H1 & Q2 2026

Management Discussion & Analysis Report

4 August 2026

Agthia Reports Stronger H1 2026 Financial Position and Raises Interim Dividend 14.4%

Reported Revenue Growth Accelerated	Gross Profit Outpaced Revenue Growth
Q2 2026: +11.9% YoY H1 2026: +7.4% YoY	Q2 2026 +26.4% YoY, margin at 29.7% (+341bps) H1 2026 +20.6% YoY, margin at 30.6% (+337bps)
Strong EBITDA Growth and Margin Expansion	**Significant Improvement in Net Profit**
Q2 2026 +172.5% YoY, margin at 9.2% (+542bps) H1 2026 +35.8% YoY, margin at 11.9% (+250bps)	Q2 2026 Net Profit of AED 24.5M (up +62M vs. PY) H1 2026 Net Profit of AED 121.4M (up +72M vs. PY)

Khalifa Sultan Al Suwaidi, Chairman of Agthia's Board, commented: "Raising the interim dividend for a second consecutive period speaks to the discipline with which Agthia is being run and to the Board's belief in its long-term value. Even in a demanding environment, the Group is generating the cash to reward shareholders and fund its own growth, and that balance is exactly what we are working to protect."

Salmeen Alameri, Managing Director and Chief Executive Officer of Agthia Group, added: "The transformation we set in motion a year ago is delivering tangible results, with stronger earnings, expanding margins, and improved cash generation strengthening our balance sheet. We maintained uninterrupted supply, supported our customers, and advanced the UAE's food security agenda when it mattered most. Innovation remained a key growth driver, with Al Ain Water entering functional beverages, expanded protein ranges from Nabil and Atyab, new snacking formats from Abu Auf and Freakin' Awesome, and specialty flour products under Grand Mills. We also accelerated our sustainability agenda, reducing our emissions ratio by 26.7% year-on-year, while continuing to scale our digital transformation and e-commerce capabilities."

Jeroen Nijs, Chief Financial Officer of Agthia Group, commented: "Agthia's financial profile strengthened considerably during the first half of 2026. Alongside higher earnings, we generated AED 521 million of free cash flow, while reducing Net Debt-to-EBITDA from 2.9x to 1.8x. The combination of earnings growth, cash generation and balance sheet deleveraging reflects the financial discipline we are embedding across the organization. With AED 870 million of cash and cash equivalents, Agthia is well positioned to navigate the current regional disruption, execute our strategic transformation programs and enhance shareholder returns."

Agthia Group PJSC (AGTHIA: UH) today announces its results for the period ending 30 June 2026.

Financial Highlights

Figure 1: Key Reported Financial Highlights

AED MN	Q2 2026	Q2 2025	YoY % Change	H1 2026	H1 2025	YoY % Change
Revenue	1,275.5	1,140.2	11.9%	2,602.3	2,424.0	7.4%
Gross Profit	378.3	299.3	26.4%	797.4	661.0	20.6%
Gross Profit Margin	29.7%	26.2%	*341 bps*	30.6%	27.3%	*337 bps*
EBITDA	117.2	43.0	172.5%	310.5	228.7	35.8%
EBITDA Margin	9.2%	3.8%	*542 bps*	11.9%	9.4%	*250 bps*
Net Profit	24.5	-37.0	+61.6M	121.4	49.1	+72.3M
Net Profit Margin	1.9%	-3.2%	*517 bps*	4.7%	2.0%	*264 bps*

Group Reported Revenue for Q2 2026 reached AED 1.3 billion, up 11.9% year-on-year. This includes AED 142.3 million of one-off sales in Water & Food related to the UAE food security program. Excluding this activity, underlying revenue was broadly stable. For H1 2026, Group revenue increased 7.4% year-on-year to AED 2.6 billion.

Group Reported EBITDA for Q2 2026 totaled AED 117.2 million, representing 172.5% growth year-on-year, with reported EBITDA Margin at 9.2% (+542bps year-on-year). Excluding one-offs, underlying EBITDA increased by 4.5%. For H1 2026, EBITDA rose 35.8% year-on-year to AED 310.5 million, with EBITDA Margin expanding 250bps to 11.9%. Excluding one-off items, underlying H1 2026 EBITDA was broadly flat year-on-year at AED 279.5 million (H1 2025: AED 280.1 million).

Group Reported Net Profit for Q2 2026 reached AED 24.5 million compared to Net Loss of AED 37.0 million in Q2 2025, this improvement was primarily driven by EBITDA growth. Net Profit Margin stood at 1.9% (+517bps year-on-year). For H1 2026, Net Profit increased 147.4% year-on-year to AED 121.4 million, with Net Profit Margin expanding 264bps to 4.7%.

Financial Position

We maintain AED 869.6 million in cash and equivalents, with Net Debt at AED 1.0 billion and Net Debt-to-EBITDA ratio of 1.8x (down from 2.9x in December 2025). The improvement in leverage was mainly driven by the increase in LTM EBITDA. Our debt is USD- and AED-denominated, and we continue to achieve favorable borrowing terms by leveraging our strong balance sheet and network of leading banks.

Group Cash Flow

In H1 2026, the **net cash generated from operating activities** stood at AED 537.4 million, compared to AED 112.3 million of net cash used in operating activities in the same period last year.

The cash inflow from changes in **working capital** was mainly attributable to an increase in trade and other payables, which was further supported by lower inventory level. The cash conversion cycle improved from 56 days in H1 2025 to 29 days in H1 2026.

Net Capital expenditure in H1 2026 remained disciplined at AED 43.0 million (1.7% of revenue). Spending during the period was focused on capacity optimization, innovation, and efficiency enhancement across core production facilities.

Free cash flow for H1 2026 stood at AED 521.4 million compared to negative AED -139.1 million in H1 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.

Dividend

Reflecting the Group's commitment to shareholder returns and disciplined capital allocation, the Board of Directors has recommended an interim cash dividend of 11.792 fils per share for H1 2026, representing a 14.4% year-on-year increase in the interim dividend. The recommendation reflects the resilience of the business and the strength of the Group's diversified portfolio. The Group remains committed to its strategy, supported by a resilient and diversified portfolio, operational discipline, and a clear commitment to sustainable value creation.

Regional Developments

During Q2 2026, the Group continued to navigate successfully despite operational challenges, particularly across logistics and supply chains. Agthia's operations remained fully functional, with no material disruption to customer supply or commercial relationships.

The Group continues to manage procurement, inventory positioning, and routing decisions proactively, while maintaining healthy inventory cover to support business continuity. At the same time, elevated fuel prices, higher freight and insurance costs, and broader distribution-related pressures will continue to weigh on the Group's cost base, although the extent of the impact may vary across segments.

Given the continued uncertainty, the Group is not providing guidance at this stage and will continue to monitor developments closely. The Company will update the market in due course should any material changes arise.

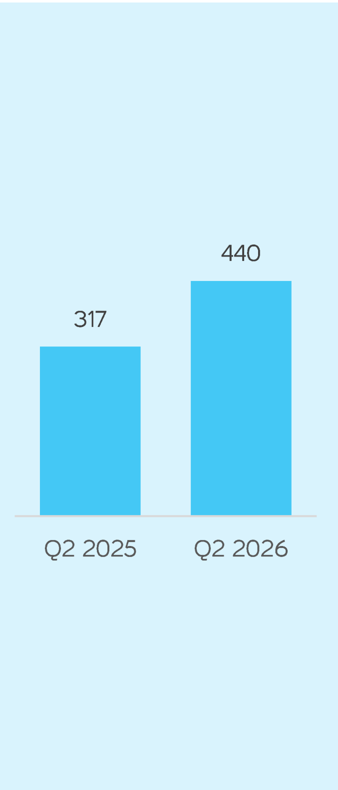
Q2 2026 Segment Reporting

Sales Analysis

In Q2 2026, Group revenue grew 11.9% year-on-year with strong performance in Protein & Frozen and Agri-Business, with support from 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 MN)	Q2 2026	Q2 2025	YoY % Change	H1 2026	H1 2025	YoY % Change
Water & Food	440.4	317.1	38.9%	770.9	605.4	27.3%
Agri-Business	330.1	297.4	11.0%	712.3	635.7	12.1%
Snacking	211.1	284.7	-25.9%	568.1	695.1	-18.3%
Protein & Frozen	294.0	241.0	22.0%	551.1	487.9	13.0%
Total Group	**1,275.5**	**1,140.2**	**11.9%**	**2,602.3**	**2,424.0**	**7.4%**

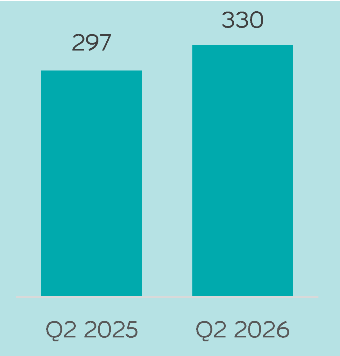


Water & Food: The Water & Food segment delivered strong revenue growth of 38.9% year-on-year in Q2 2026, supported by AED 142.3 million of one-off sales related to the UAE food-security program. Excluding one-off food-security related sales, Water & Food revenue declined by 6.0% year-on-year in Q2 2026.

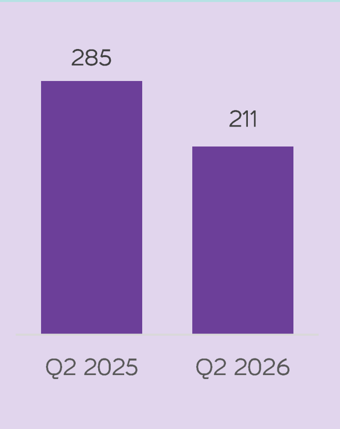
Total UAE Water revenue, excluding Riviere and the food security one-off, declined by 3.0% in Q2 2026 amid softer category demand, particularly in the HoReCa (Hotel, Restaurant, and Café) segment. Al Ain bottled water continued to outperform the market, strengthening its leadership position and gaining 2.0p.p. of value market share versus the same period last year[1]. Our Home and Office Services (HOS) business, including Riviere, grew by 17.5% in Q2 2026. International water sales declined by 12.7% during the quarter, mainly due to the logistics route disruptions in the region.

The Food portfolio declined by 31.5% year-on-year in Q2 2026, primarily reflecting the transfer of municipality store operations to a third-party operator at the start of the year. Under the new model, the Group no longer supplies non-Agthia products to municipality stores but continues to supply our own products on a non-exclusive basis. Excluding the municipality stores' sales, food portfolio revenue increased by 5.6%. Performance was also impacted by longer lead times for imported products into the UAE, including Australian rice.

[1] Al Ain bottled water market share based on ePOS data. Comparison reflects YTD May 2026 versus YTD May 2025.

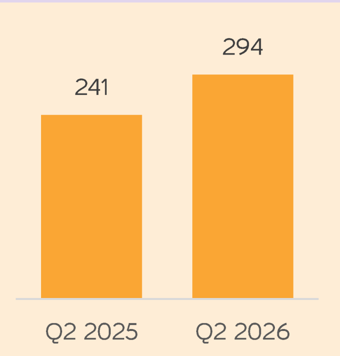


Agri-Business: Revenue in Agri-Business increased 11.0% year-on-year in Q2 2026, driven by feed sales, growing by 23.3% year-on-year, while Flour sales declined by 3.1%, mainly due to lower demand from HoReCa clients.



Snacking: Revenue declined by -25.9% year-on-year in Q2 2026. Abu Auf delivered strong growth of 23.7%, supported by solid consumer demand and its established position in Egypt. The brand further enhanced its retail presence by opening a net total of 40 additional stores since the beginning of the year, bringing its overall store count to 438 as of the end of H1 2026.

This performance was offset by declines in Al Foah and BMB, as both businesses remained under pressure during the quarter amid the ongoing reset aimed at improving future growth and margins through portfolio rationalization and stronger route-to-market capabilities. Additionally, both BMB and Al Foah were impacted by lower export sales due to logistics route disruptions in the region.



Protein & Frozen: The segment delivered strong revenue growth of 22.0% year-on-year in Q2 2026, supported by continued progress in business transformation initiatives. Growth was broad-based across businesses, led by Nabil, which grew +32.5%, followed by Frozen Vegetables & Tomato Paste (FV & TP) at +18.0% and Atyab at +8.1%. The commissioning of Phase II of Agthia's KSA facility in Q1 2026 added incremental production capacity, with KSA protein sales increasing by 55.7%, further supporting segment performance.

Gross Profit and Gross Profit Margin

Group Gross Profit increased 26.4% year-on-year in Q2 2026, with Gross Profit Margin expanding by 341bps to 29.7%.

- **Water & Food:** Gross profit margin contracted by -382bps, mainly due to the mix effect of lower margin food security sales. Excluding this one-off, the segment's gross profit margin expanded by 545bps.
- **Agri-Business**: Gross profit margin declined by -186bps, mainly due to the pressure from intense competition.
- **Snacking:** Gross profit margin improved by 1,945bps, mainly driven by improved profitability of Al Foah and supported by improvement in Abu Auf (+91bps), while BMB continued to experience margin pressure driven by volatility in key commodity inputs and ongoing business reset.
- **Protein & Frozen**: Gross profit margin declined by 206bps to 21.0% in Q2 2026, primarily due to higher direct material costs, particularly beef.

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

Group EBITDA increased 172.5% year-on-year in Q2 2026 reaching AED 117.2 million, with EBITDA margin expanding by 542bps. EBITDA growth was driven by the Water & Food segment and further supported by Agri-Business.

Figure 3: Reported EBITDA and Margin by Segment

EBITDA (AED MN)		Q2 2026	Q2 2025	YoY % Change	H1 2026	H1 2025	YoY % Change
Water & Food	EBITDA	68.3	18.0	280.1%	127.5	69.2	84.3%
	EBITDA Margin	15.5%	5.7%	984 bps	16.5%	11.4%	511 bps
Agri-Business	EBITDA	53.7	52.5	2.4%	125.0	120.8	3.5%
	EBITDA Margin	16.3%	17.6%	-136 bps	17.5%	19.0%	-146 bps
Snacking	EBITDA	-16.7	-45.9	63.6%	30.6	7.6	303.2%
	EBITDA Margin	-7.9%	-16.1%	821 bps	5.4%	1.1%	429 bps
Protein & Frozen	EBITDA	16.9	22.5	-25.0%	32.1	37.8	-15.1%
	EBITDA Margin	5.7%	9.3%	-359 bps	5.8%	7.7%	-192 bps
Head Office	EBITDA	-4.9	-4.0	-23.4%	-4.6	-6.6	30.8%
Total Group	**EBITDA**	**117.2**	**43.0**	**172.5%**	**310.5**	**228.7**	**35.8%**
	EBITDA Margin	**9.2%**	**3.8%**	**542 bps**	**11.9%**	**9.4%**	**250 bps**

+280.1%

EBITDA Growth YoY

Water & Food: EBITDA increased by 280.1% year-on-year in Q2 2026, with EBITDA margin expanding by 984bps, driven by sales growth and the absence of the one-off provision for legacy receivables recorded in Q2 2025. Excluding one-offs in both periods, underlying EBITDA declined by 10.6%, mainly reflecting lower profitability in the Food business and International Water, where performance was impacted by higher freight costs and logistics challenges.

+2.4%

EBITDA Growth YoY

Agri-Business: EBITDA increased by 2.4% year-on-year, while EBITDA margin contracted by 136bps, driven by gross profit margin contraction.

+63.6%

EBITDA Growth YoY

Snacking: EBITDA stood at negative AED 16.7 million in Q2 2026, vs. negative AED 45.9 million in Q2 2025. EBITDA margin expanded by 821bps, mainly driven by a strong improvement in Al Foah profitability following the business reset, offset by margin pressure in BMB and Abu Auf.

Abu Auf recorded higher marketing expenses in Q2 2026 as competition intensified and the business invested behind market share gains, with its ground coffee market share increasing by 1.3p.p. versus the same period last year[2].

BMB's EBITDA margin was affected by lower gross profit margin, further amplified by weaker fixed cost absorption as sales declined during the quarter.

-25.0%

EBITDA decline YoY

Protein and Frozen: EBITDA declined by 25.0% year-on-year in Q2 2026, with EBITDA margin contracting by 359bps to 5.7%. Margin improvement in Nabil and the KSA facility was offset by lower profitability in Atyab and the Frozen Vegetables & Tomato Paste business, reflecting gross margin contraction across both businesses and transformation-related costs in Atyab.

[2] Abu Auf grounded coffee value market share based on Nielsen IQ data. Comparison reflects YTD May 2026 versus YTD May 2025.

Expanding In-House Capabilities and Leveraging Efficiencies to Future Proof Our Growth

We continue to make strong progress in expanding our capabilities and driving efficiencies.

Investing in innovation: Innovation is central to our goal of becoming a leading food and beverage company in the MENA region. Notably, innovation contributed AED 109.8 million to Agthia's H1 2026 growth. Here are some of our H1 2026 innovation highlights:

- **Snacking:** Abu Auf continued to broaden its convenience, better-for-you and indulgence offerings. In addition to single-serve Turkish coffee sachets, Madjool 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. 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 our sustainability agenda: Agthia continued to advance its sustainability priorities in H1 2026, delivering a 26.7% reduction in Emissions Ratio, a 20.2% reduction in Electricity Ratio and an 11.2% reduction in Water Ratio year-on-year, alongside AED 5.3 million of savings through sustainable productivity projects. During the period, the Group signed an MoU with ne'ma on a food waste reduction initiative and launched digital reporting of near misses through QR codes across all Agthia's sites and locations. Agthia also further strengthened governance and accountability by receiving the GRI mark for its 2025 Sustainability Report and aligning and cascading its 2026 Sustainability & HSE KPIs across Segments and Group functions.

Accelerating our digital roadmap: In Q1 2026, Agthia launched a Group-wide transformation program aimed at building a more integrated and scalable digital operating model, enhanced shared-service capabilities, and greater use of data and AI across the business. Supported by leading external advisers, this work is intended to streamline operations, enhance transparency and controls, and improve master data quality to support better decision-making over time. The Group also maintained heightened focus on cybersecurity across its operating footprint, reflecting the broader regional risk environment and the importance of secure, resilient digital infrastructure.

In Q2 2026, Agthia's newly formed E-commerce team successfully launched FUELL exclusively on Noon Minutes. The launch was executed with best-practice deployment standards from listing setup through go-live, setting a new benchmark for how the Group brings innovations to market online.

In parallel, the E-commerce hub continued laying the foundations for the channel's long-term growth, including on-boarding of new technology partners and Group-level contracts that will establish the right infrastructure and commercial base to support cross-segment collaboration and the scale planned for the future. In H1 2026, the Group delivered a 15.6% increase in e-commerce revenue, representing 7.3% of underlying revenue.

– End of announcement –

Khalifa Sultan Al Suwaidi
Chairman
4 August 2026

Conference Call Details	A conference call for analysts and investors will be held at 4:00pm UAE time on 6 August 2026. The presentation accompanying the call will be available on Agthia Group's website under the Investors section from 4:00pm on 6 August 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	

Figure 4: Underlying Revenue Reconciliation

AED MN	Q2 2026	Q2 2025	H1 2026	H1 2025
Reported Revenue	**1,275.5**	**1,140.2**	**2,602.3**	**2,424.0**
Water & Food one-off	142.3	0.0	142.3	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	**1,133.2**	**1,140.2**	**2,408.6**	**2,424.0**

Figure 5: Underlying EBITDA Reconciliation

AED MN	Q2 2026	Q2 2025	H1 2026	H1 2025
Reported EBITDA	**117.2**	**43.0**	**310.5**	**228.7**
Water & Food one-off	18.5	-37.7	18.5	-37.7
Agri-Business one-off	0.0	0.0	12.5	0.0
Snacking one-off	0.0	-13.8	0.0	-13.8
Underlying EBITDA	**98.7**	**94.5**	**279.5**	**280.1**

Figure 6: Underlying Net Profit Reconciliation

AED MN	Q2 2026	Q2 2025	H1 2026	H1 2025
Reported NP	**24.5**	**-37.0**	**121.4**	**49.1**
Water & Food one-off	16.5	-34.3	16.5	-34.3
Agri-Business one-off	0.0	0.0	11.1	0.0
Snacking one-off	0.0	-13.0	0.0	-13.0
Underlying NP	**8.1**	**10.2**	**93.8**	**96.3**