024, deferred tax assets were derecognised as the entity was deregistered.

In addition, Law 7/2024 from 20 December, extended the measure introduced for fiscal year 2023 to fiscal years 2024 and 2025 related to the offsetting of tax losses within the tax consolidation group, limiting the offsetting of individual tax losses generated in the period to 50% of such amount. The amount of individual tax losses not deducted in fiscal years 2024 and 2025 in the tax base of the tax group will be included in the tax base of the tax group in equal parts in each of the first ten periods beginning on 1 January 2025 and 1 January 2026 respectively.

Regarding the amount of the individual tax losses generated and not deducted in FY 2023, the company was including in the tax base of the tax group one tenth of the tax losses not deducted in FY 2023.

In addition, Law 7/2024 from December 20 also modified the rule for offsetting tax losses from previous years contained in Law 27/2014, of 27 November, on Corporate Income Tax, limiting the offset to 25% of the group's taxable income for groups with a net turnover of more than Euros 60 million.

AmRest Holdings, SE had the following balances related to current accounts with group entities resulting from the Consolidated tax regime:

	31 December 2024	31 December 2023
Receivables:		
Pastificio Service, S.L.	3.6	6.4
AmRest Global, S.L.	1.9	0.6
Total receivables from the Consolidated tax regime	5.5	7.0
Payables		
Restauravia Food, S.L.U.	(0.4)	(0.1)
AmRest TAG S.L.U.	(0.5)	(3.3)
Sushi Shop Madrid S.L.U.	(0.4)	(0.2)
Total payables from the Consolidated tax regime	(1.3)	(3.6)

International Tax Reform – Pillar Two Model Rules

In 2021 there was agreement reached between 136 countries for a two-pillar approach to international tax reform ('the OECD agreement'). Amongst other things, Pillar Two seeks to apply a global minimum effective tax rate of 15%.

On 21 December 2024, the Spanish Official State Gazette published Law 7/2024 of 20 December 2024 (Global Minimum Tax Law), which implements a top-up tax for large multinational and domestic groups in Spain. The approval of the Global

Minimum Tax Law complies with the transposition obligation of the European Union Council Directive 2022/2523 of 15 December 2022 (EU Pillar Two Directive).

Global Minimum Tax Law is applicable to multinational groups with revenues higher than EUR 750 million which are taxed at a minimum effective rate of 15% wherever they operate. Global Minimum Tax Law is retroactive from 31 December 2023, applying also for fiscal year 2024. The AmRest Group, as a large multinational Group, is subject to said top-up tax.

For the purposes of the Global Minimum Tax regulations approved in Spain, the Mexican entity Grupo Far-Luca, S.A. de C.V. is considered the ultimate parent company. Due to the fact that Mexico has not implemented the Global Minimum Tax regulations as of 31 December 2024, AmRest Holdings SE prepares the safe harbour computations for the entities of the AmRest Group including in its Global Minimum Tax perimeter those entities owned by the ultimate parent company which operate in the same jurisdictions as AmRest.

To determine the potential impacts of Global Minimum Tax, AmRest management has performed the analysis of the application of Transitional Safe Harbours that has been established according to the Law in line with OECD guidelines and EU Directive. These transitional safeguards are intended to facilitate adaptation to Pillar Two regulations and would be applicable for AmRest to fiscal years 2024 to 2026. Therefore, if any of these safeguards are met in all countries where AmRest operates, the additional amount to be paid (top-up tax) will be zero.

Based on management's assessment of Transitory Safe Harbours, the application of the Pillar Two legislation for markets covered by AmRest Group does not have material impact on its current tax expense for fiscal year 2024.

Regarding deferred taxes, AmRest applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

16. Income and expenses

16.1 Revenue

The Revenue item on the separate income statement for the years ending 31 December 2024 and 2023 included interest and dividends received from subsidiaries (see note 6):

	Year ended	
	31 December 2024	31 December 2023
Dividends from Subsidiaries (Note 17)	46.8	17.9
Financial income from group companies (Note 17)	19.0	15.0
Total Revenue	65.8	32.9

The breakdown of dividends by geographical area for the annual periods ending 31 December 2024 and 2023 was as follows:

	Year ended	
	31 December 2024	31 December 2023
Exports:	46.8	17.9
a) European Union	46.8	17.9
Total dividends received from subsidiaries	46.8	17.9

Financial income from subsidiaries corresponded to the accrued interest of the loans and other financial assets given from the Company to the group companies during the year. The breakdown of finance income from group companies by geographical area for the annual periods ending 31 December 2024 and 2023 was as follows:

	Year ended	
	31 December 2024	31 December 2023
Domestic market	7.0	6.7
Exports:	12	8.3
a) European Union	11.6	5.2
b) Other countries	0.4	3.1
Finance income from group companies (note 17)	19.0	15.0

16.2 Personnel expenses

The detail of personnel expenses for the annual periods ending 31 December 2024 and 2023 was as follows:

	Year ended	
	31 December 2024	31 December 2023
Salaries	(0.5)	(0.4)
Social Charges	(0.1)	(0.1)
Stock option plan	(0.1)	(0.1)
Total personnel expenses	(0.7)	(0.6)

16.3 Other operating expenses

The detail of other operating expenses for the annual periods ending 31 December 2024 and 2023 was as follows:

	Year ended	
	31 December 2024	31 December 2023
Professional Services	(2.3)	(3.2)
Business travel	(0.2)	(0.3)
Other taxes	(0.7)	-
Other expenses	(0.3)	(0.1)
Total other operating expenses	(3.5)	(3.6)

16.4 Income and expenses in foreign currency

The income and expenses denominated in foreign currency for the annual periods ended on 31 December 2024 and 2023 were as follows:

For the year ended 31 December 2024	PLN	USD
Expenses expressed in million EUR		
Other operating expenses	0.3	(0.2)
Results from operating activities	0.3	0.2
Finance income	0.4	0.4
Finance expenses	(9.7)	-
Net finance income (expense)	(9.3)	(0.4)
Total Income and expenses in foreign currency expressed in million EUR	(2.0)	0.7
For the year ended 31 December 2023	PLN	USD
Expenses expressed in million EUR		
Other operating expenses	0.1	(0.2)
Results from operating activities	0.1	(0.2)
Finance income	4.1	-
Finance expenses	(4.1)	(0.4)
Net finance income (expense)	-	(0.4)
Total Income and expenses in foreign currency expressed in million EUR	0.1	(0.2)

16.5 Financial expenses

The financial expenses for the annual periods ended at 31 December 2024 and 2023 were as follows:

	Year ended	
	31 December 2024	31 December 2023
Financial Expenses		
With group companies (note 17)	(3.6)	(2.2)
With third parties	(30.3)	(24.0)
Total Financial Expenses	(33.9)	(26.2)

16.6 Exchange rates differences:

The breakdown of exchange losses and gains recognised in the income statement was as follows:

	YEAR ENDED	
	31 December 2024	31 December 2023
On Investments and loans with group companies	1.1	(0.6)
On Banks and other assets	(1.6)	(2.8)
On Financial liabilities	(0.6)	(0.1)
Total	(1.1)	(3.5)

17. Related parties balances and transactions

As of 31 December 2024, the Group comprised the following subsidiaries:

Company name	Registered office	Parent/non-controlling undertaking	Owner-ship interest and total vote	Date of effective control
Holding activity				
AmRest TAG S.L.U.	Madrid, Spain	AmRest Sp. z o.o.	100.00%	March 2011
AmRest China Group PTE Ltd	Singapore	AmRest Holdings SE	100.00%	December 2012
Bigsky Hospitality Group Ltd	Hong Kong, China	AmRest China Group PTE Ltd	100.00%	December 2012
New Precision Ltd	Birkirkara, Malta	AmRest China Group PTE Ltd	100.00%	December 2012
Horizon Consultants Ltd.	Birkirkara, Malta	AmRest China Group PTE Ltd	100.00%	December 2012
GM Invest SRL	Brussels, Belgium	AmRest TAG S.L.U.	100.00%	October 2018
Sushi Shop Group SAS	Courbevoie, France	GM Invest SRL	9.47%	October 2018
		AmRest TAG S.L.U.	90.53%	
AmRest France SAS	Courbevoie, France	AmRest Holdings SE	100.00%	December 2018
Sushi Shop Management SAS	Courbevoie, France	Sushi Shop Group SAS	100.00%	October 2018
Sushi Shop Luxembourg SARL	Luxembourg	Sushi Shop Group SAS	100.00%	October 2018
Sushi Shop Switzerland SA	Fribourg, Switzerland	Sushi Shop Management SAS	100.00%	October 2018
Restaurant, franchise and master-franchise activity				
AmRest Sp. z o.o.	Wroclaw, Poland	AmRest Holdings SE	100.00%	December 2000
AmRest s.r.o.	Prague, Czechia	AmRest Holdings SE	100.00%	December 2000
AmRest Kft	Budapest, Hungary	AmRest Sp. z o.o.	100.00%	June 2006
AmRest Coffee Sp. z o.o.	Wroclaw, Poland	AmRest Sp. z o.o.	82.00%	March 2007
		Starbucks Coffee International, Inc.	18.00%	
AmRest EOOD	Sofia, Bulgaria	AmRest Holdings SE	100.00%	April 2007
AmRest Coffee s.r.o.	Prague, Czechia	AmRest Sp. z o.o.	82.00%	August 2007
		Starbucks Coffee International, Inc.	18.00%	
AmRest Kávészó Kft	Budapest, Hungary	AmRest Sp. z o.o.	82.00%	August 2007
		Starbucks Coffee International, Inc.	18.00%	
AmRest d.o.o.	Belgrade, Serbia	AmRest Sp. z o.o.	100.00%	October 2007
Restauravia Food S.L.U.	Madrid, Spain	AmRest TAG S.L.U.	100.00%	April 2011
Pastificio Service S.L.U.	Madrid, Spain	AmRest TAG S.L.U.	100.00%	April 2011
AmRest Adria d.o.o.	Zagreb, Croatia	AmRest Sp. z o.o.	100.00%	October 2011
AmRest GmbH i.l. ¹	Cologne, Germany	AmRest TAG S.L.U.	100.00%	March 2012
AmRest Adria 2 d.o.o.	Ljubljana, Slovenia	AmRest Sp. z o.o.	100.00%	August 2012
Frog King Food&Beverage Management Ltd	Shanghai, China	Bigsky Hospitality Group Ltd	100.00%	December 2012
Blue Frog Food&Beverage Management (Shanghai) Ltd.	Shanghai, China	New Precision Ltd	100.00%	December 2012
Shanghai Kabb Western Restaurant Ltd	Shanghai, China	Horizon Consultants Ltd.	100.00%	December 2012
AmRest Skyline GmbH i.l. ²	Cologne, Germany	AmRest TAG S.L.U.	100.00%	October 2013
AmRest Coffee EOOD	Sofia, Bulgaria	AmRest Sp. z o.o.	100.00%	June 2015
AmRest Coffee S.R.L.	Bucharest, Romania	AmRest Sp. z o.o.	100.00%	June 2015
AmRest Food S.R.L.	Bucharest, Romania	AmRest Sp. z o.o.	100.00%	July 2019
		AmRest s.r.o.	99.00%	
AmRest Coffee SK s.r.o.	Bratislava, Slovakia	AmRest Sp. z o.o.	1.00%	December 2015
		AmRest Kaffee Sp. z o.o.	23.00%	
AmRest Coffee Deutschland Sp. z o.o. & Co. KG	Munich, Germany	AmRest TAG S.L.U.	77.00%	May 2016
		AmRest Kaffee Sp. z o.o.	100.00%	
AmRest DE Sp. z o.o. & Co. KG ⁵	Munich, Germany	AmRest Kaffee Sp. z o.o.	100.00%	December 2016
Kai Fu Food and Beverage Management (Shanghai) Co. Ltd	Shanghai, China	Blue Frog Food&Beverage Management Co. Ltd	100.00%	December 2016
LTP La Tagliatella Portugal, Lda	Lisbon, Portugal	AmRest TAG S.L.U.	100.00%	February 2017
LTP La Tagliatella II Franchise Portugal, Lda ³	Lisbon, Portugal	AmRest TAG S.L.U.	100.00%	April 2019
AmRest AT GmbH	Vienna, Austria	AmRest Sp. z o.o.	100.00%	March 2017
AmRest Topco France SAS	Courbevoie, France	AmRest France SAS	100.00%	May 2017
AmRest Delco France SAS	Courbevoie, France	AmRest Topco France SAS	100.00%	May 2017
AmRest Opco SAS	Courbevoie, France	AmRest France SAS	100.00%	July 2017
AmRest Coffee SRB d.o.o.	Belgrade, Serbia	AmRest Holdings SE	100.00%	November 2017
AmRest Chamnord SAS	Courbevoie, France	AmRest Opco SAS	100.00%	March 2018
AmRest SK s.r.o.	Bratislava, Slovakia	AmRest s.r.o.	100.00%	April 2018

Company name	Registered office	Parent/non-controlling undertaking	Owner-ship interest and total vote	Date of effective control
AmRest Pizza GmbH ⁵	Munich, Germany	AmRest DE Sp. z o.o. & Co. KG	100.00%	June 2018
Sushi Shop Restauration SAS	Courbevoie, France	Sushi Shop Management SAS	100.00%	October 2018
Sushi House SA	Luxembourg	Sushi Shop Luxembourg SARL	100.00%	October 2018
Sushi Shop London Pvt LTD	London, UK	Sushi Shop Group SAS	100.00%	October 2018
Sushi Shop Belgique SA	Bruxelles, Belgium	Sushi Shop Group SAS	100.00%	October 2018
Sushi Shop Louise SA	Bruxelles, Belgium	Sushi Shop Belgique SA	100.00%	October 2018
Sushi Shop UK Pvt LTD	Charing, UK	Sushi Shop Group SAS	100.00%	October 2018
Sushi Shop Anvers SA	Bruxelles, Belgium	Sushi Shop Belgique SA	100.00%	October 2018
Sushi Shop Geneve SA	Geneva, Switzerland	Sushi Shop Switzerland SA	100.00%	October 2018
Sushi Shop Lausanne SARL	Lasanne, Switzerland	Sushi Shop Switzerland SA	100.00%	October 2018
Sushi Shop Madrid S.L.U.	Madrid, Spain	Sushi Shop Management SAS	100.00%	October 2018
Sushi Shop Zurich GMBH	Zurich, Switzerland	Sushi Shop Switzerland SA	100.00%	October 2018
Sushi Shop Nyon SARL	Nyon, Switzerland	Sushi Shop Switzerland SA	100.00%	October 2018
Sushi Shop Vevey SARL	Vevey, Switzerland	Sushi Shop Switzerland SA	100.00%	November 2019
Sushi Shop Fribourg SARL	Fribourg, Switzerland	Sushi Shop Switzerland SA	100.00%	November 2019
Sushi Shop Yverdon SARL	Yverdon, Switzerland	Sushi Shop Switzerland SA	100.00%	November 2019
Sushi Shop Morges SARL	Moudon, Switzerland	Sushi Shop Switzerland SA	100.00%	October 2020
AmRest Franchise Sp. z o.o.	Wroclaw, Poland	AmRest Sp. z o.o.	100.00%	December 2018
Financial services and others for the Group				
AmRest LLC	Wilmington, USA	AmRest Sp. z o.o.	100.00%	July 2008
AmRest Work Sp. z o.o.	Wroclaw, Poland	AmRest Sp. z o.o.	100.00%	March 2012
La Tagliatella SAS	Courbevoie, France	AmRest TAG S.L.U.	100.00%	March 2014
AmRest Kaffee Sp. z o.o.	Wroclaw, Poland	AmRest Sp. z o.o.	100.00%	March 2016
AmRest Estate SAS	Courbevoie, France	AmRest Opco SAS	100.00%	September 2017
AmRest Leasing SAS	Courbevoie, France	AmRest Opco SAS	100.00%	September 2017
AmRest Global S.L.U.	Madrid, Spain	AmRest Holdings SE	100.00%	September 2020
Supply services for restaurants operated by the Group				
SCM Czech s.r.o. ⁴	Prague, Czechia	SCM Sp. z o.o.	90.00%	March 2007
		Ondrej Razga	10.00%	
		AmRest Sp. z o.o.	51.00%	
SCM Sp. z o.o. ⁴	Warsaw, Poland	R&D Sp. z o.o.	33.80%	October 2008
		Beata Szafarczyk-Cylny	5.00%	
		Zbigniew Cylny	10.20%	
AmRest Foodservice Sp. z o.o. ⁶	Wroclaw, Poland	AmRest Sp. z o.o.	100.00%	December 2024

¹⁾ On 25 November 2016 AmRest TAG S.L.U., the sole shareholder of AmRest GmbH, decided to liquidate this company. The liquidation process has not been finished up until the date of this report.

²⁾ On 12 October 2023 AmRest TAG S.L.U., the sole shareholder of AmRest Skyline GmbH, decided to liquidate this company. The liquidation process has not been finished up until the date of this report.

³⁾ On 31 October 2024 AmRest TAG S.L.U., the sole shareholder LTP La Tagliatella II Franchise Portugal Lda, decided to liquidate this company. On 18 February 2025 the company was deregistered

⁴⁾ In December 2024, the Group signed an agreement that is subject to the fulfilment of certain conditions, which are expected to be met on or before 31 March 2025, and by means of which 51% of the shares which AmRest Sp. z o.o. holds in SCM sp.z o.o. will be sold to R&D Sp. z o.o.

⁵⁾ On 23 January 2025, the Court has registered the merger between AmRest DE Sp. z o.o. & Co. KG and AmRest Pizza GmbH. From that date, AmRest Pizza GmbH has ceased to exist. Yet, its rights and obligations were, from a trade law perspective and on the basis of the date of AmRest Pizza GmbH's closing balance sheet, retroactively transferred to AmRest DE Sp. z o.o. & Co. KG as successor company effective from 1 October 2024.

⁶⁾ On 3 December 2024 AmRest Sp. z o.o. acquired 100% shares of Gunsana Sp. z o.o. for the purchase price below EUR 0.1 million. In 2025 the name of the company was changed to AmRest Foodservice Sp. z o.o.

Other changes to the Group Structure that occurred in 2024:

- on 27 January 2023 Sushi Shop Management SAS and VANRAY S.r.l., shareholders of Sushi Shop Milan SARL, decided to liquidate this company. On 5 April 2024 the company was deregistered,
- on 31 December 2023 AmRest Holdings SE, the sole shareholder of AmRest Acquisition Subsidiary Ltd, decided to liquidate this company. On 6 December 2024 the company was deregistered.

The balances with the Group entities were as follows:

	31 December 2024	31 December 2023
Assets		
Total loans granted to group companies	237.7	249.5
<i>(Long and short term classification)</i>		
Long term loans granted to group companies (note 7)	157.6	138.0
Short term loans granted to group companies (note 7)	80.1	111.5
<i>(Group entity classification)</i>		
AmRest TopCo SAS	-	0.6
AmRest Opco SAS	34.3	40.4
AmRest China group LTD	10.1	9.1
AmRest AT GmbH	-	3.4
AmRest Kaffee Sp. z o.o.	32.8	50.7
AmRest Tag S.L.U.	59.1	69.7
Restauravia Food. S.L.U.	42.6	28.7
Sushi Shop Management SAS	3.3	3.1
AmRest Global S.L.U.	28.1	-
AmRest France SAS	0.1	35.8
AmRest Sp. z.o.o.	16.9	8.0
AmRest Coffe Deutschland Sp.z.o.o	5.1	-
Sushi Shop Group	5.1	-
New Precision Limited	0.1	-
Horizon Consultants	0.1	-
Other financial assets with group companies (note 7)	12.5	7.6
AmRest S.R. O	6.2	-
Pastificio Service S.L.U.	3.8	3.2
AmRest Global, S.L.U.	2.5	4.4
Trade and other receivables with group companies (note 7)	0.9	2.9
AmRest Sp. z o.o.	0.2	2.3
AmRest Global S.L.U.	-	0.1
New Precision Limited	0.4	0.3
Horizon Consultants	0.3	0.2
Total debt with group entities	7.7	-
<i>(Long and short term classification)</i>		
Long term debt (note 12 and 15)	5.9	-
Short term debt and other current financial liabilities (note 12 and 15)	1.8	49.3
<i>(Group entity classification)</i>		
Pastificio Service S.L.U.	-	0.1
Restauravia Food. S.L.U.	0.4	0.2
AmRes Tag S.L.U.	0.5	2.8
AmRest EOOD	-	1.6
Sushi Shop Madrid S.L.U.	0.4	-
AmRest Global S.L.U.	-	0.1
AmRest EOOD	6.4	-
AmRest Acquisition Subsidiary (Malta)	-	44.5
Trade payables with group companies (note 12)	1.7	1.8
AmRest Sp. z o.o.	0.9	0.8
AmRest kft	0.1	0.2
AmRest Tag S.L.U.	0.1	0.2
Other related parties	0.6	0.6

Transactions with group entities were as follows:

	YEAR ENDED	
	31 December 2024	31 December 2023
Revenues		
Revenues from dividends (note 16.1)	46.8	17.9
AmRest SRO	9.3	17.9
AmRest Sp. z o.o.	37.5	-
Financial Income from group companies (16.1)	19.0	15.0
AmRest Sp. z o.o.	1.3	0.3
Sushi Shop Management SAS	0.2	0.1
AmRest China Group PTE Ltd.	0.4	0.4
AmRest France SAS	3.3	1.7
AmRest Pizza GmbH	0.2	-
AmRest Opco SAS	2.8	2.4
Sushi Shop Madrid, S.L.U.	0.1	-
Sushi Shop Group	0.1	-
AmRest Kaffee Sp. z o.o.	3.2	3.2
AmRest Tag S.L.U.	3.5	4.6
Pastificio Service S.L.U.	0.2	-
Restauravia Food S.L.U.	2.5	1.6
AmRest AT GmbH	0.2	0.2
AmRest Global S.L.U.	0.8	0.1
Other group companies	0.2	0.4
Expenses		
Financial expenses with group companies (note 16.5)	(3.6)	(2.2)
AmRest EOOD	(0.3)	-
AmRest Acquisition Subsidiary (Malta)	-	(2.0)
AmRest s.r.o	(0.2)	-
AmRest TAG S.L.U.	(0.2)	-
Pastificio Service S.L.U.	(0.2)	-
Restauravia Food S.L.U.	(0.1)	-
AmRest Sp. z o.o.	(0.9)	-
AmRest Acquisition Subsidiary (Malta)	(1.6)	-
Other group companies	(0.1)	(0.2)
Impairment of investments and credits with group companies (notes 6 and 7)	(9.6)	(0.2)
AmRest Pizza GmbH	(0.1)	(0.2)
AmRest Topco SAS	(0.7)	-
AmRest Acquisition Subsidiary (Malta)	0.1	-
AmRest Opco SAS	(8.9)	-
Exchange rates differences	1.1	0.4
AmRest China Group PTE Ltd.	1.1	0.4

18. Remuneration of the board of directors and senior executives

(a) Below are described the remunerations of the members of the Board of Directors of Amrest Holdings, SE and the Group Senior Management:

Remuneration of the Board of Directors of AmRest Holdings, SE, for all the remuneration concepts, was the following:

	Year ended	
	31 December 2024	31 December 2023
Board of Directors Remunerations		
Fixed Remuneration	0.7	0.7
Other items	0.1	0.1
Total Board of Director remunerations	0.8	0.8

In 2024 and 2023, the members of the Board of Directors of AmRest Holdings, SE received no remuneration for seats on the boards of other subsidiary companies.

The current Directors Remuneration Policy was approved at the General Shareholders' Meeting held on 12 May 2022 and will remain in force until 31 December 2025.

As of 31 December 2024 and 2023, the members of the Board of Directors, other than Executive Chairman, who has a life insurance from 1 August 2023 and health insurance from 1 October 2023, had no life insurance nor pension fund at the Company's expense. Members of the Board of Directors do not participate in Stock Option (SOP), Management Incentive (MIP) and LTI Plans. The company has not granted any advances, loans or credits in favour of the Board Members.

According to the structure of the Group, of which the Company is the parent company, all Senior Management employees belong to other Group companies (for these purposes, Senior Management Personnel is understood to be those executives who report directly to the executive chairman or the chief executive officer of the Company, and also for these purposes, the person responsible for Internal Audit). Therefore, the Company did not accrue any remuneration, made any contributions to pension funds or plans, or granted any loans or advances to Senior Management during 2024 and 2023.

The remuneration of the Senior Management paid by other subsidiaries of the Group was as follows:

	YEAR ENDED	
	31 December 2024	31 December 2023
Remuneration of Senior Management Personnel:		
- Remuneration received by the Senior Executives	4.4	3.7
- Share-based payment plans	0.4	-
Remuneration of Senior Management Personnel	4.8	3.7

The Group has arranged a third-party liability insurance policy covering the directors and managers of the group companies. The premium paid in 2024 under the aforementioned insurance policy amounted to EUR 0.1 million (EUR 0.1 million in 2023).

(b) **Information about conflict of interest situations of the Board of Directors:**

In 2024 and 2023 the members of the Board of Directors and their related parties have had no conflicts of interest requiring disclosure in accordance with article 229 of the Revised Spanish Capital Companies Act.

(c) **Transactions other than ordinary business or under terms differing from market conditions carried out by the Board of Directors and Senior Management:**

In 2024 and 2023 the members of the Board of Directors of the Company and Senior Managers did not carry out any transactions other than ordinary business or under terms that differ from market conditions.

19. Other information

19.1 Number of employees

The average number of employees distributed by category, for the years 2024 and 2023 was as follow:

	YEAR ENDED	
	31 December 2024	31 December 2023
Board Members	7	7
Managers and others	5	4
Total	12	11

The number of employees distributed by gender, as of 31 December 2024 and 2023 was as follow:

	2024 FY			2023 FY		
	Total	Male	Female	Total	Male	Female
Board Members	7	4	3	7	4	3
Managers and others	6	3	3	4	2	2
Total	13	7	6	11	6	5

There were no employees with a disability rating of 33% or higher during 2024 and 2023.

19.2 Tax inspections

On 22 July 2019, Pastificio Service, S.L.U. (as the taxpayer), Amrest Tag, S.L.U. (as head of the Tax Group 539/11 during the tax audit period), and AmRest Holdings, SE (as the current head of the Tax Group 539/11) were notified of the initiation of a tax audit pertaining to corporate income tax, for the fiscal years 2014 to 2017. This is a partial tax audit, referring to tax relief requested by Pastificio Service, S.L.U. on the corporate income tax bases for 2014 to 2017, regarding deductions for certain intangible assets (i.e., patent box regime).

On 17 August 2020, the mentioned companies received the settlement proposal from the tax auditors, including the regularisation of the total amount of the tax relief requested in 2014 to 2017. This settlement proposal amounted to EUR 1 million.

On 14 September 2020, the companies submitted allegations to the tax auditors, which were dismissed.

On January 2021 the companies submitted the corresponding allegations to the Technical Office against the final settlement proposal.

On 26 July 2021, the companies presented allegations to the Central Economic-Administrative Court (TEAC) and on 5 July 2022, the dismissal of the allegations writ submitted was received.

As the companies disagree with the TEAC resolution, the companies have submitted the corresponding allegations writ on 21 December 2022 to the National Court and to date the Court's ruling has not been received. There is no additional risk as the amount derived from the regularisation has been paid.

On 18 April 2023, Pastificio Service, S.L.U. (as the taxpayer) and AmRest Holdings, SE (as the head of the Tax Group 539/11) received notification of the initiation of tax audit, pertaining to corporate income tax, for the fiscal years 2018 to 2019. This is a partial tax audit, referring to tax relief requested by Pastificio Service, S.L.U. on corporate income tax bases for 2018 to 2019, regarding deductions for certain intangible assets (i.e., patent box regime).

On 30 October 2023, the mentioned companies received the settlement proposal from the tax auditors, including the regularisation of the total amount of the tax relief requested during 2018 to 2019. On April 2024, the company paid the amount derived from the regularisation of EUR 0.45 million including late interests.

On 1 December 2023, the companies submitted allegations to the Tax Auditors being dismissed.

On the 27 May 2024, the companies filed an economic-administrative claim to the TEAC and on 17 July 2024, the companies submitted allegations to this Court which are pending of resolution. There is no additional risk as the amount derived from the regularisation has been paid.

19.3 Information about the environment

Given the activity to which the Company is dedicated, it has no liabilities, expenses, assets, provisions, or environmental contingencies that could be significant in relation to its assets financial situation or results. Therefore, specific disclosures of information are not included in this report.

All companies face climate-related risks and opportunities and must make strategic decisions accordingly. The Company Directors have assessed the climate and environmental risks, concluding they do have no significant impact on these financial statements.

19.4 Subsequent events

There were no significant t events subsequent to the reporting date.

20. Audit fees

The fees accrued during the year ended 31 December 2024 and 31 December 2023 by PricewaterhouseCoopers Auditores, S.L. were as follows:

In thousands of Euros	Year ended	
	31 December 2024	31 December 2023
Audit	33.0	31.8
Other services	13.7	4.2
Total fees	46.7	36.0

Signatures of the Board of Directors

José Parés Gutiérrez
Chairman of the Board

Luis Miguel Álvarez Pérez
Vice-Chairman of the Board

Begoña Orgambide García
Member of the Board

Romana Sadurska
Member of the Board

Pablo Castilla Reparaz
Member of the Board

Mónica Cueva Díaz
Member of the Board

Emilio Fullaondo Botella
Member of the Board

Madrid, 26 February 2025

1. Financial highlights

	Year ended	
	year ended 31 December 2024	year ended 31 December 2023
Revenues	65.8	32.9
Results from operating activities	52.0	28.5
Financial Cost	(34.6)	(29.7)
Income tax expense	6.6	5.4
Profit/(loss) for the period	24.0	4.2

	31 December 2024	31 December 2023
Total Assets	738.4	783.5
Total liabilities	407.7	448.4
Non-current liabilities	389.9	353.5
Current liabilities	17.8	94.9
Share capital	22.0	22.0

2. Significant events and transactions in 2024

Agreement to separate the business operations between the AmRest Group and SCM sp. z o.o.

In December 2024, the Group signed an agreement that is subject to the fulfilment of certain conditions, which are expected to be met on or before 31 March 2025, and by means of which 51% of the shares which AmRest sp. z o.o. holds in SCM Sp.z o.o. ("SCM") will be sold to R&D sp. z o.o. Additionally, the supply chain management services and quality assurance (QA) provided to date by SCM to the AmRest Group, together with the team providing such services, will be transferred over to AmRest Group. SCM is a Polish, 51% owned subsidiary and a parent entity of SCM s.r.o., Czechia subsidiary.

Share Buy-back Program

On 1 December 2023 AmRest informed that the Company's Board of Directors had resolved unanimously to set-up a buy-back program for the repurchase of its own shares (the "Buy-back Program"), pursuant to the authorisation granted by resolution of the AmRest General Meeting of Shareholders held on 12 May 2022 under item nine of the agenda, relating to the authorisation to the Board of Directors for the derivative acquisition of AmRest shares.

The Buy-back Program had been conducted in accordance with the transparency and operational requirements under Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation) and Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 (the "Delegated Regulation 2016/1052") and had the following features:

- Purpose of the Buy-back Program: to cover the settlements of the remuneration plans currently in force for AmRest Group executives and employees.
- Maximum investment: the Buy-back Program was to have a maximum monetary amount of EUR 12 million. The maximum monetary amount of the Buy-back Program could be reduced by the amount applied by the Company, during its term, to the acquisition of its own shares in the block market or outside the market for the same purpose, which would be notified to the market in the periodic communications of other relevant information informing of the transactions carried out under the Buy-back Program or separately.
- Maximum number of shares: the maximum number of shares to be acquired in the execution of the Buy-back Program was to be dependent on the average price at which purchases took place but could not exceed 10% of the Company's share capital.
- Price and volume: the acquisition of the shares was to be carried out in accordance with the price and volume conditions set out in article 3 of Delegated Regulation 2016/1052. Specifically:
 - AmRest could not acquire shares at a price higher than the higher of (a) the price of the last independent transaction, or (b) the highest independent bid at that time on the trading venue where the purchase was made, even if the shares were traded on different trading venues. In addition, the limitations approved in the resolution authorizing the acquisition of treasury shares granted to the Board of Directors by AmRest's General Meeting of Shareholders held on 12 May 2022 were to be considered.
 - AmRest could not purchase on any trading day more than 25% of the average daily volume of AmRest shares on the Continuous Market of the Spanish Stock Exchanges or, as the case may be, the Warsaw Stock Exchange, during the 20 trading days preceding the date of purchase.

- Duration of the Program: The Buy-back Program commenced on 4 December 2023 and expired on 4 December 2024.
- Execution of the Buy-Back Program: Banco Santander, S.A. was appointed as the manager of the Buy-Back Program, which was to independently make decisions regarding the purchase of the AmRest shares without any influence or interference from the Company. Purchases under the Buy-back Program could be made on the Continuous Market of the Spanish Stock Exchanges or, as the case may be, the Warsaw Stock Exchange.

On 4 December 2024 the Company informed of the end of the Buy-back Program, as the last day of validity of the same. The total number of shares acquired under the Program were 1,913,804 own shares, representing 0.8717% of the share capital.

All acquisitions under the Buy-Back Program were carried out and duly reported on a regular basis to the Spanish Securities Market Commission (CNMV) and the Polish Financial Supervision Authority (KNF) by means of the publication of the corresponding communications to the market, in accordance with the provisions of Delegated Regulation 2016/1052 and the Market Abuse Regulation.

3. Shareholders of AmRest Holdings, SE

During the period covered by this Report following changes occurred with respect to the Company's shareholder structure:

On April 3, 2024 Nationale-Nederlanden Powszechne Towarzystwo Emerytalne Spółka Akcyjna, which represents and manages funds: Nationale-Nederlanden Otwarty Fundusz Emerytalny and Nationale-Nederlanden Dobrowolny Fundusz Emerytalny ("the Funds"), informed AmRest and the National Securities Market Commission (CNMV) that as a result of registration of a capital increase through a private placement in November 2018, the Funds together decreased their shares and voting rights below 5% (i.e. 4.893%) of total number of votes in AmRest Holdings SE.

Pursuant to the notifications sent on December 16, 2024 and January 2, 2025, to the Spanish National Securities Market Commission ("CNMV"), on December 6, 2024, Artal International, S.C.A. transferred its entire stake in AmRest Holdings, SE (5.289%) to its wholly-owned subsidiary FYNVEUR, S.C.A.

To the best of AmRest's knowledge as at 31 December 2024, in accordance with the information publicly available, AmRest Holdings had the following shareholder structure:

Shareholder	Number of shares and votes at the Shareholders' meeting	% of shares and votes at the Shareholders' meeting
FCapital Dutch S.L.*	147,203,760	67.05%
FYNVEUR S.C.A.	11,612,680	5.29%
Nationale-Nederlanden PTE SA	10,742,600	4.89%
PTE Allianz Polska SA	9,531,792	4.34%
Other Shareholders	40,463,351	18.43%

* Mr. Carlos Fernández González indirectly controls the majority of the shareholding and voting rights in FCapital Dutch, S.L. (direct shareholder of the stake appearing in the above table).

4. External debt

The Group's gross financial debt, according with the definition of the bank agreements, amounted to EUR 621.3 million at the end of the year, EUR -3.6 million less than at the end of 2023. In net terms, the net financial debt amounted to EUR 468.3 million.

The Group's leverage continues to decrease to 1.82x compared to 1.84x at the end of 2023. This level is at the lower end of the internal management target set, which the Group's managers believe to be a prudent level to be able to face new investments focused on accelerating growth, both organic and non-organic.

The financial conditions (covenants) established for AmRest in the financing agreement stipulate that the adjusted consolidated net debt/EBITDA must be kept below 3.5x and the debt service coverage ratio must be higher than 1.5x. Both ratios are calculated according to the definitions mentioned in the loan agreement and on a non-IFRS16 basis. In addition, the Group is required to maintain an equity ratio of over 8%. All these conditions were adequately met by AmRest at the end of the financial year.

5. Information on dividends paid

The Company's Board of Directors approved the payment on December 23rd of the first dividend in the history of the Group, as an interim cash dividend against the results of fiscal year 2024, in the amount of 0.070 gross euros per share of the Company entitled to receive such dividend. The total amount of funds distributed via dividends reached EUR 15.2 million.

6. Changes in the Company's Governing Bodies

During the period covered by this Report there were no changes with respect to the composition of AmRest's Board of Directors.

As at 31 December 2024 the composition of the Board of Directors was as follows:

- Mr. José Parés Gutiérrez
- Mr. Luis Miguel Álvarez Pérez
- Ms. Romana Sadurska
- Mr. Pablo Castilla Reparaz
- Mr. Emilio Fullaondo Botella
- Ms. Mónica Cueva Díaz
- Ms. Begoña Orgambide García
- Carlos Fernández González (Honorary chairman, non-Board member)
- Eduardo Rodríguez-Rovira (Secretary, non-Board member)
- Mauricio Garate Meza (Vicesecretary, non-Board member)

On the day of publication of this Report the composition of the Board of Directors remains the same.

7. Changes in the number of shares held by members of the Board of Directors

During the year 2024 there were no significant changes with respect to AmRest shares and stock options held by the members of the Board of Directors of AmRest.

8. Transactions on own shares concluded by AmRest

As of 31 December 2023, the Company owned a total of 1,412,446 treasury shares, representing 0.6433% of its share capital.

The Company's Board of Directors approved during 2024 one buy-back program for the repurchase of its own shares (the "Buy-back Programs"), pursuant to the authorization granted by resolution of the AmRest General Meeting of Shareholders held on 12 May 2022 under item nine of the agenda, relating to the authorization to the Board of Directors for the derivative acquisition of AmRest shares and in accordance with Article 5 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council, of 16 April 2014, on market abuse, and Articles 2.2 and 2.3 of Commission Delegated Regulation (EU) 2016/1052, of March 8, 2016.

The Buy-back Program of treasury shares was communicated to the Spanish National Securities Market Commission and Polish KNF by means of communication of Inside Information dated December 1, 2023, respectively.

The Buy-back Program of treasury shares ended on December 4, 2024.

In the period between 1 January 2024 and 31 December 2024, AmRest purchased 1,856,470 own shares with a total nominal value of EUR 185,647.0, representing 0.8456% of the share capital of the Company. The aggregate consideration for those purchases was PLN 45.3 million (EUR 10.5 million).

In the period between 1 January 2024 and 31 December 2024, the LTI 2021 program was evaluated and converted into shares. During this period, the Company disposed of a total of 327,241 own shares with a total nominal value of EUR 32,724.1 and representing 0.1490% of the share capital to entitled participants. The shares were transferred to the entitled participants free of charge.

Also, in the period between 1 July 2024 and 31 December 2024, 13,885 treasury shares with a nominal value of EUR 1,388.5 and representing 0.0063% of the share capital were delivered to the beneficiaries of the stock options plans in force for the AmRest Group.

In total the Company during the period between 1 January 2024 and 31 December 2024, AmRest disposed 341,126 of own shares with a total nominal value of EUR 34,112.6 and representing 0.1554% of the share capital.

As of 31 December 2024, AmRest held 2,927,790 own shares with a total nominal value of EUR 292,779.0 and representing 1.3335% of the share capital.

The subsidiaries of AmRest Holdings SE do not hold any Company's shares.

9. Basic risks and threats the Company is exposed to

The Board of Directors of AmRest is responsible for the risk management system and the internal control system as well as for reviewing these systems for operating efficiency. These systems help to identify and manage risks which may prevent the execution of the long-term objectives of AmRest. However, having these safeguards in place does not ensure completely against the risk of fraud or against breaking laws. The Board of Directors of AmRest is permanently analysing and reviewing risks to which the Group is exposed. The main current risks and threats have been summarised in this section. AmRest reviews and improves its risk management and internal control systems on an on-going basis.

AmRest has a Global Risk Inventory, considering the following 5 risk taxonomies: Operations/Infrastructure, Compliance, Strategy and Planning, Governance and Reporting. Under these taxonomies, the AmRest' Global risk inventory considers different categories of the risk.

Liquidity risk

Liquidity risk is defined as the risk of incurring losses resulting from the inability to meet payment obligations in a timely manner when they become due or from being unable to do so at a sustainable cost. The Group is exposed to the risk of a lack of financing at the moment of the maturity of bank loans.

As of 31 December 2024, the Group has sufficient liquidity to fulfil its liabilities over the next 12 months.

The Group analyses liquidity needs with particular focus on the maturity of debt and proactively investigates various forms of financing that could be utilized as needed.

Dependency on the franchisor

AmRest manages KFC, Pizza Hut, Burger King and Starbucks (in Romania, Bulgaria, Serbia, Germany and Slovakia) as a franchisee, and therefore a number of factors and decisions related to the business activities conducted by AmRest and the possibility of renewing or extending the duration of the franchise agreements, depend on the conditions (including limitations or specifications) imposed by the franchisors or are subject to their consent.

Therefore, in relation to the duration of those agreements, the renewal is not automatic and AmRest cannot guarantee that after the expiry of the initial periods of duration of the franchise agreements, which are typically ten years, a given franchise agreement will be extended.

Dependency on cooperation with minority shareholders and Starbucks' call option

AmRest operates Starbucks restaurants in Poland, the Czech Republic and Hungary based on partnership agreements with Starbucks Coffee International, Inc. The partnerships establishes that Starbucks Coffee International, Inc. is the minority shareholder of companies operating Starbucks stores in mentioned countries. Therefore, some decisions as part of the joint business activities are dependent on Starbucks' consent.

Upon occurrence of an event of default, both AmRest and Starbucks (as the case may be, acting as non-defaulting shareholder) will have the option to purchase all of the shares of the other shareholder (the defaulting shareholder) in the terms and conditions foreseen in the corresponding agreements. In the event of a deadlock, Starbucks will have in the first place, the option to purchase all the shares of AmRest. In the event of a change of control AmRest Holdings, Starbucks will have the right to increase its participation in each of the companies up to 100%.

No exclusivity rights

International Franchise Agreements per se do not typically grant exclusivity rights to the franchisee in the relevant territories. In order to secure exclusivity rights for a certain territory, franchisees aim to have either a master franchise agreement or a development agreement with the franchisor. Currently, AmRest does not have master franchise agreements or development agreements in all territories and cannot secure that it will have exclusivity on certain territories.

Risks related to the consumption of food products

Changes in consumer preferences arising from concerns over the nutritious properties of chicken, which is the main ingredient in the KFC menu, or as a result of unfavourable information being circulated by the mass media concerning the quality of the products, could pose a threat to the Group.

Also, the result of the disclosure of unfavourable data prepared by the competent authorities or a certain market sector in relation to products served in AmRest restaurants and the restaurants of other franchisees of KFC, Pizza Hut, Burger King, Starbucks, La Tagliatella, Blue Frog and Sushi Shop, could also pose a threat to the Group.

Furthermore, possible diseases (i.e. food poisoning), any health-related issues as a result of eating in AmRest restaurants and restaurants of other franchisees of KFC, Pizza Hut, Burger King, Starbucks, La Tagliatella, Blue Frog and Sushi Shop as well as issues related to the functioning patterns of one or more restaurants run by AmRest or the competitors, could also pose a threat to the Group.

- Food risks can result from a microbiological, chemical (formed during preparation like acrylamide e.g., burned meat, dark brown fried French fries) or physical factors.
- Risks associated with new technologies - that alter the characteristics of the food, such as genetic modification or food irradiation, may change the composition of the food, replacing an existing or traditional method of food production can also lead to a change in the levels of a hazard, such as the levels of pathogenic microorganisms.
- Risks associated with allergenic foods - can range from mild to severe gastrointestinal effects, headaches, respiratory problems or skin reactions to potentially life-threatening anaphylaxis.
- Food poisoning (e.g., by incautious storage and preparation of food, contaminated food, or water).
- Hormones or antibiotics in meat.

Risks related to key personnel turnover in the Group and increasing labour costs

AmRest's success depends, to some extent, on the individual effort of selected employees and key members of management.

Excessive turnover of employees and too frequent changes in managerial positions may pose a significant risk to the stability and quality of the business activities.

Risk related to increase in the cost of commodities, raw material and goods

Increases in the cost of commodities, raw materials and goods can have an adverse impact on Group's operating profit margins.

AmRest's situation is also affected by the need to ensure frequent deliveries of fresh agricultural products and foodstuffs and anticipating and responding to changes in supplies costs. Also the increased demand for certain products accompanied by limited supply may lead to difficulties in obtaining these by the Group or to relevant price increases. The product price increases may have an adverse effect on the Group's results, operations and financial standing.

Disruption in the supply chain

Disruption to supply of goods, or to logistics suppliers, resulting in limited access to essential supplies.

The Group cannot rule out the risk related to delivery shortage or interruptions caused by factors such as unfavourable weather conditions, changes in legal regulations, problems with delivery infrastructure, reduction in available sources withdrawing some foodstuffs from trading, third-party breach of transport obligations, key suppliers' bankruptcy or lack of alternative sources of supply.

The shortages may have an adverse effect on the Group's results, operations and financial standing.

Risks related to the incorporation of new business and failed openings of new restaurants

Opening or taking over restaurants operating in a new geographical and political area involves the risk of varying consumer preferences, a risk of insufficient knowledge of the market, the risk of legal restrictions arising from local regulations, the ability to obtain the permits required by relevant bodies, the possibility of delays in opening new restaurants, and the political risk of these countries.

Currency risk

The results of AmRest are exposed to currency risk related to transactions and exchanges into currencies other than the currency in which business transactions are measured in the individual Capital Group companies. The Group adjusts its currency portfolio of debt to the geographical structure of its profile of activities.

Risks related to the current geopolitical situation

The Company operates in regions with dynamic political climates, which can influence the economy through factors like currency fluctuations, interest rates, liquidity, supply chain dynamics, and consumer confidence.

In 2024, sanctions, and regional conflicts, such as the Russia-Ukraine situation, have introduced market uncertainties. These events have impacted global financial markets and consumer confidence, contributing to inflation due to higher energy and commodity prices.

AmRest has developed a comprehensive Enterprise Risk Management framework to identify, assess and monitor risks. This includes geopolitical risks to ensure the company is prepared for different scenarios and can adapt quickly to changing environments.

Risk of increased financial costs

AmRest and its subsidiaries are exposed to a certain extent to adverse impact of interest rate fluctuations in connection with obtaining financing which bears floating interest rates and investing in assets bearing floating interest rates. The

interest rates of bank loans and borrowings are based on a combination of fixed and floating reference rates which are updated over periods shorter than one year.

Additionally, AmRest and its subsidiaries may, as part of the interest rate hedging strategy, enter into derivative and other financial contracts, where the valuation of which is significantly affected by the level of reference rates.

Increases in the cost of energy and utilities

Most of the European markets are exposed to the risk of energy and utilities price increases, which may result in a direct increase in the Group's operating costs.

Tax risk

In the process of managing and executing strategic decisions, which may affect the tax settlements, AmRest could be exposed to tax risk. In the event of irregularities occurring in tax settlements it would increase the dispute risk in the case of a potential tax control.

Credit risk

Exposure to credit risk include cash and cash equivalents and trade and other receivables. With the development of franchise business, AmRest is getting exposed more to credit risk. Therefore the quality of the franchisees portfolio is a key priority.

Risks of economic slowdowns

Economic slowdown in the countries where AmRest runs its restaurants may affect the level of consumption expenditure in these markets, which in turn may affect the results of the AmRest restaurants operating in these markets.

Risk of system breakdowns and temporary breaks in serving customers in restaurants

Risk of systems failures and communication network failures, as well as the potential partial or complete loss of data in connection with system breakdowns or damage or loss of key tangible fixed assets of the Group might result in temporary interruptions in serving customers in restaurants, which might have an adverse effect on the Group's financial results.

Risk of an inadequate security protection of our data and IT systems and lack of capabilities to respond to cybersecurity threats

The Group's operations are supported by a wide variety of IT systems, including point-of-sale systems, electronic ordering platforms, supply-chain management systems and finance and controlling tools. Consequently, the Group is exposed to the risk of temporary operational disruption, data integrity risk and/or unauthorized access to confidential data, which may be a result of cyberattacks.

Global crisis and disruption

The potential occurrence of global disasters, such as health epidemics, economic crises, energy crises, extreme weather events, or other critical events creates a risk of disruption the Group's business, industry and economies where the Group operates and could impact the Group's day to day business concerns.

Likewise, a potential adverse impact on the Group's image or brands may deteriorate its perception with the different stakeholders.

Adverse regulatory change or evolution

Failure to anticipate, identify and respond to new regulation that may result in fines, litigations and/or the loss of operating licenses or other restrictions.

Loss of market share due to a volatile customer trends or an increase in competition

Failure to anticipate or respond to competitors leads to a loss of market share for the Group and failure to anticipate or address consumer's preferences in the Group's products, services, or channels.

Risk related with ESG

Inadequate management of environmental, social and governance ("ESG") aspects in own operations and non-compliance with the current regulatory framework can lead to reputational, financial or operational consequences. Additionally, non-sustainable practices by suppliers may create supply chain vulnerabilities and affect brand reputation.

AmRest developed the Global Sustainability Strategy and implemented an effective governance structure of ESG matters to mitigate these risks and ensure resilience in short and long term time perspective. The Strategy consists of three pillars: Food, People and Environment, and applies to all AmRest employees and executives across each brand operated by AmRest in every geography where the Company is present.

10. Number of employees

The average number of employees distributed by categories, for the year 2024 and 2023 was as follow:

Categories	YEAR ENDED	
	31 December 2024	31 December 2023
Board Members	7	7
Managers and others	5	4
Total	12	11

The number of employees distributed by gender, as of 31 December 2024 and 2023 was as follow:

Gender	31 December 2024			31 December 2023		
	Total	Males	Female	Total	Males	Female
Board Members	7	4	3	7	4	3
Managers and others	6	3	3	4	2	2
Total	13	7	6	11	6	5

There were no employees with a disability rating of 33% or higher during 2024 and 2023.

11. Average payment period

During the year ended on 31 December 2024, the average payment period to external suppliers was 28 days (52 days in 2023).

12. Subsequent Events

There were no significant subsequent events after the reporting date.

13. Annual Corporate Governance Report and Annual Report on Directors' Remuneration

The Annual Corporate Governance Report and the Annual Report on Directors' Remuneration are an integral part of this Directors' Report and are presented in the consolidated Directors' report on the 2024 financial year of AmRest Holdings, SE and subsidiaries Reported to the CNMV.

Signatures of the Board of Directors

José Parés Gutiérrez
Chairman of the Board

Luis Miguel Álvarez Pérez
Vice-Chairman of the Board

Begoña Orgambide García
Member of the Board

Romana Sadurska
Member of the Board

Pablo Castilla Reparaz
Member of the Board

Mónica Cueva Díaz
Member of the Board

Emilio Fullaondo Botella
Member of the Board

Madrid, 26 February 2025

Statement of responsibility of AMREST HOLDINGS, SE

The members of the Board of Directors of AMREST HOLDINGS, SE ("AmRest" or the "Company") on its meeting held on 26 February 2025, and according to article 99 of Law 6/2023, of 17 March, on Securities Markets and Investment Services as well as to article 8,1, b) of Royal Decree 1362/2007, of 19 October, declare that, as far as they are aware, the individual Financial Statements of the Company, as well as the consolidated ones with its dependent companies, corresponding to the financial year ended 31 December 2024, drawn up by the Board of Directors on the referred meeting of 26 February 2025 and prepared in accordance with the applicable accounting principles, offer a true and fair image of the equity, the financial situation and the results of the Company and the companies within the consolidation taken as a whole, and the complementary Directors' Reports of the individual and consolidated Financial Statements include an accurate analysis of the business evolution and results and of the position of AmRest and the companies within the consolidation taken as a whole, together with the main risks and uncertainties which they face.

Madrid, on 26 February 2025

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