

Agthia Continues Growth Trajectory Despite Short-Term Operational Headwinds in Dates Business

- Group Net Revenue grew 7.7% YoY to AED 4.9 billion
- Group EBITDA declined 1.5% YoY to AED 679 million, with a margin of 13.8%

AGTHIA GROUP, ABU DHABI, UNITED ARAB EMIRATES, February 12, 2025 /EINPresswire.com/ -- Agthia Group PJSC ("Agthia" or "the Group"), one of the region's leading food and beverage companies, today announced its preliminary and unaudited financial results for the fiscal year ending 31 December 2024.



Agthia continued its growth trajectory in 2024, driven by strong topline performance across its Snacking, Agri-Business, and Water & Food segments. While the Group fell short of its 2024 guidance due to operational headwinds in the dates business, its solid fundamentals and diversified portfolio ensure it remains on track to deliver long-term value.



Our performance in 2024 reflects our ongoing commitment to growth in a complex and dynamic market environment. "

Alan Smith

GROUP FINANCIAL HIGHLIGHTS

Net Revenue: The Group reported a 7.7% year-on-year increase in Net Revenue, reaching AED 4.9 billion, with Snacking, Agri-Business, and Water & Food segments as key contributors. Adjusted for the impact of Egypt's currency devaluation, the Group's revenue growth would be 16.7% year-on-year.

EBITDA: The Group's EBITDA was AED 678.8 million, reflecting a 1.5% decline year-on-year, with an EBITDA margin of 13.8% (-130bps year-on-year). Strong contributions from Abu Auf in Egypt and the UAE's Water & Food and Agri-Business segments helped partially offset the operational

setbacks in the dates business.

Net Profit: The Group's Reported Net Profit grew by 7.4% year-on-year to AED 321.8 million, maintaining a stable margin of 6.5%. Adjusted Net Profit rose by 0.8%, to a margin of 6.9%, down 61bps year-on-year. While core businesses delivered a strong performance, the short-term operational challenges in dates affected the overall results. Earnings Per Share stood at AED 0.356, reflecting a 7.9% increase year-on-year.

Financial Position: Agthia's balance sheet remains strong, with a healthy Net Debt-to-EBITDA ratio of 1.5x, underscoring its financial resilience.

Agthia's Egyptian businesses delivered 8.1% year-on-year revenue growth in AED terms, despite absorbing a significant negative impact of the EGP devaluation. Exports from Egypt accelerated with year-on-year growth of 52.0%, reaching AED 105.3 million, reflecting our strategic focus on positioning Egypt as an export hub for Agthia. The expansion of the Abu Auf store and distribution network, supported by pricing and efficiency improvements, drove EBITDA growth ahead of revenue, achieving a remarkable 40.2% increase and a 454bps expansion in EBITDA Margin.



SEGMENTAL PERFORMANCE OVERVIEW

Water & Food: The Water & Food business achieved a solid 7.4% revenue growth in FY'24. UAE water delivered a standout performance, growing revenue by 9.6%, with the Al Ain brand maintaining its market-leading position. The Water & Food segment's performance was driven by strategic premiumization and a strong focus on value-added innovations, resulting in a 137bps expansion in EBITDA margin for FY'24.

Agri-Business: The Agri-Business segment delivered strong 8.6% revenue growth, reinforcing its market leadership in flour and animal feed. This performance includes the contribution of wheat trading activity. Margin expansion was supported by efficiency enhancements, unlocking additional capacity, and the successful implementation of digitalization initiatives across operations, further bolstering the segment's competitive edge.

Protein & Frozen: The Protein & Frozen segment navigated a volatile macro-economic environment in 2024, with flagship brands Nabil and Atyab maintaining market leadership in Jordan and Egypt. Despite a 1.7% revenue decline (+20.1% adjusted for EGP devaluation), effective margin management through a strategic combination of pricing, product mix, and efficiencies resulted in a 65bps EBITDA improvement, providing a strong platform for future growth.

The new IQF strawberry line in Egypt, which ramped up from Q1'24, has delivered strong results, supporting Agthia's export strategy and mitigating the impact of EGP devaluation. The Saudi protein facility, inaugurated in July 2024, is progressing towards full capacity, strengthening Agthia's position in the GCC's largest market.

Snacking: The Snacking segment achieved 14.7% revenue growth for the year, led by Abu Auf, which delivered a strong 33.3% revenue growth in AED terms despite the impact of EGP devaluation. Abu Auf's performance was bolstered by product innovation and the launch of 59 new stores during FY'24.

While the dates business delivered 11.0% revenue growth, operational headwinds resulted in an oversupply position, leading to margin dilution, increased customer exposure risk, and an inventory write-down that impacted the segment's overall profitability. While some residual effects are expected in the first half of 2025, these setbacks are short-term and confined to the current crop season. The fundamentals of the dates business remain strong, with proactive measures being implemented to strengthen operations and drive sustained growth.

Khalifa Sultan Al Suwaidi, Chairman of Agthia Group, said: "Agthia continues to strengthen its market position through a clear diversification strategy and targeted investments in innovation and building capabilities. While certain operational setbacks affected our performance this year, we are taking clear steps to address these areas and drive efficiencies. With a focused approach, we are reinforcing our foundations and positioning the Group for long-term value creation, reaffirming our commitment to stakeholders, and solidifying Agthia's leadership across the MENA region and beyond."

Alan Smith, Chief Executive Officer of Agthia Group, added: "Our performance in 2024 reflects our ongoing commitment to growth in a complex and dynamic market environment. While the dates business experienced operational headwinds, we have taken decisive measures to address these challenges. In the broader context, the strength of Agthia's diversified portfolio continues to be demonstrated in our results, with strong contributions from the Water & Food and Agri-Business segments and our Egyptian platform. The dedication and quality of our people and teams remain our core strength. With a clear focus on long term shareholder value and operational excellence, we are confident in the strategic decisions we are making to drive the business forward."

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

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