Preliminary Results (un-audited) of AGTHIA Group PJSC
For the Fiscal Year Ended 31 December 2021

General Information

Name of the Company	:	AGTHIA Group PJSC
Date of Establishment	:	October 20, 2004
Paid up Capital	:	791,577,090 Ordinary shares of one Dirham each
Subscribed Capital	:	791,577,090 Ordinary shares of one Dirham each
Authorized Capital	:	1,200,000,000 Ordinary shares of one Dirham each
Chairman of the Board	:	HE Khalifa Sultan Al Suwaidi
Chief Executive Officer	:	Mr. Alan Smith
Name of External Auditor	:	Deloitte & Touche (M.E.)
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(AED in 000)

		2021	2020
1.	Total Assets	**6,384,939**	3,140,671
2.	Shareholders' Equity	**2,759,892**	1,898,509
3.	Revenues	**3,067,614**	2,061,216
4.	Net Operating Income	**253,428**	32,773
5.	Net Profit attributable to shareholders	**216,039**	34,471
6.	Earnings Per Share (AED)	**0.286**	0.057

7. **Summary of Company's performance for 2021 fiscal year:**

Group net revenues of AED 3.07 billion registered 49 percent y-o-y growth with the inclusion and financial consolidation of Al Foah (since January 1st 2021), Al Faysal Bakery (January 27th 2021), Nabil Foods (April 1st 2021) and Atyab (August 1st 2021). The addition of the 4 acquisitions is aligned with our 2025 strategy of formulating 4 verticals wherein Protein business segment now contributes 21%, Snacking business segment 18%, Water / Beverage and other Food items segment 31% and Agri business segment 30% of 2021 Group revenues.

Consumer business division, under which the newly acquired entities are consolidated, almost doubled versus last year. This is in line with our strategy of diversifying our revenue streams towards higher growth consumer goods categories. Under *Protein* and *Snacking*, the addition of the 4 newly acquired entities collectively contributed incremental AED 1.07 billion to our top line for the full year, noting Nabil's inclusion was only for 9 months and Atyab for 5 months post respective consolidation. *Water & Beverage* segment revenues recorded slightly lower sales versus last year driven by the strategic decision of discontinuing the loss-making Beverage business which more than offset the improved water performance across both local & international markets. Slightly lower UAE water (Bottled Water + 5-gallon HOD) sales were recorded in 2021 versus 2020 on the back of lower Bottled Water volumes in Q1'21 versus pre-COVID Q1'20. This was however largely offset by higher sales from Q2'21 onwards versus respective periods last year driven by rebound in volumes specifically in the food service channel post opening of hotels and restaurants. In the retail channel, Agthia's water portfolio - Al Ain Water, Al Bayan, Voss and Alpin continues to preserve market leadership at respective 26% and 23% volume and value shares despite highly competitive environment. Profitability for the segment was impacted by increased promotional index, higher PET resin prices and packaging material costs.

Agri-business division revenues were flat versus last year which included a one-time World Food Program order in Q1'20. On profitability, global inflation in grain prices and freight costs continued to put pressure on margins which we were addressing through operational efficiencies and pricing adjustments. In the commercial farms channel, we were allowed to increase prices starting August 2021. The H1 2021 adverse impact of higher grain price was recovered in Q4 2021.

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Group net profit for the year came in at AED 216 million (net of AED 41 million M&A and business integration associated costs), versus AED 34 million last year in which we recorded AED 83 million of one-offs[1] related to a strategic assessment of our books. Excluding last year one-offs, higher net income versus last year was supported by (i) the consolidation of the 4 newly acquired entities and (ii) cost optimization initiatives via integration and productivity enhancements; both of which more than counter the impact of higher raw material costs and additional M&A associated costs towards intangible assets amortization, acquisition debt finance cost and advisory fees.

Total group assets[2] reached AED 6.4 billion driven by consolidating the assets of Al Foah, Al Faysal Bakery, Nabil Foods, Atyab and BMB (as of December 31st 2021). **Total shareholder's equity** stood at AED 2.8 billion post issuing additional 191.6 million shares to complete Al Foah and Nabil Foods acquisitions.

Overall, 2021 was the year in which not only we announced our 2025 strategy but also started delivering on its 3 key pillars. On *Growth*, we announced the acquisition of 5 new entities (Al Foah, Al Faysal, Nabil, Atyab and BMB Group) as we reshape the portfolio mix via tapping into new value-add verticals (protein & snacking). On *Efficiency*, as we came in front of exceptional inflation in commodity & freight costs, we focused on selective pricing intervention while optimizing our cost structure and advancing in synergy extraction via ensuring a smooth integration of the acquired entities into the Group. On *Capability*, since the beginning of the year, we established a dedicated transformation office that commenced in effectively integrating the new businesses while unlocking synergies and value creation potentials across the businesses.

Khalifa Sultan Al Suwaidi **Chairman**	Khalifa Suwaidi (Feb 9, 2022 16:52 GMT+4)	**Alan Smith** **CEO**	Alan Smith (Feb 9, 2022 16:15 GMT+4)

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[1] *Details disclosed in the published financial statements for the period ending Sept 2020*

[2] *Audit might result in small change in the value of total assets as on 31st December 2021*