For The Better • من أجل الأفضل

Investor Presentation

9M’23 results

7 November 2023

Disclaimer

Agthia Group PJSC and its management may make certain statements that constitute “forward-looking statements” with respect to the financial condition, results of operations and business of the Group. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often use words such as “anticipates,” “targets,” “expects,” “hopes,” “estimates,” “intends,” “plans,” “goals,” “believes,” “continues” and other similar expressions or future or conditional verbs such as “will,” “may,” “might,” “should,” “would” and “could.” Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Agthia Group PJSC to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Examples of such statements include, but are not limited to, comments with respect to: 1. outlook for the markets for products; 2. expectations regarding future product pricing; 3. outlook for operations; 4. expectations regarding production capacity and volumes; 5. objectives; 6. strategies to achieve those objectives; 7. expected financial results; 8. sensitivity to changes in product prices; 9. sensitivity to key input prices; 10. sensitivity to changes in foreign exchange rates; 11. expectations regarding income tax rates; 12. expectations regarding compliance with environmental regulations; 13. expectations regarding contingent liabilities and guarantees; 14. expectations regarding the amount, timing and benefits of capital investments. Although Agthia Group PJSC believes it has a reasonable basis for making these forward-looking statements, readers are cautioned not to place undue reliance on such forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predictions, forecasts and other forward-looking statements will not occur. These factors include, but are not limited to: 1. assumptions in connection with the economic and financial conditions in the UAE, Middle East, and globally; 2. effects of competition and product pricing pressures; 3. effects of variations in the price and availability of manufacturing inputs; 4. various events which could disrupt operations, including natural events and ongoing relations with employees; 5. impact of changes to or non-compliance with environmental regulations; 6. impact of any product liability claims in excess of insurance coverage; 7. impact of future outcome of certain tax exposures; 8. effects of currency exposures and exchange rate fluctuations. The above list of important factors affecting forward-looking information is not exhaustive. Additional factors are noted elsewhere and reference should be made to the other risks discussed in filings with UAE securities regulatory authorities. Except as required by applicable law, Agthia Group PJSC does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on behalf of the Company, whether as a result of new information, future events or otherwise, or to publicly update or revise the above list of factors affecting this information.

Agenda

1. Strategic update
2. Key financials
3. Segmental performance
4. Guidance
5. Appendix

Recap: Our strategic vision to become a regional F&B leader by 2025

Becoming a regional F&B leader by 2025

From...		To...
UAE centric	›	Footprint MENA+ & beyond
Commoditized portfolio	›	Value-add F&B brands
Stable financial performance	›	Strong shareholder returns
Local organization mindset	›	Consumer-centric & performance-driven

Three strategic pillars to deliver on the vision

Growth

Pursue disciplined expansion plan focused on M&A

Efficiency

Protect the core business and get leaner

Capability

Ensure our organization is set-up to deliver our strategy

Progress on strategic vision – 9M’23

Delivering Growth

- **Reported revenue growth** +10.9% YoY; 9.1% from volume[1] & 1.8% from pricing
- **LFL revenue growth** +3.5% YoY
- Revenue growth +20.7% YoY and LFL +12.6% YoY **excluding EGP devaluation** impact
- Double digit growth from Snacking (+46.5% YoY), Agri (+15.0% YoY) and Protein excluding FX impact (+19.4% YoY) and mid single-digit growth in Water & Food (+6.6% YoY)

Driving Efficiency

- Focus on **productivity enhancement**:
  - >AED 199MN since Jan’21
- **EBITDA margin expansion +85bps**:
  - Strong growth in Snacking (+310bps), Water & Food (+280bps) and Agri (+24bps) profitability
- **Leveraging our Egyptian platform:**
  - Strengthening our export focused resources; +33% YoY growth in export revenue from Egypt to AED 56MN

Expanding Capabilities

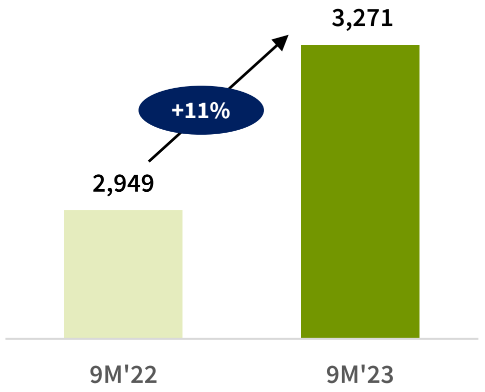
- **Investing in innovation: Snacking -** launched new brands into UK and European Retail channels; new formats and adjacent category products into the UAE, KSA, Qatar, and US; **Water -** launched first locally-produced 100% rPET water bottle
- **Accelerating our digital roadmap:** Recent MoU with Microsoft UAE with aim to become regional digital leader in consumer-packaged goods industry
- **Progress across ESG agenda:** wide-ranging initiatives and robust approach to governance; reduced water usage ratio by 8.6%

[1] *Volume growth including Abu Auf inorganic growth*

Key Financials

9M'23 headlines: Strong and profitable growth led by Snacking, Agri, and Water & Food

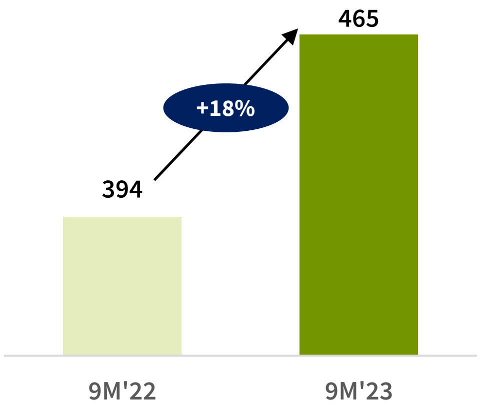
Strong revenue growth…



+3.5% LFL growth

AED MN

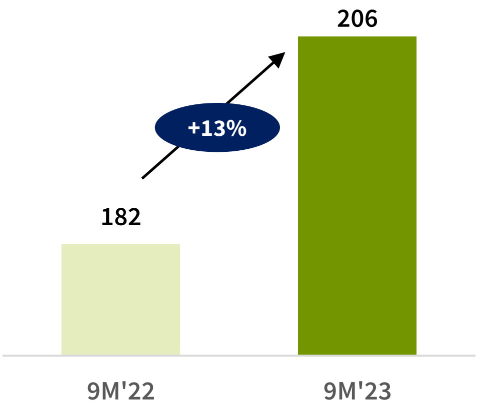
…outpaced by EBITDA



+85bps Δmargin

AED MN

Healthy net profit[1] growth..



+10bps Δmargin
post incremental interest of AED 39MN

AED MN

[1]Group net profit including minority interests

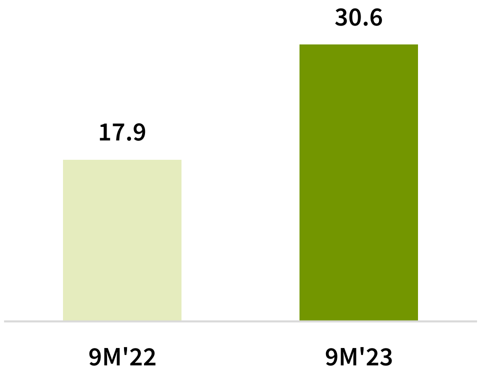
...amidst a challenging backdrop

Commodity inflation

+ AED 15 MN

commodity inflation in 9M'23

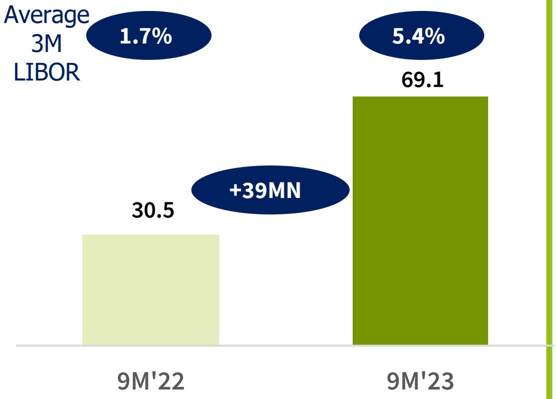
EGP devaluation



Average EGP vs USD FX rate

Devaluation impact vs last year
Revenue AED 287MN
EBITDA AED 48MN
Group net income AED 27MN

Rising interest rates

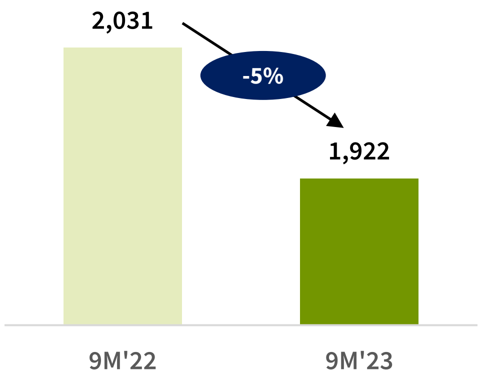


Net interest cost (AED MN)

agthia أغذية

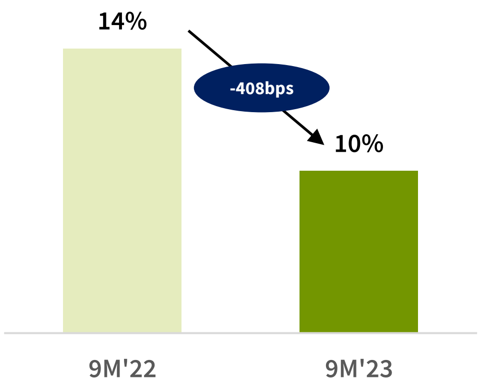
Continued strengthening of balance sheet

Average gross debt[1]



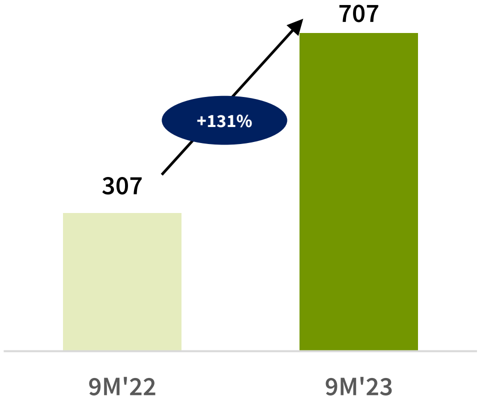
AED MN

WC as % of sales



NWC % TTM sales

FCFF



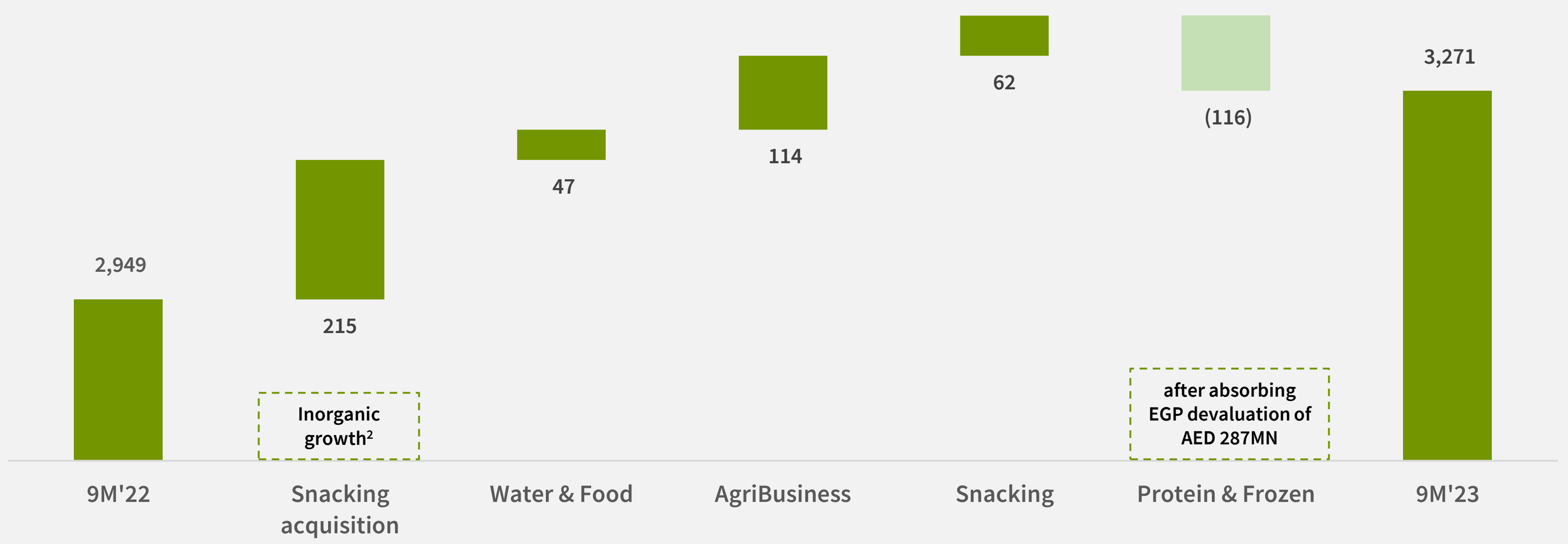
AED MN

[1]AED300MN reduction in average gross debt since December 2022

Strong topline growth driven by Snacking and Agri

9M 2023 revenue growth +10.9% YoY, with 9.1% from volume[1] and 1.8% from pricing; +20.7% pre devaluation

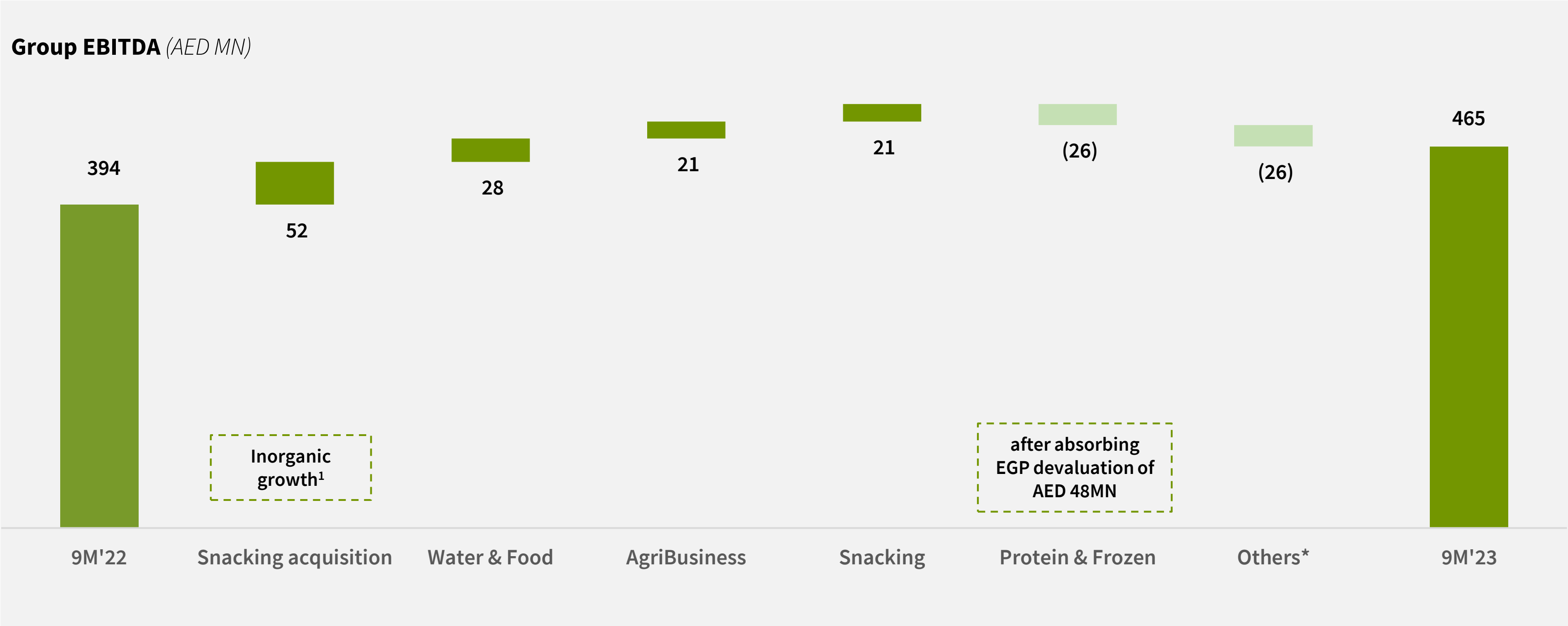
Group Revenue *(AED MN)*



[1]Includes Abu Auf
[2]Snacking acquisitions (inorganic growth) includes Abu Auf (Q4'22)

EBITDA growth ahead of revenue driven by Snacking, Water & Food, Agri

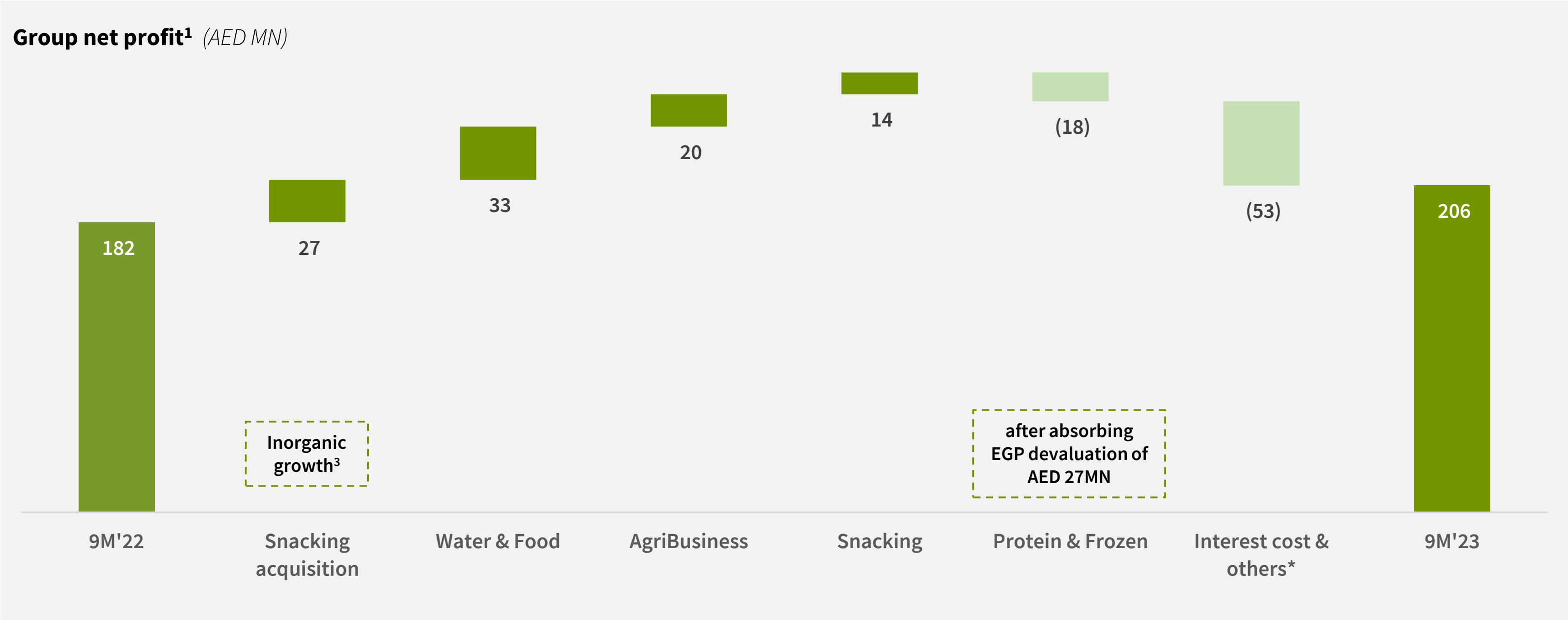
9M 2023 EBITDA growth +18% YoY, +30% pre devaluation



[1]Snacking acquisitions (inorganic growth) includes Abu Auf (Q4'22)
**Others include digital and capability investments*

Net profit growth ahead of revenue despite higher interest rate environment

9M 2023 net profit growth +13% YoY, +27% pre devaluation



[1] *Net profit including minority interest*

* *9M'23 includes incremental finance costs of AED 39MN + digital and capability investments*

[3] *Snacking acquisitions (inorganic growth) includes Abu Auf (Q4'22)*

Robust balance sheet with low leverage

Net debt / EBITDA

1.4x

Down from FY'22 of 2.3x

Interest coverage[1]

6.7x

Up slightly from H1'23 of 6.6x

Liquidity[2]

AED 2.2BN

Dividend yield[3]

3.6%

H1'23 DPS = **AED 0.0825**

[1]*Interest coverage = EBITDA / (interest expense net of interest income)*
[2]*Liquidity = Available borrowing capacity (at 4x EBITDA less 9M'23 net debt) + 9M'23 Cash balance*
[3]*Representing H1'23 dividend annualized at closing share price on 30-Sep-2023*

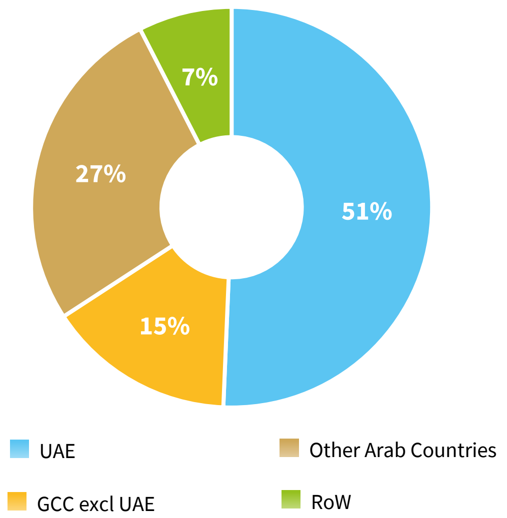
أغذية
agthia
For The Better • من أجل الأفضل

Segmental performance

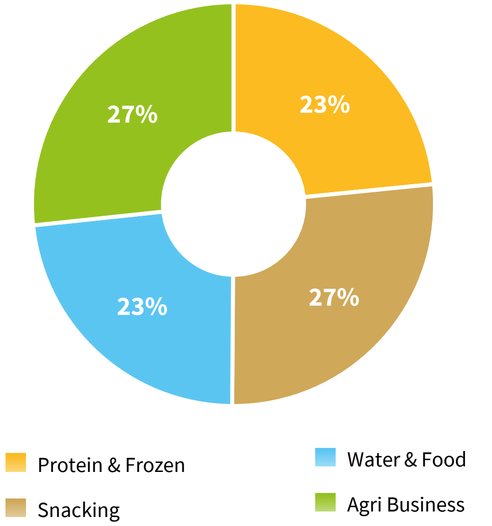
agthia أغذية

Diversified growing portfolio in large growing scalable markets

Diversified revenue by geography..

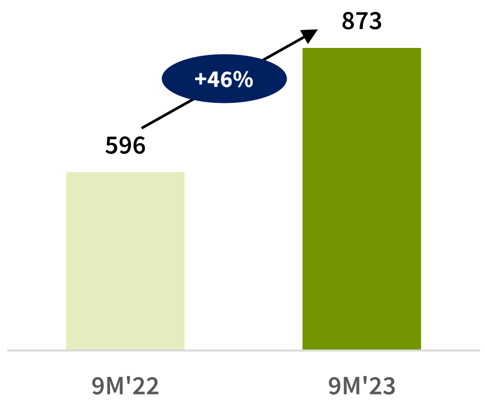


..and segments..



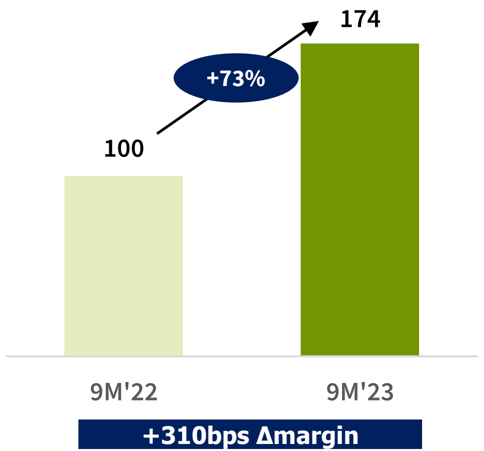
Snacking: strong growth in dates and contribution from Abu Auf

Revenue



AED MN

EBITDA



AED MN

Commentary

Revenue

- LFL growth of 8% including Abu Auf
- Dates: product and packaging innovation, premiumization shift in consumer demand driving growth across domestic and international markets
- Confectionery: stronger growth in core markets and higher ingredients sales in Q3
- Abu Auf: local currency revenue +86% YoY on continued volume and value gain in premium-brand coffee

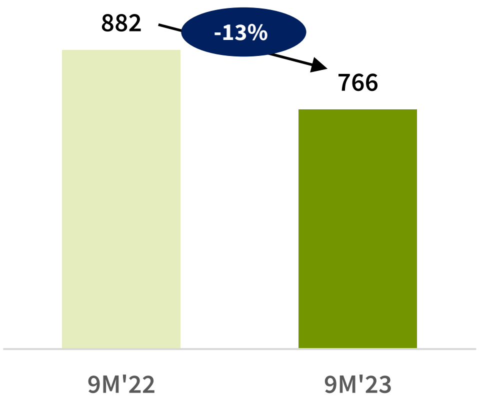
EBITDA

- Reflected positive price/mix in domestic and international date markets, strong growth in Auf's market-leading coffee, and stronger profitability from BMB post operational restructuring in KSA

agthia أغذية

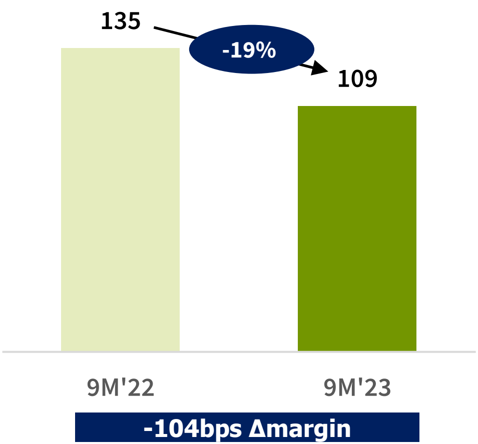
Protein: decline on FX headwinds in Egypt; revenue +19.4% excluding devaluation impact

Revenue



AED MN

EBITDA



AED MN

Commentary

Revenue

- -13% YoY including +62% YoY growth from pricing in Egypt and FX devaluation impact of AED 287MN
- +19% YoY excluding FX devaluation
- Jordan: increased demand elasticity across Catering and QSR channels

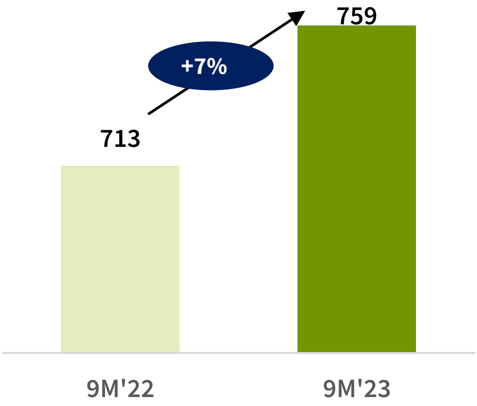
EBITDA

- Productivity enhancement led to +17% YoY growth (in local currency terms), despite inflationary environment in Egypt and a more promotional landscape in Jordan, which offset impact of declining commodity costs

agthia أغذية

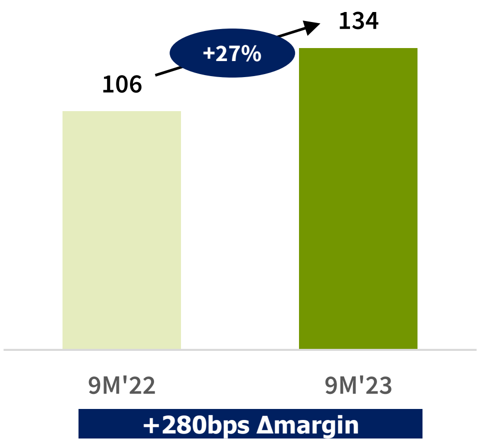
Water & Food: positive growth on volumes and cost efficiencies

Revenue



AED MN

EBITDA



AED MN

Commentary

Revenue

- +7% YoY on positive growth across local (UAE excl. dairy +3%) and international channels (KSA +22%, Kuwait +28%), Turkey (+37%)
- UAE Bottled Water maintained market leadership

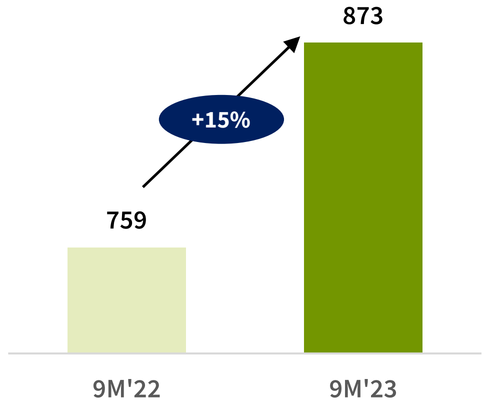
EBITDA

- +27% YoY on volumes, favorable mix, further efficiencies in UAE and Saudi, and more benign commodity environment
- Notable performance: UAE bottled water (EBITDA +19% YoY), HOD (+16%), KSA (>+100% post restructuring), Oman (+55%)

agthia أغذية

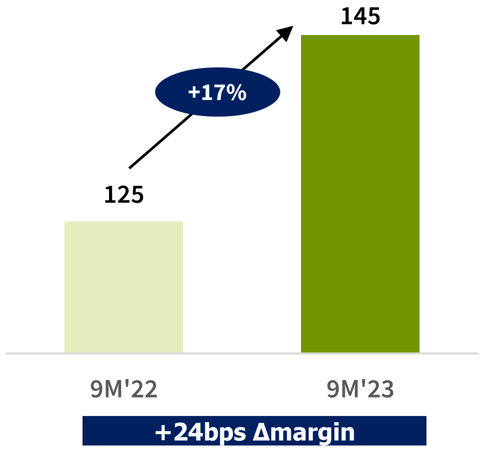
Agri: strong volumes in Flour and Feed

Revenue



AED MN

EBITDA



AED MN

Commentary

Revenue

- +15% YoY on share gain in Flour and strong volume in Feed

EBITDA

- +17% YoY on good execution in Feed across commercial farms and open market, cost efficiencies in Flour, and a more favorable commodity backdrop

أغذية
agthia
For The Better • من أجل الأفضل

Guidance

Reaffirming FY'23 Guidance[1]

Revenue growth	EBITDA margin	Group net profit margin
+10 to 12%	**+40 to 60bps**	**+30 to 50bps**

Assumptions

Revenue growth:
- *Current FX rates for USD / EGP 30.7*
- *No further acquisition*

EBITDA margin:
- *Current FX rates for USD / EGP 30.7*
- *No further acquisition*

Group net profit margin:
- *100% of Group profit including minorities*
- *Current FX rates for USD / EGP 30.7*
- *No further acquisition*
- *3M Libor rates 4.96% (28Feb23)*

[1]Guidance assumes no significant deterioration in geopolitical outlook

A forward-looking company

- Market leading position across key categories and geographies
- Growing portfolio of consumer-centric brands in large, scalable markets
- Growth-oriented mindset focused on leveraging synergies, innovation and digitization
- Attractive economics with clear strategy for continued value creation
- Financial strength and resilience
- Experienced leadership team with proven track record

أغذية
agthia

For The Better • من أجل الأفضل

Q&A

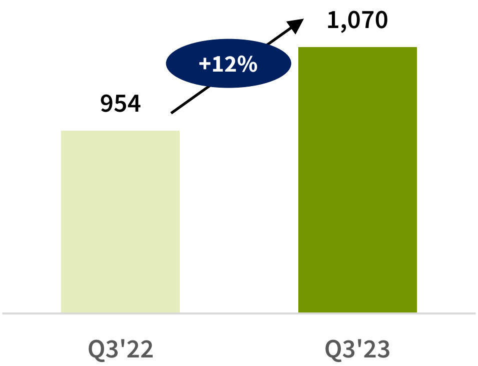
agthia أغذية

For The Better • من أجل الأفضل

Appendix

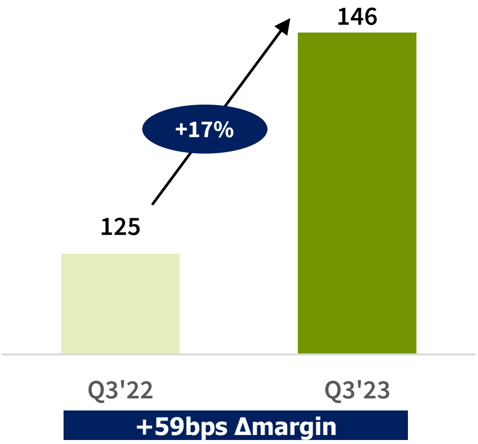
Q3'23 Group headlines

Double-digit revenue growth...



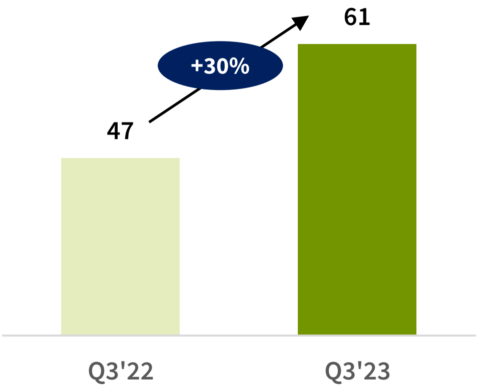
AED MN

...outpaced by EBITDA



AED MN

...driving strong net profit[1] growth



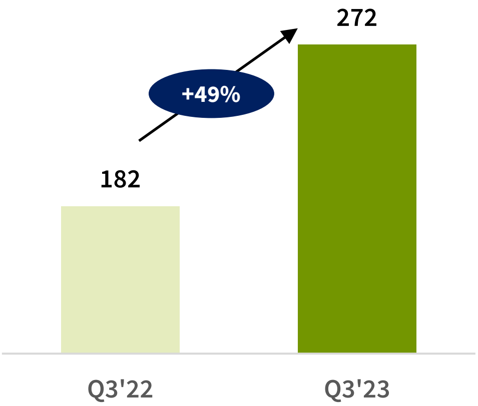
AED MN

[1]*Net profit including minority interests*

agthia أغذية

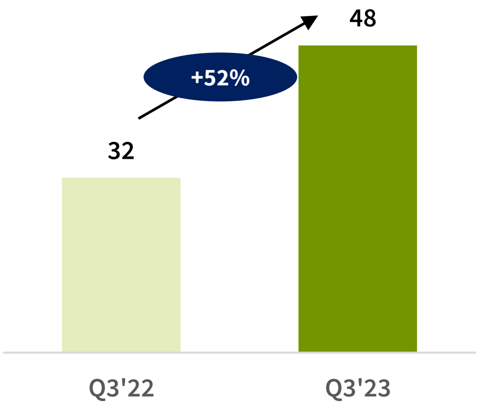
Q3’23 Snacking headlines

Revenue[1]



AED MN

EBITDA[1]



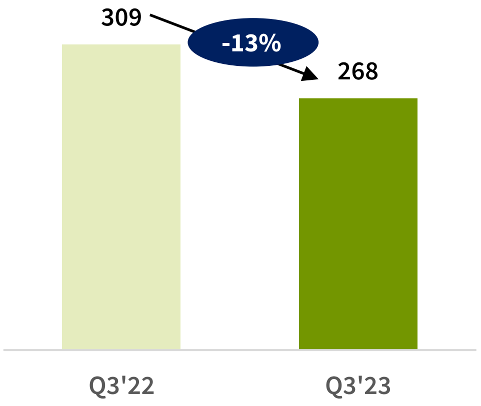
+32bps Δmargin

AED MN

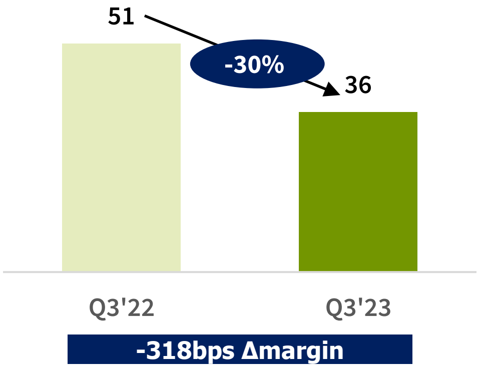
[1]Q3’23 includes Abu Auf

Q3’23 Protein headlines

Revenue

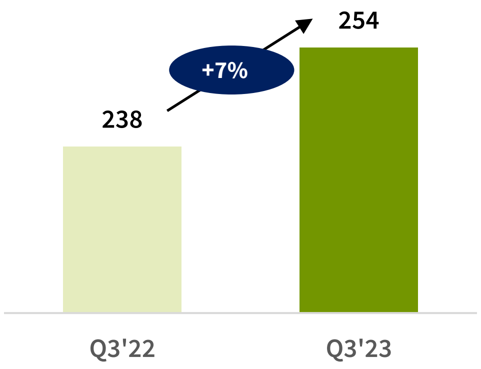


EBITDA



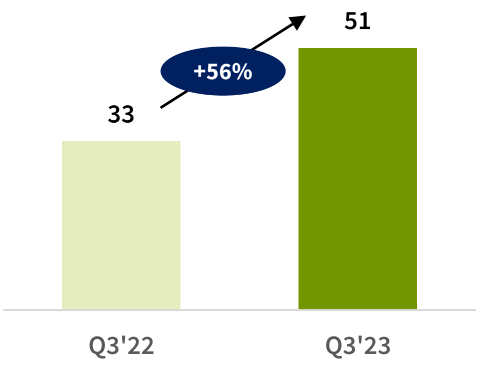
Q3'23 Water & Food headlines

Revenue



AED MN

EBITDA

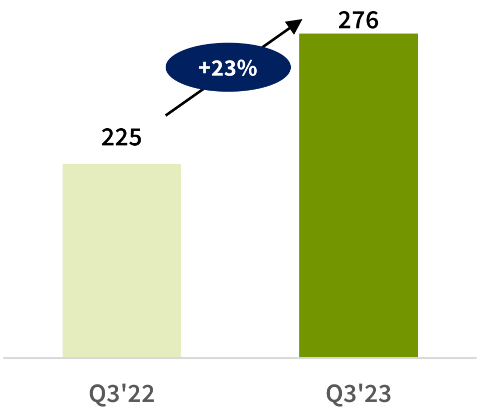


+624bps Δmargin

AED MN

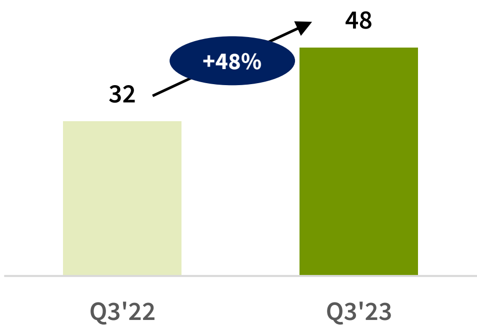
Q3’23 Agri headlines

Revenue



AED MN

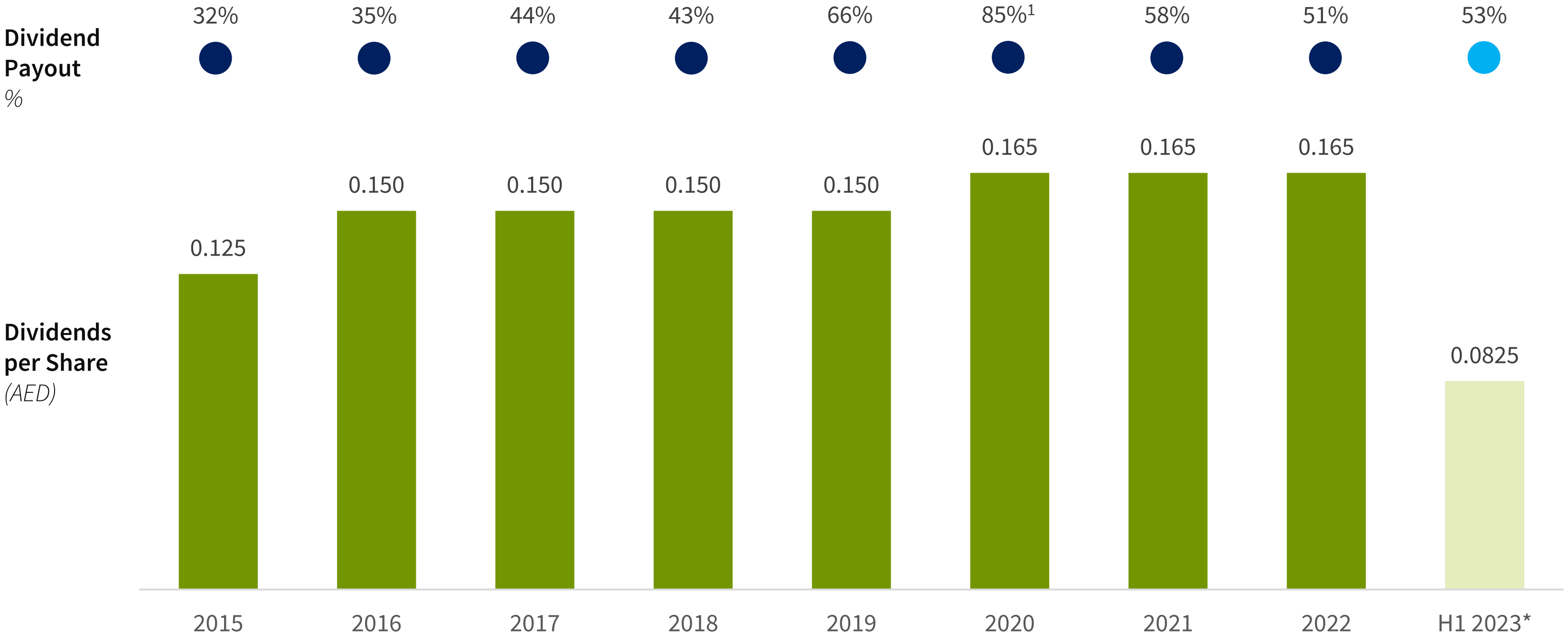
EBITDA



+294bps Δmargin

AED MN

Historical dividend trend



[1]Normalized EPS for 2020
**H1'2023 DPS approved by shareholders on 12 Sep 2023*

agthia أغذية

A balanced mix of growing brands

Category	Water & Food	Agribusiness	Protein & Frozen Veg.	Snacking
Share	23% of sales	27% of sales	23% of sales	27% of sales
Assets	Al Ain, Alpin, Voss, Al Ain, Al Bayan	Agrivita, Grand Mills	Nabil, Atyab, Al Ain	Al Foah, Al Faysal, BMB, Abu Auf
Key markets	UAE, KSA, Kuwait	UAE	Jordan, Egypt, UAE, Kuwait	UAE, KSA, India, USA, Kuwait

Staple ⟷ Discretionary

Over AED 72MN in revenue generated YTD from strategic product innovation

AED 12.6MN from Water

AED 48.9MN from Snacking

AED 5.1MN from Protein & Frozen Veg

AED 6.1MN from Food

Investing in growth: Protein expansion in KSA

Project overview

- Location: Jeddah, KSA
- Category: Protein
- Capex c. AED 84MN (Phase 1)
- Available land 9,436 sqm; Built-up area 6,600 sqm
- Capacity ≈ 6,500- 8,700 tons/annum
- ≈ 50 SKUs

Rationale

- Strengthen footprint in KSA
- Strong local demand; leverage strong QSR relationships
- Drive growth of key protein vertical

Expected to come onstream by Q1 2024

5-year digital roadmap with clear priorities

Priority #1

Best customer / consumer experience

- **Seamless omnichannel experience** with optimized online and in-store execution
- **Strongest e-commerce brand** through digital marketing
- **Regional leader in F&B innovation** through consumer and customer driven initiatives

Priority #2

Empowered employees in a collaborative environment

- **Integrated business planning** and cross-domain collaboration
- **Resilient operations** to meet customers / consumers expectations in all circumstances
- **Optimized and automated** internal processes

ESG is integral to Agthia's purpose

ENVIRONMENTAL

Eco-friendly products driving revenue growth & lowering costs:
-PLA and rPET growth

-Reduced energy consumption at Grand Mills and Al Ain via smart energy monitoring system

-Decreased raw material use through reduced weight in bottles and packaging

-Use of renewable energy within our organization

SOCIAL

CSR strategy built on community:
-Strategic partnerships with organizations with proven experience in community development programs

-Encouraging volunteerism within Agthia

-Supporting authorities in raising living standards through infrastructure and community services especially in regions where we operate

GOVERNANCE

Commitment and accountability start with BoD/BU Heads:
-Established three-layer/top-down governance structure that starts from BoD and cascades through the company

-Integrated governance structures at BoD and BU levels to ensure ESG KPIs are consistently measured and benchmarked across the Group

Our Sustainability Agenda: adopting a "4 P" approach

Packaging

- **Packaging material reduction** of 1,200 tons YTD
- PLA: 315% YoY volume growth YTD
- Launched UAE's first local produced **100% rPET** water bottle in Gulfood Feb'23. Already 10.500 cases YTD

Processes

- 5.4% reduction in water usage ratio (Q3'23 vs Q3'22)
- 4.3% reduction in water usage for Water BU (Q3'23 vs Q3'22)
- 1.5% reduction in GHG scope 2 emissions (Q3'23 vs Q3'22)
- 1.4% decrease in electricity usage (Q3'23 vs Q3'22)

Partnerships

RECAPP partnership with Veolia: free door-to-door collection service for recyclables; already collected 655tn and estimated to reach 900tn by end of 2023

67,950 KG collected/month
72,985 registered users

People

- **Consumers:**
  - Packaging optimization, recyclable products, innovative sustainable products
  - Key advocate on sustainability and circular economy
- **Employees:**
  - Continuous Upskill workforce to transform and accelerate innovation and sustainability

agthia أغذية

Strong leadership team with track record of value creation

	Name	Role	Total Experience:	Previous Notable Experience:
Group Functions				
	**Alan Smith**	Chief Executive Officer	**29 Years**	Mondelēz International
	**Sherif Elfaham**	Chief Financial Officer	**24 Years**	Unilever, CIB
	**Ramy Merdan**	Chief Operating Officer	**35 Years**	Gandour, Unilever, Danone
	**Vandy Dos Santos**	Chief Digital Officer	**30 Years**	Abbott, Nespresso, Nestlé
	**Mujtaba Hussain**	Chief M&A Officer	**14 Years**	Fosun, evercare
	**Abdulla Al Marzooqi**	Sr. Vice President Human Capital	**22 Years**	etisalat
Business Unit Functions				
	**Mubarak Al Mansoori**	President – Snacking & Government Relations	**21 Years**	emirates steel, etisalat
	**Ahmad Yahya**	President - Water & Food (GCC)	**29 Years**	Kellogg's, Kraft foods, Danone, PepsiCo
	**Ahmad Sallakh**	President - Protein	**28 Years**	KADDB
	**Declan Bennett**	President – Flour & Feed	**33 Years**	Kellogg's, KraftHeinz

Summary Profit & Loss Statement

AED'000	9M’23	9M’22	YoY
Revenue	**3,270,964**	**2,949,164**	*11%*
Cost of sales	-2,307,991	-2,105,917	*10%*
Gross profit	**962,973**	**843,247**	*14.2%*
Selling and distribution expenses	-425,332	-385,719	*10%*
General and administrative expenses	-263,307	-249,866	*5%*
Research and development cost	-6,347	-6,986	*-9%*
Other income, net	27,703	32,379	*-14%*
Operating profit	**295,690**	**233,055**	*27%*
Finance income	20,674	18,443	*12%*
Finance expense	-85,706	-49,153	*74%*
Share of profit/ (loss) from investment in JV/associate	3,446	2,507	*37%*
Profit for the period before income tax and zakat	**234,104**	**204,852**	*14%*
Income tax and zakat expenses	-28,548	-22,443	*27%*
Profit for the period	**205,556**	**182,409**	*13%*
Attributable to:			
Owners of the Company	**177,944**	**158,556**	*12%*
Non-controlling interest	27,612	23,853	*16%*
Basic and diluted EPS (AED)	0.135	0.120	*12%*

agthia أغذية

Summary Balance Sheet Statement

AED'000	9M'23	9M'22
Property, plant and equipment	1,384,868	1,446,027
Intangible assets & Goodwill	2,411,378	2,421,885
Others	113,599	104,299
Total non-current assets	**3,924,785**	**3,972,433**
Inventories	788,494	847,275
Trade and other receivables	1,012,370	891,034
Cash and bank balances	534,790	1,042,502
Others	59,659	55,560
Total current assets	**2,395,313**	**2,836,371**
Total assets	**6,320,098**	**6,808,804**
Bank borrowings	50,364	70,386
Others	1,582,482	1,767,095
Total non-current liabilities	**1,632,846**	**1,837,481**
Bank borrowings	260,624	675,651
Trade and other payables	1,406,970	990,121
Others	143,228	151,214
Total current liabilities	**1,810,822**	**1,816,986**
Total liabilities	**3,192,829**	**3,722,911**
Total equity	**3,127,269**	**3,085,893**
Equity attributable to the owners of the Company	2,839,953	2,813,274
Non-controlling interests	287,316	272,619
Total equity and liabilities	**6,320,098**	**6,808,804**

Summary Cash Flow Statement

AED'000	9M'23	9M'22	YoY
Profit before tax & zakat expenses	***205,556***	***182,409***	*13%*
Adjustments for:			
Depreciation & Amortization	171,436	169,440	*1%*
Provisions & Allowances	14,962	18,359	*-19%*
Others	96,891	48,179	*101%*
Change in:			
Inventories	57,897	-211,284	*-127%*
Trade and other receivables	-130,304	-14,528	*797%*
Government compensation receivable	-3,801	-28,342	*-87%*
Due from / to a related party	-298	1,027	*-129%*
Trade and other payables	415,021	239,788	*73%*
Deferred government grant	-8,871	-6,747	*31%*
Others	-46,269	-37,886	*22%*
Net cash generated from operating activities	**772,220**	**360,415**	*114%*
Purchase of PPE (CAPEX)	-97,916	-92,513	*6%*
Others	438,619	-79,082	*-655%*
Net cash generated from/(used in) investing activities	**336,509**	**-171,595**	*-296%*
Bank borrowings, net	-861,669	-141,162	*510%*
Others	-121,686	-71,848	*69%*
Net cash (used in)/generated from financing activities	**-1,113,965**	**-278,315**	*300%*
Increase in cash and cash equivalents	**-5,236**	**-89,495**	*-94%*
Effect of foreign exchange	-11,645	-7,801	*49%*
Beg. Cash & Equivalents balance	**221,121**	**227,863**	*-3%*
End. Cash & Equivalents balance	**204,240**	**130,567**	*56%*

For The Better • من أجل الأفضل

Thank you

7 November 2023