

Agthia Group Delivers Strong Performance, Surpassing Guidance Ranges in 2023 Preliminary Results

ABU DHABI, UNITED ARAB EMIRATES, February 15, 2024 /EINPresswire.com/ -- □ Group net revenue + 12.1% YoY to AED 4.6 billion (ahead of full-year guidance range of 10-12%); LFL revenue +5.7% YoY

□ Group EBITDA +21.2% YoY; margin at 15.1% (+113bps, exceeding guidance range of 40-60bps)

□ Underlying group net profit +25.5% YoY; margin at 7.5% (+80bps, surpassing guidance range of 30-50bps)

□ Reported group net profit¹ +9.9% YoY; margin at 6.6%

Agthia Group PJSC ("Agthia" or "the Group"), one of the region's leading regional food and beverage companies, today announced its preliminary and unaudited results for the fiscal year ending 31 December 2023.

Group net revenue increased 12.1% year-on-year to AED 4.6 billion during FY'23, supported by a continued shift in the Group's product portfolio towards higher growth segments in key target markets. Snacking was the top performing vertical, with 38.0% year-on-year growth. Group like-for-like (LFL) revenue growth was 5.7% year-on-year, with Agri (+19.9% YoY) and Water & Food (+6.0% YoY) being major contributors of growth during the period.

EBITDA rose 21.1% year-on-year to AED 689 million during the reporting period, with EBITDA margin expanding +113bps (exceeding guidance range of 40-60bps) to 15.1%. EBITDA outpaced revenue growth, with greater scale and diversification increasing the Group's ability to deliver consumer-relevant product innovations, optimize product and channel mix, procure favorably, and premiumize its product offerings.



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Underlying group net profit¹ grew 25.5% year-on-year to AED 342.2 million, expanding net profit margin by +80bps (exceeding the guidance range of 30-50bps) to stand at 7.5%, notwithstanding further FX and interest rate headwinds throughout 2023. Reported group net profit¹ increased 9.9% year-on-year at AED 299.6 million (one-off¹).

Underlying earnings per share¹ (EPS) rose 23.0% year-on-year to AED 0.384, while reported EPS¹ grew 5.8% year-on-year to AED 0.330.

□ Snacking revenue grew 38.0% year-on-year (+9.3% on a like-for-like basis) on strong revenue growth across the Group's snacking portfolio, led by dates products and packaging innovations across mid and high value ranges, growth in date varieties, combined with a premiumization shift in portfolio, as well as value growth across retail channels in the UAE and internationally (e.g. India, Indonesia, Malaysia, and Brazil). Outside of dates, revenue contribution for FY'23 from BMB and Abu Auf collectively was AED 546 million, with the former seeing stronger growth in core markets, and continued volume and value gain in premium-branded coffee at Abu Auf in Egypt resulting in a 72% increase in FY'23 local currency revenue.

□ Water & Food revenue grew 6.0% year-on-year, reflecting significant growth in the UAE, driven by premiumization and innovation, with margins expanding on improved mix and productivity. The Group continued to retain its market leading position in the UAE bottled water segment, successfully launching value-added innovations such as Al Ain Plus (zinc fortified water), premium glass bottles, and a 100% rPET bottle (made of post-consumer recycled plastic which is infinitely recyclable). International business revenue also increased, with notable performances from Saudi Arabia, Kuwait, and Turkey.

□ Protein & Frozen showcased resilience despite a reported decline in AED terms, amid the challenging macro and consumer environment of 2023, which included the significant devaluation of EGP. The segment proactively safeguarded and prioritized its profitability and market leadership by adeptly implementing pricing strategies and optimizing costs.

□ Agri-business revenue grew 19.9% year-on-year, with strong volume growth across Flour and Feed, enabled by Feed sales through the Agrivita mobile app, offering end users added convenience and increasing its competitive edge. Segment performance was up significantly year-on-year, reflecting strong in-market execution and cost discipline.

Agthia Group's total assets stood at AED 6.6 billion as at 31 December 2023, with total shareholders' equity² of AED 2.9 billion.

Khalifa Sultan Al Suwaidi, Chairman of Agthia Group, said: "Agthia's continued strong performance, despite a challenging economic environment, demonstrates the company's ability to reap the rewards from its value-accretive M&A activities, leverage synergies across the Group, prioritize innovation across its product portfolio, and optimize its operations to maintain profitability. I am confident that Agthia will further solidify its position in key market segments, aiming to provide high-quality and trusted food and beverage products to an increasing number

of consumers.”

Alan Smith, Chief Executive Officer of Agthia Group, said: “Strong revenue and profit growth over the past year is testament to the tireless efforts and agility of all our colleagues across the Group, despite significant macroeconomic challenges and the high interest rate environment. I am positive that Agthia can consistently deliver on its strategy of acquiring, integrating, and growing attractive businesses in value-add categories, as we continue to pursue our ambition to become a leading food and beverage company in the MENAP region and beyond.”

The Group’s preliminary results are available on the Group’s website www.agthia.com and at www.adx.ae

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About Agthia

Agthia Group PJSC 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”. 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 Group’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, the wider Middle East, South America and Asia. More than 12,000 employees are engaged in the manufacturing, distribution, and marketing of various products in categories such as Water & Food (Al Ain Water, Al Bayan, Alpin Natural Spring Water, VOSS, Al Ain Food & Trading Items); Snacking (Al Foah, Yoplait, Al Faysal Bakery & Sweets, BMB, Abu Auf); Protein and Frozen (Nabil Foods, Atyab, Al Ain Frozen Vegetables); and Agri-Business (Grand Mills, Agrivita).

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