agthia أغذية

9M & Q3 2026

Management Discussion & Analysis Report

4 November 2026

Agthia Reports Revenue Growth Amid Challenging Cost Environment

Revenue Growth Accelerates

Q3 2026: +14.4% YoY
9M 2026: +9.6% YoY

Gross Profit Margin Faces Cost Pressure

Q3 2026 +1.6% YoY, margin at 27.9% (-353bps)
9M 2026 +13.9% YoY, margin at 29.7% (+113bps)

Margin Recovery Drives EBITDA Growth

Q3 2026 +39.0% YoY, margin at 9.5% (+167bps)
9M 2026 +36.7% YoY, margin at 11.1% (+220bps)

Reported Net Profit (NP) Rises

Q3 2026 NP of AED 33.2M (up AED 29.1M vs. PY)
9M 2026 NP of AED 154.6M (up AED 101.5M vs. PY)



Khalifa Sultan Al Suwaidi, Chairman of Agthia's Board, commented: "The past months have put supply chains across the region under strain and underlined the value of resilient food companies. Agthia has risen to that challenge, standing by the markets it serves. The Board is encouraged by the progress management has made in transforming the business and remains focused on ensuring Agthia creates long-term value for its shareholders and communities."



Salmeen Alameri, Managing Director and Chief Executive Officer of Agthia Group, added: "Our transformation continues to move forward. Over the past year, we have strengthened our portfolio and built greater operating discipline, and this is beginning to be reflected in our results. We are taking decisive action to protect the business as input and logistics pressures intensify, while recognizing the impact of these headwinds on our performance. We are also building innovation, data and digital capabilities that will define how we compete. With the right foundations in place, Agthia is well equipped to navigate the volatile environment."



Jeroen Nijs, Chief Financial Officer of Agthia Group, commented: "Our financial profile improved, supported by stronger operating cash flow, a shorter cash conversion cycle and lower leverage versus December 2025. These improvements strengthen our resilience as elevated input, freight and distribution costs increasingly flow through our cost base. While the near-term operating environment remains challenging and cost pressures are expected to persist, we remain focused on disciplined capital allocation, working capital management and preserving financial flexibility."

Agthia Group PJSC (AGTHIA: UH) today announces its results for the third quarter and nine months ended 30 September 2026.

Financial Highlights

Figure 1: Key Reported Financial Highlights

AED million	Q3 2026	Q3 2025	YoY Change	9M 2026	9M 2025	YoY Change
Revenue	1,299.6	1,136.0	14.4%	3,901.9	3,560.0	9.6%
Gross Profit	363.2	357.6	1.6%	1,160.6	1,018.6	13.9%
Gross Profit Margin	27.9%	31.5%	-353bps	29.7%	28.6%	113bps
EBITDA	123.1	88.6	39.0%	433.6	317.2	36.7%
EBITDA Margin	9.5%	7.8%	167bps	11.1%	8.9%	220bps
Net Profit	33.2	4.1	+29.1M	154.6	53.2	+101.5M
Net Profit Margin	2.6%	0.4%	220bps	4.0%	1.5%	247bps

Group Reported Revenue for Q3 2026 reached AED 1.3 billion, up 14.4% year-on-year. This includes AED 104.7 million of one-off sales in Water & Food related to the UAE food security program. Excluding this activity, underlying revenue[1] increased 5.2% year-on-year. For the 9M 2026 period, Group Reported Revenue increased 9.6% year-on-year to AED 3.9 billion (+1.2% year-on-year excluding one-off food security program sales).

Group Reported EBITDA for Q3 2026 totaled AED 123.1 million, representing 39.0% growth year-on-year, with reported EBITDA Margin at 9.5% (+167bps year-on-year), largely reflecting a more favorable comparison due to one-off impairments in the prior year. Excluding one-offs, underlying EBITDA decreased by 26.2%, mainly reflecting lower Water & Food and Agri-Business EBITDA due to cost pressures. For 9M 2026, EBITDA increased 36.7% year-on-year to AED 433.6 million, with EBITDA Margin expanding 220bps to 11.1%. Excluding one-off items, underlying 9M 2026 EBITDA decreased 9.2% year-on-year.

Group Reported Net Profit for Q3 2026 reached AED 33.2 million, compared to AED 4.1 million in Q3 2025. The improvement was primarily driven by higher reported EBITDA. Net Profit Margin expanded by 220bps year-on-year to 2.6%. For the 9M 2026 period, reported Net Profit increased by AED 101.5 million to AED 154.6 million, with a Net Profit Margin improvement of 247bps to 4.0%. Excluding one-off items, underlying Net Profit declined by 67.8% in Q3 2026 and by 28.2% during the 9M 2026 period.

Financial Position

Agthia ended the period with AED 536.2 million in cash and equivalents, with Net Debt at AED 1.4 billion and a Net Debt-to-EBITDA ratio of 2.4x (down from 2.9x in December 2025). The improvement in leverage was mainly driven by the increase in last-twelve-months (LTM) EBITDA. The Group's debt is USD- and AED-denominated, and Agthia continues to achieve favorable borrowing terms by leveraging its strong balance sheet and network of leading banks.

Group Cash Flow

In 9M 2026, the **net cash generated from operating activities** stood at AED 262.3 million, compared to AED 35.3 million in the same period last year.

The cash outflow from changes in **working capital** was mainly attributable to an increase in trade and other receivables. The cash conversion cycle improved from 60 days in 9M 2025 to 46 days in 9M 2026.

Net capital expenditure in 9M 2026 remained disciplined at AED 83.9 million (2.1% of revenue). Spending during the period was focused on capacity optimization, innovation, and efficiency enhancement across core production facilities.

Free cash flow for 9M 2026 stood at AED 212.1 million, compared to an outflow of AED 17.9 million in 9M 2025. Agthia continues to maintain a prudent capital allocation approach, with a clear focus on operational discipline, working capital optimization, and maintaining strategic flexibility to support long-term growth.

[1] Please refer to Appendix 1 for a reconciliation of underlying performance measures.

Regional Developments

Since February 2026, Agthia has maintained uninterrupted supply of essential products across the UAE, including water and flour, in support of customers, market stability and national food security objectives.

Q2 2026 results benefited from inventory procured before the rise in input and supply chain costs. As this inventory has been consumed and replenished at prevailing market prices, higher procurement, logistics and distribution costs are increasingly reflected in the cost base of several of the Group's UAE businesses.

Agthia continues to actively manage the operational and financial implications arising from the current environment. However, elevated input and supply chain costs are expected to weigh on margins and profitability in the coming periods. The Group is pursuing measures to mitigate the impact of cost inflation while prioritizing continuity of supply.

As the duration of current market conditions cannot be determined, the ultimate financial impact cannot be estimated with certainty. Agthia will continue to monitor developments closely and will update the market on any material changes.

Q3 2026 Segment Reporting

Sales Analysis

In Q3 2026, Group revenue grew 14.4% year-on-year, with strong performance in Protein & Frozen and Agri-Business, supported by one-off activity in Water & Food. This was partly offset by a decline in Snacking as the segment progressed through its ongoing reset and transformation.

Figure 2: Reported Revenue by Segment

Revenue (AED million)	Q3 2026	Q3 2025	YoY Change	9M 2026	9M 2025	YoY Change
Water & Food	418.8	306.4	36.7%	1,189.7	911.8	30.5%
Agri-Business	318.9	288.5	10.5%	1,031.2	924.2	11.6%
Snacking	246.9	289.3	-14.7%	814.9	984.4	-17.2%
Protein & Frozen	315.0	251.7	25.1%	866.1	739.6	17.1%
Total Group	**1,299.6**	**1,136.0**	**14.4%**	**3,901.9**	**3,560.0**	**9.6%**



Water & Food: The Water & Food segment delivered strong revenue growth of 36.7% year-on-year in Q3 2026, supported by AED 104.7 million of one-off sales related to the UAE food security program. Excluding one-off sales related to the food security program, Water & Food revenue increased by 2.5% year-on-year in Q3 2026.

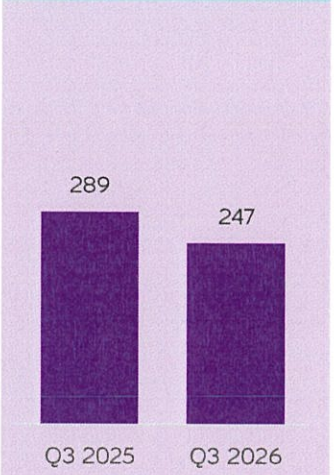
Total UAE Water revenue, excluding sales under the UAE food security program, increased by 8.0% year-on-year in Q3 2026, primarily driven by the strong performance of Agthia's Home and Office Services (HOS) business, with additional support from bottled water sales. The HOS business, including Riviere, grew by 12.9% in Q3 2026.

International water sales increased by 1.2% during the quarter, driven by strong growth in Turkey (+57.1% year-on-year) and Kuwait (+19.4% year-on-year), partially offset by softer performance in KSA and Oman.

The Food portfolio declined by 17.1% year-on-year in Q3 2026, primarily reflecting the transfer of municipality store operations to a third-party operator at the start of the year. Excluding the municipality stores' sales, food portfolio revenue increased by 29.0%.



Agri-Business: Revenue in Agri-Business increased 10.5% year-on-year in Q3 2026, driven mainly by feed sales, which grew by 18.3% year-on-year, while flour sales grew by 1.5%.



Snacking: Revenue declined by 14.7% year-on-year in Q3 2026. Abu Auf delivered strong growth of 21.7%, supported by solid consumer demand and its established position in Egypt. The brand further enhanced its retail presence by opening a net total of 69 additional stores since the beginning of the year, bringing its overall store count to 468 as of the end of 9M 2026. On a moving annual total (MAT) basis to August 2026, Abu Auf continued its strong momentum, gaining 1.0 percentage point of value market share year-on-year to reach 12.5%[2] in the ground coffee category.

Al Foah performance was impacted by lower export sales due to regional logistics route disruptions. While the business reset continued to progress as planned, export-related challenges remained a headwind to revenue during the quarter.

BMB remained under pressure during the quarter as it continued to progress through its transformation program, focused on portfolio rationalization and strengthening route-to-market capabilities. Performance was further impacted by lower export sales resulting from regional logistics route disruptions.



Protein & Frozen: The segment delivered strong revenue growth of 25.1% year-on-year in Q3 2026, supported by continued progress in business transformation initiatives. Growth was broad-based across all businesses, led by Nabil, which grew by 25.3%, followed by Frozen Vegetables & Tomato Paste (FV & TP) at 14.0% and Atyab at 13.8%. The commissioning of Phase II of Agthia's KSA facility in Q1 2026 added incremental production capacity, with KSA protein sales increasing by 282.7%, further supporting segment performance.

Gross Profit and Gross Profit Margin

Group Gross Profit increased 1.6% year-on-year in Q3 2026, while Gross Profit Margin contracted by 353bps to 27.9%.

- **Water & Food:** Gross profit margin contracted by 885bps, mainly due to higher raw material costs, particularly PET, and the mix impact of lower-margin food security program sales. Excluding this one-off activity, the segment's gross profit margin contracted 160bps.
- **Agri-Business**: Gross profit margin contracted by 787bps as pre-conflict inventory was gradually consumed and replaced at higher costs. Continued logistics disruption could place further pressure on segment margins.
- **Snacking:** Gross profit margin improved by 613bps, driven by margin expansion across all businesses: Al Foah (+444bps), Abu Auf (+400bps), Al Faysal (+264bps), and BMB (+199bps).

[2] Abu Auf ground coffee value market share based on NielsenIQ data.

- **Protein & Frozen**: Gross profit margin contracted by 248bps to 21.1% in Q3 2026, primarily due to higher direct material costs, particularly beef.

EBITDA (Earnings before Interest, Tax, Depreciation, and Amortization)

Group EBITDA increased 39.0% year-on-year in Q3 2026, reaching AED 123.1 million, with EBITDA margin expanding by 167bps. EBITDA growth was mainly driven by the Snacking segment.

Figure 3: Reported EBITDA and Margin by Segment

EBITDA (AED million)		Q3 2026	Q3 2025	YoY Change	9M 2026	9M 2025	YoY Change
Water & Food	EBITDA	51.1	50.8	0.6%	178.6	119.9	48.9%
	EBITDA Margin	12.2%	16.6%	-437bps	15.0%	13.2%	186bps
Agri-Business	EBITDA	31.4	51.7	-39.3%	156.3	172.4	-9.3%
	EBITDA Margin	9.8%	17.9%	-807bps	15.2%	18.7%	-350bps
Snacking	EBITDA	23.8	-30.2	-	54.4	-22.6	-
	EBITDA Margin	9.6%	-10.4%	2,008bps	6.7%	-2.3%	897bps
Protein & Frozen	EBITDA	21.5	21.7	-1.0%	53.6	59.5	-10.0%
	EBITDA Margin	6.8%	8.6%	-180bps	6.2%	8.0%	-186bps
Head Office	EBITDA	-4.7	-5.4	12.8%	-9.3	-12.0	22.7%
Total Group	**EBITDA**	**123.1**	**88.6**	**39.0%**	**433.6**	**317.2**	**36.7%**
	EBITDA Margin	**9.5%**	**7.8%**	**167bps**	**11.1%**	**8.9%**	**220bps**

+0.6%
EBITDA Growth YoY

Water & Food: Q3 2026 EBITDA increased by 0.6% year-on-year, while EBITDA margin contracted by 437bps, primarily due to gross profit margin contraction, which was further amplified by higher selling and distribution expenses. Excluding one-off food security activity, underlying EBITDA declined by 28.4%, driven by increased cost pressures in the UAE, as well as softer performance in the Food business and International Water due to elevated freight costs and regional logistics disruptions.

-39.3%
EBITDA Decline YoY

Agri-Business: EBITDA declined by 39.3% year-on-year, with EBITDA margin contracting by 807bps, primarily reflecting input cost pressures, further compounded by higher distribution costs.

AED 23.8M
vs. negative AED 30.2M in Q3 2025

Snacking: EBITDA increased to AED 23.8 million in Q3 2026 compared to negative AED 30.2 million in Q3 2025. EBITDA margin expanded by 2,008bps, mainly driven by the absence of impairment provisions recorded in Q3 2025 and further supported by Abu Auf's EBITDA margin expansion following gross profit margin improvement. BMB continued to face EBITDA margin pressure as the business progressed through its transformation program.

-1.0%
EBITDA Decline YoY

Protein & Frozen: EBITDA declined slightly, with EBITDA margin contracting by 180bps to 6.8%. Margin improvement at the KSA facility was offset by lower profitability in other businesses, reflecting gross profit margin contraction.

Building Capabilities to Support Long-Term Performance

Agthia continues to invest selectively in innovation, digital capabilities and operational efficiency to support the Group's long-term competitiveness.

Investing in innovation: Innovation is central to Agthia's goal of becoming a leading food and beverage company in the MENA region. Notably, innovation contributed AED 165.8 million to Agthia's revenue growth in 9M 2026. Highlights from 9M 2026 include:

- **Snacking:** Abu Auf continued to broaden its convenience, better-for-you and indulgence offerings. In addition to single-serve Turkish coffee sachets, Medjool Delights coated dates, on-the-go date snacks and new Sweet Popcorn flavors, the portfolio was expanded with Wafer Biscuits, vegetable-based Veggie Puffs and Pistachio Kunafa Truffles. Al Foah also broadened the Zadina portfolio through date-sweetened truffles and choco-dates.

- **Protein & Frozen:** Innovation focused on expanding the segment's protein offering across both foodservice and retail channels. New launches included burger formats, appetizers, coated products, cooked and ready-to-eat chicken, as well as additional protein formats tailored to different consumption occasions and customer needs.

- **Agri-Business:** Innovation remained focused on specialized product development aligned with customer needs. Grand Mills expanded its specialized flour offering through the launch of tortilla flour and doughnut flour. Agrivita launched a comprehensive cleaning and disinfection range for animal facilities, available through Agrivita stores and the Agrivita App.

- **Water & Food:** Segment innovation focused on premiumization and expanding category depth. Al Ain Water entered the functional beverage category through the launch of FUELL, the first date-sweetened energy drink made with natural ingredients. The segment further expanded its portfolio through the launch of Alkaline Water, flavored water and sparkling cans. Al Ain Food broadened its range with spicy frozen protein products, Malabar frozen paratha and a 16-SKU portfolio of sauces and condiments.

Progressing on sustainability agenda: Agthia continued to advance its sustainability priorities in 9M 2026, delivering a 10.7% reduction in Emissions Ratio, an 8.4% reduction in Electricity Ratio and a 12.0% reduction in Water Ratio year-on-year, alongside AED 10.2 million of savings through sustainable productivity projects, and an increase of 8.0% in renewable solar electricity generation. During the period, Agthia signed an MoU with Abu Dhabi University to undertake a water-bottle packaging environmental life-cycle assessment and support student education. Agthia continued to strengthen Health, Safety, and Environment (HSE) oversight and accountability, completing 10 internal sustainability data audits across its sites, while receiving a Bronze Award in the Safety & Health Transformation Category at the Royal Society for the Prevention of Accidents (RoSPA), along with two Gold Awards at the Gulf Sustainability Awards and being named Champion of the inaugural UAE Food Cluster Awards 2026 across Sustainability, Food Safety and Innovation.

Accelerating digital roadmap: In 9M 2026, the Agthia E-commerce Hub moved from building capabilities to putting them into action through the roll-out of a group-wide digital shelf monitoring solution and the appointment of a single e-commerce agency for the Group. These initiatives will raise shelf excellence across the Group's e-commerce channels and give the Group a consistent view of performance across segments and markets. Group e-commerce sales grew 18.1% in Q3 2026 compared to the same period last year and represented 7.6% of underlying revenue. For 9M 2026, e-commerce sales grew 16.4% year-on-year.

The Group is also making good progress on its Data & AI agenda, with the Data Foundation program now underway to establish a trusted and consistent view of data across Agthia and enable faster, better-informed decision-making. Alongside building this foundation, Agthia is testing practical use cases, including Sales AI proofs of concept to support order generation, cross-sell and upsell opportunities, as well as route optimization to drive fleet efficiency.

– End of announcement –



Khalifa Sultan Al Suwaidi
Chairman
4 November 2026

Conference Call Details

A conference call for analysts and investors will be held at 4:00 pm UAE time on 5 November 2026. The presentation accompanying the call will be available on Agthia Group's website under the Investors section from 4:00 pm on 5 November 2026: https://www.agthia.com/investors/results-call-materials/

Investor Relations Enquiries

Agthia Group PJSC:

Tatiana Vlasova, Investor Relations Director

+971 50 593 4921

IR@agthia.com

Forward-looking Statement

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.

Figure 4: Underlying Revenue Reconciliation

AED million	Q3 2026	Q3 2025	9M 2026	9M 2025
Reported Revenue	**1,299.6**	**1,136.0**	**3,901.9**	**3,560.0**
Water & Food one-off	104.7	0.0	246.9	0.0
Agri-Business one-off	0.0	0.0	51.4	0.0
Snacking one-off	0.0	0.0	0.0	0.0
Underlying Revenue	**1,194.9**	**1,136.0**	**3,603.6**	**3,560.0**

Figure 5: Underlying EBITDA Reconciliation

AED million	Q3 2026	Q3 2025	9M 2026	9M 2025
Reported EBITDA	**123.1**	**88.6**	**433.6**	**317.2**
Water & Food one-off	14.7	0.0	33.2	-37.7
Agri-Business one-off	0.0	0.0	12.5	0.0
Snacking one-off	0.0	-58.3	0.0	-72.0
Underlying EBITDA	**108.3**	**146.8**	**387.9**	**427.0**

Figure 6: Underlying Net Profit Reconciliation

AED million	Q3 2026	Q3 2025	9M 2026	9M 2025
Reported NP	**33.2**	**4.1**	**154.6**	**53.2**
Water & Food one-off	13.1	0.0	29.6	-34.3
Agri-Business one-off	0.0	0.0	11.1	0.0
Snacking one-off	0.0	-58.3	0.0	-71.2
Underlying NP	**20.1**	**62.3**	**113.9**	**158.7**