

Agthia Group Continues Strong Growth Momentum Reporting AED 2.1 Billion Net Revenue in First Nine Months of 2021

- Revenues grew 34% y-o-y in the first nine months of 2021.
- Net profit for the nine-month period came in at AED 103 million
- Group successfully integrates new units to its business to derive synergies.
- Focus to remain on delivering M&A strategy while maintaining leading market positions.

Abu Dhabi, UAE, 02 November 2021 – Agthia Group PJSC, the region’s leading food and beverage company, today announced Group net revenues of AED 795 million for the third quarter, registering a 62% y-o-y growth versus Q3 2020. This increase drives Agthia’s net revenue to AED 2.1 billion during the first nine months of 2021, which corresponds to a 34% y-o-y growth in comparison to the same period last year.

The Group’s net profit for the 9-month period came in at AED 103 million net of M&A and business integration associated costs of AED 31 million , compared to AED 10 million during the same period last year, post recording AED 83 million of one-offs related to a strategic assessment of books (with the bulk being recorded in Q3 2020).

Khalifa Sultan Al Suwaidi, Chairman of Agthia Group, said: “Agthia’s new strategy has been effective in creating a more resilient business as evidenced by the strong financial results of the first nine months of 2021. Our growth has been skilfully supported by an institutionalized modular approach to integration of new units to our business - driven by seamless transitions, productivity and value creation – reiterating the three pillars of growth, efficiency and capability of Agthia’s 2025 Strategy to become an F&B leader in the MENAP region. We expect to see continued robust activity over the remaining months of the year, providing further opportunity for us to demonstrate the durability of our results and increased market leadership.”

Alan Smith, Chief Executive Officer of Agthia Group, said: “Agthia continues to deliver positive performance with year-on-year growth, thanks to the teams’ commitment and focus on performance and delivery. Our portfolio transformation and integration are fully on track and have helped us unlock cost synergies and productivity with Al Foah. With Al Faysal, our priority has been to ensure that routine business remains undisturbed, while seizing new cross-distribution opportunities and unlocking potential commercial synergies. Meanwhile, the smooth consolidation of Nabil and Atyab has helped us create one integrated protein business unit, with significant synergies and value creation potential.”

He added: “While integration is a continuous journey that requires time to realize its full potential, the early results look promising. We will continue to adopt a disciplined approach that will include mutual best practices, talent management and maintenance of good work culture.”

Over the 9-month period of 2021, the consumer business division almost doubled from the previous year, with revenues reaching AED 1.4 billion. The division now encompasses 67% of total group sales, which is 13% higher contribution versus same period in 2020. Meanwhile, the protein segment contributed AED 373 million over the same period.

On the snacking front, the business units recorded net revenues of AED 334 million in top-line, with an improved profitability owing to favorable sales mix, cost optimization initiatives and synergies.

Other food items, including dairy and trading items reported higher margins at the net income level, even though their sales of AED 122 million in the first 9 months of 2021 was 15% lower y-o-y compared to the same period in 2020.

The water & beverage division recorded slightly lower sales in 9M 2021, compared to the same period in the previous year, driven by the discontinuation of the beverages business since January 2021. Meanwhile, higher sales were recorded in the UAE bottled water category, in both Q2 and Q3 2021 versus respective periods last year on the back of higher volumes specifically in the food service channel post opening of hotels and restaurants. The Group's bottled water portfolio – Al Ain Water, Al Bayan, Voss and Alpin - sustained their market leadership in the UAE in both volume and value share at 26% and 23%, respectively.

The agri-business division revenues were down 4% over the 9-month period in 2021, compared to the previous year, largely driven by a one-time World Food Program order in Q1 2020 and lower wheat trading.

The Group's total assets as of 30th September 2021 stood at AED 5.5 billion, up 76% versus year-end 2020. Group shareholders' equity stood at AED 2.7 billion for the same period, post issuing additional 191.6 million shares to complete Al Foah and Nabil Foods acquisitions.

In line with the semi-annual dividend distribution policy announced at the beginning of the year, shareholders approved Agthia Board of Directors recommendation of 8.25 fils cash dividends per share, equivalent to AED 65.31 million for the first half of 2021. The approved dividend distribution marks Agthia Group's first interim dividend.

In the third quarter, Agthia's Board of Directors also approved for a strategic acquisition of a 100% stake in BMB Group, the GCC's leading innovative healthy snacks and food company, marking the Group's second sizeable investment in the snacking and healthy food market following Al Foah transaction earlier this year. The transaction is subject to satisfying customary closing conditions, including obtaining relevant regulatory approvals.

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About Agthia

Agthia Group is a leading Abu Dhabi based food and beverage company. Established in 2004, the Company is listed on the Abu Dhabi Securities Exchange (ADX) and has the symbol "AGTHIA". Through Senaat, Agthia Group PJSC is part of ADQ, one of the region's largest holding companies with a broad portfolio of major enterprises spanning key sectors of Abu Dhabi's diversified economy.

The Company's assets are located in the UAE, Saudi Arabia, Kuwait, Oman, Egypt, Turkey and Jordan. Agthia offers a world class portfolio of integrated businesses providing high quality and trusted food and beverage products for consumers across the UAE, GCC, Turkey and the wider Middle East. More than 8,200 employees are engaged in the manufacturing, distribution and marketing various products such



as: **Water** (Al Ain, Al Bayan, Alpin Natural Spring Water, Ice Crystal, VOSS); **Snacking** (Al Foah, Yoplait, Al Faysal Bakery & Sweets); **Grocery** (Al Ain Tomato Paste, Al Ain Frozen Vegetables, Al Ain Trading items); **Processed Protein** (Nabil Foods, Atyab); **Flour** (Grand Mills) and **Feed** (Agrivita)

For more information, please visit www.agthia.com or email us on corpcoms@agthia.com