Initiation Coverage

Invictus Investment Company PLC

Key Investment Highlights:

We initiate coverage on Invictus Investment Company PLC ("Invictus" or "the Company") with an equity valuation of **AED 3.00**. The Company is a Dubai headquartered agro-food company operating across Africa, the Middle East, and Asia through an integrated platform spanning agricultural commodity trading, logistics, storage, processing, and value-added food operations. The Company specializes in the sourcing, trading, processing, and distribution of a diversified portfolio of agricultural commodities and food products across more than 65 countries globally. Through its three core business verticals, Trading, Logistics, and Value Addition, Invictus is building a scalable pan-African agro-food ecosystem focused on strengthening food security.

Our investment view is supported by:

- *Integrated Trading and Logistics Platform Driving Pan-African Expansion*
- *Transforming Commodity Trading into a Diversified Value-Addition Platform*
- *Building an Integrated Agro-Food Platform Aligned with Regional Food Security*
- *Strong Financial Performance Driven by Volume Growth, and Value Addition Scale-Up*

Integrated Trading and Logistics Platform Driving Pan-African Expansion

Invictus is building an integrated pan-African agro-food platform through its diversified Trading, Logistics, and Value Addition businesses. The Company has evolved from a traditional high-volume commodity trading business into a broader agricultural supply-chain platform spanning over 30 products and 65 countries, supported by diversified sourcing networks, integrated logistics capabilities, and growing downstream food processing operations across Africa. Through strategic acquisitions and expansion into higher-margin segments such as fertilizers, food processing, and agricultural inputs, Invictus is strengthening supply-chain integration, improving earnings quality, and reducing reliance on pure commodity trading margins.

Transforming Commodity Trading into a Diversified Value-Addition Platform

Delta Africa serves as Invictus' strategic pan-African value-addition platform, focused on building an integrated food, feed, and agricultural-input ecosystem across Africa. Through acquisitions such as Graderco, Merec Industries, and Angata, the Company has expanded its presence across grain distribution, food manufacturing, fertilizer blending, and downstream agro-food operations. The platform strengthens Invictus' vertical integration, enhances exposure to higher-margin value-added businesses, and supports long-term growth through expanding food demand, operational synergies, and increasing regional supply-chain integration across African markets.

Building an Integrated Agro-Food Platform Aligned with Regional Food Security

Food security and rising agricultural demand across Africa and the Middle East provide a strong long-term growth backdrop for Invictus. Africa's population is projected to increase from c.1.4 Bn currently to nearly 2.5 Bn by 2050, while urbanisation levels are expected to rise from c.45% to 65%, driving sustained demand for staple foods, processed products, and agricultural inputs. The MENA region also remains one of the world's largest grain-importing markets, with Egypt expected to import c.13 Mn tonnes of wheat in 2025/26 and Nigeria importing c.6.2-6.4 Mn tonnes annually. Through its integrated operations spanning commodity trading, logistics, storage, and downstream food processing across more than 65 countries, Invictus is strategically positioned to benefit from increasing regional food security requirements and long-term consumption growth trends.

Strong Financial Performance Driven by Volume Growth, and Value Addition Scale-Up

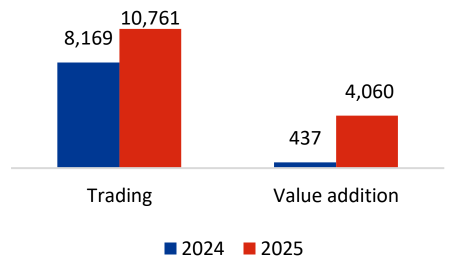
Invictus delivered strong financial performance in 2025, with revenue increasing 48.6% YOY to AED 13.3 Bn, supported by higher trading volumes, and the consolidation of Graderco and Merec Industries. EBITDA increased significantly from AED 158 Mn in 2024 to AED 458 Mn in 2025, with margins improving from 1.8% to 3.5% in 2025, supported by stronger operating leverage and increasing contribution from higher-margin value-added businesses. Looking ahead, we expect revenue, EBITDA, and net profit to grow at CAGRs of 21.5%, 27.4%, and 31.7%, respectively, between 2025-2030, driven by continued African expansion, operational integration, and scaling of downstream agro-food operations.

Initiating Coverage
Sector: Consumer Staples

Research Analysts: Ahmad Banihani, Shahrukh Nawaz

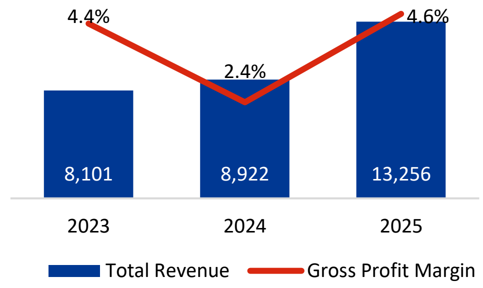
Rating: BUY	
Current Price (AED)	1.68
Target Price (AED)	3.00
Upside/(Downside)	+79%
Market Cap (AED, Bn)	1.88

Trading Volumes (000's tonnes)



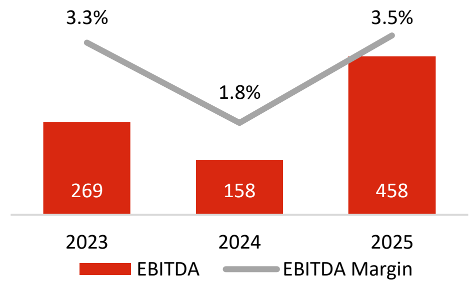
Source: Company Information, FAB Securities

Total Revenue (AED Mn) & Gross Margin (%)



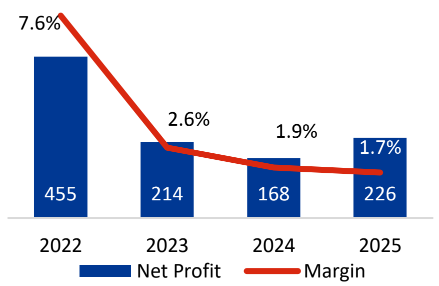
Source: Company Information, FAB Securities

EBITDA (AED, Mn) & Margin (%)



Source: Company Information, FAB Securities

Net profit (AED, Mn) & Margin (%)



Source: Company Information, FAB Securities

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Introduction to Invictus Investment Company PLC

Building an Integrated Pan-African Agro-Food Platform

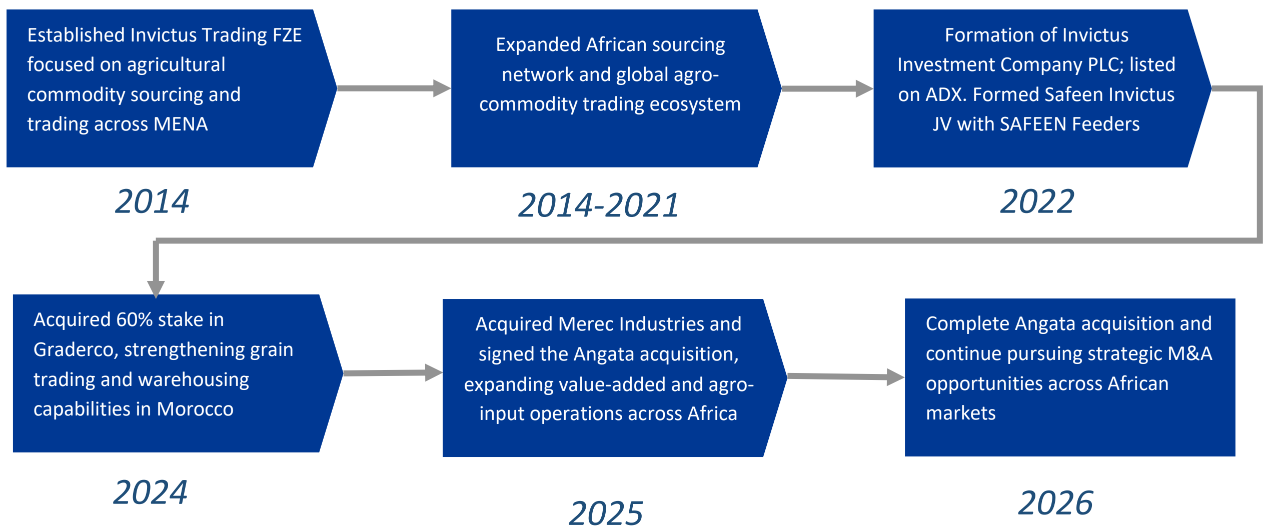
Diversified Agro-Food Platform Across Emerging Markets

Invictus specializes in the sourcing, trading, processing, and distribution of a broad range of agricultural commodities and food products, serving customers across more than 65 countries globally

Invictus Investment Company PLC **("Invictus"or "The Company**") is a Dubai-headquartered agro-food holding company with operations spanning Africa, the Middle East, and Asia. Listed on the growth market of the Abu Dhabi Securities Exchange (ADX) since June 2022, the Company operates through a network of subsidiaries engaged across agricultural commodities trading, food supply chains, logistics, and value-added food processing activities, while also providing centralised strategic oversight and management functions. Invictus specialises in the sourcing, trading, processing, and distribution of a broad range of agricultural commodities and food products, serving customers across more than 65 countries globally. Its diversified portfolio includes grains, oilseeds, sugar, edible oils, animal feed, fertilisers, pulses, cotton, gum arabic, and meat products. Over time, the Company has evolved from a regional procurement-focused business into a diversified agro-food enterprise with exposure across multiple agricultural value chains and geographies.

The Company's operations span the broader agro-food value chain, including procurement, international commodity trading, logistics, storage, processing, and downstream distribution activities. Invictus operates through an integrated business model built around three core pillars: an asset-light global trading platform facilitating international commodity flows, a growing portfolio of midstream and downstream infrastructure assets such as flour milling and fertiliser blending operations, and an acquisition-led expansion strategy focused on strengthening its presence across strategically important African markets. Leveraging the UAE's strategic geographic position and expanding operational footprint across Africa, Invictus serves as an important link between major agricultural producing regions and high-growth consumption markets across the Middle East and Africa. The Company operates within the broader global food security and agricultural supply chain ecosystem, benefiting from increasing demand for reliable food sourcing, efficient logistics infrastructure, and diversified commodity distribution networks. Through its integrated platform, Invictus aims to enhance supply chain efficiency, support regional food security initiatives, and strengthen its position across emerging agro-food markets.

Figure 01: Invictus Company Timeline

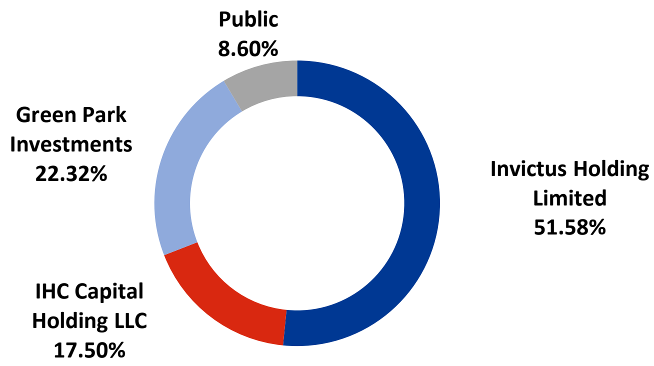


Source: Company Information

Invictus Investment Company PLC maintains a highly concentrated ownership structure

Invictus maintains a highly concentrated ownership structure, with strategic shareholders collectively holding c. 90.8% of the Company's outstanding shares, resulting in a relatively limited public free float of around 9.2% as of 31st of December 2025. Currently, the Company has total outstanding shares of 1.12 Bn. The Company's largest shareholder is Invictus Holding Limited (including shareholding of IHC Capital Holding LLC), which holds 69.1% stake, equivalent to nearly 773.7 Mn shares. Green Parks Investment is the second-largest shareholder, with an ownership of 22.3%, representing nearly 250.0 Mn shares. Collectively, these two strategic shareholders control 91.4% of the Company's equity base, reflecting strong promoter alignment and concentrated ownership control. Public and other minority shareholders collectively account for approximately 96.3 Mn shares, representing around 8.6% of the Company's outstanding share capital.

Figure 02: Current Invictus Ownership Structure (as of 30th Jun 2026)



Source: Company Information

Strategic Operating Segments Across the Agro-Food Value Chain

Invictus operates through three core strategic business verticals: Trading, Logistics, and Value Addition

Invictus operates through three core strategic business verticals: Trading, Logistics, and Value Addition. The Trading segment focuses on global commodity sourcing, international trading activities, and integrated agricultural supply-chain solutions. The logistics segment supports the efficient movement of commodities across land, sea, and air transportation networks. Meanwhile, the Value Addition segment is focused on downstream processing, local distribution, agricultural input solutions, and integrated food operations across key African markets.

1) International Trading Segment

The Trading segment represents the core foundation and largest operating business vertical of Invictus, historically contributing the majority of group revenue

The Trading segment represents the core foundation and largest operating business vertical of Invictus, historically contributing the majority of group revenue. Operated primarily through Invictus Trading FZE, the business focuses on the sourcing, trading, distribution, and origination of agricultural commodities across Africa, the Middle East, and selected Asian markets. The Company's diversified product portfolio includes grains, oilseeds, sugar, animal feed ingredients, pulses, vegetable oils, fertilisers, crop protection products, cotton, and other agricultural commodities. Through its integrated trading platform, Invictus connects global suppliers with regional food processors, distributors, and agricultural markets while also originating African-produced commodities for export into international markets. The segment benefits from strong supplier relationships, cross-border logistics capabilities, market intelligence, and commodity risk management expertise, supporting the Company's broader integrated agro-food value chain strategy.

Figure 03: Integrated Value-Chain

Source: Company Information

The Value Addition segment represents the third strategic pillar of Invictus and focuses on downstream processing, local distribution, agricultural inputs, and integrated food and feed operations across key African markets

2) Logistics Segment

The Logistics Services segment represents the second key pillar of the Company and supports the movement of commodities across land, sea, and air transportation networks. The business provides integrated logistics and supply chain solutions covering shipping, warehousing, inland transportation, port handling, and distribution activities, enabling efficient execution of international commodity trade flows. Logistics remains strategically important for Invictus as it enhances operational control, improves delivery reliability, reduces dependence on third-party service providers, supports expansion into new markets, and strengthens the Company's overall trading platform. The Company's maritime logistics exposure is further supported through Safeen Invictus, a joint venture with SAFEEN Feeders, part of AD Ports Group. The venture provides bulk and breakbulk shipping services through owned and leased third-party vessels, strengthening Invictus' integrated logistics and shipping capabilities.

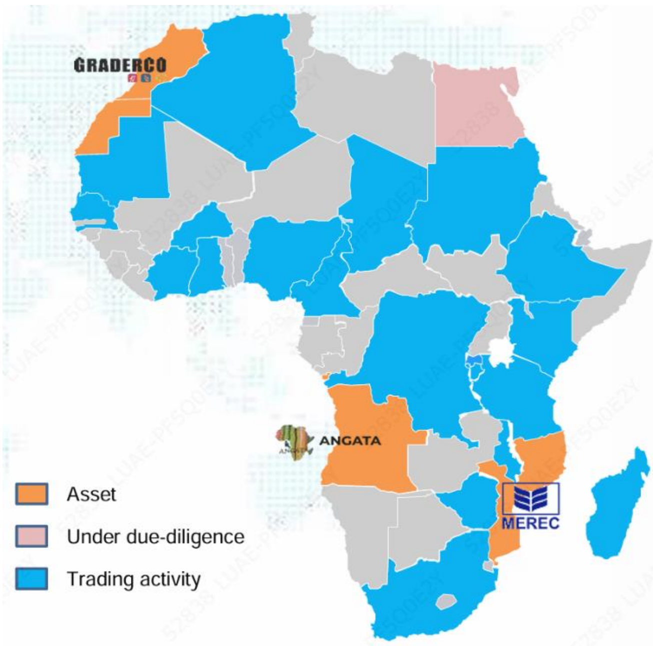
3) Value Addition

The Value Addition segment represents the third strategic pillar of Invictus and focuses on downstream processing, local distribution, agricultural inputs, and integrated food and feed operations across key African markets. Through its Delta Africa platform, the Company aims to build an integrated pan-African food and feed business by converting agricultural commodities into higher-value products such as flour, pasta, animal feed, and fertiliser blends. The segment operates through infrastructure-intensive assets including milling facilities, processing plants, blending units, storage infrastructure, and distribution networks across Morocco, Mozambique, and Angola. Key businesses within the platform include Merec Industries, Graderco SA, and Angata, which collectively strengthen Invictus' downstream integration, local market reach, and margin profile while reducing dependence on pure commodity trading activities.

Figure 04: Value-Addition Portfolio

Source: Company Information

Figure 05: Delta Africa Geographic Priorities



Source: Company Information

Accelerating African Expansion Through Strategic Acquisitions

Acquisition-Led Growth and Subsidiary Network

The Company also operates through Delta Africa Holding Company Limited, which acts as the strategic African investment and value-addition platform

Invictus benefits from the financial strength and strategic ecosystem of its parent, IHC, whose substantial scale and diversified portfolio enhance the company's access to capital, strengthen credibility with global suppliers, banks, and governments, and create opportunities for sourcing, distribution, and operational synergies across the food and agriculture value chain. Invictus Investment operates through a diversified network of subsidiaries and strategic investments that support its integrated agro-food platform across trading, logistics, processing, and agricultural input solutions. Invictus Trading FZE represents the Company's core wholly owned operating subsidiary and serves as its primary international trading platform, focusing on agricultural commodity trading, food products, refined oil products, and selected logistics-related services. The Company also operates through Delta Africa Holding Company Limited, which acts as the strategic African investment and value-addition platform, overseeing downstream food processing, storage, local distribution, and agro-food infrastructure assets across key African markets.

The Company further accelerated its African expansion strategy in 2025 through the acquisition of Merec Industries, Mozambique's largest flour milling company

Over the past few years, Invictus has increasingly pursued an acquisition-led growth strategy aimed at strengthening downstream integration, improving margin profile, and expanding its geographic footprint across Africa. In 2024, the Company acquired a 60% stake in Graderco SA, a Morocco-based agro-trading and grain distribution business with exposure to grain storage, flour milling, and animal feed markets. The acquisition strengthened Invictus' wholesale grain trading and local distribution platform in North Africa while also providing strategic access to key Atlantic trade routes and regional food markets. However, on 1 January 2026, the time-limited amendment to the shareholder's agreement expired, resulting in the reversion to the original governance arrangements. Following a reassessment of control, Invictus determined that it no longer had sole control over Graderco SA, as key decisions require joint approval with the other shareholder. Consequently, despite retaining its 60% equity interest, Graderco SA was deconsolidated and classified as a joint venture, with Invictus' interest thereafter accounted for using the equity method.

The Company further accelerated its African expansion strategy in 2025 through the acquisition of Merec Industries, Mozambique's largest flour milling company. Merec significantly expanded Invictus' downstream food manufacturing capabilities through operations spanning flour, pasta, biscuits, crackers, animal feed, and consumer food products, supported by an extensive production and distribution network across Mozambique. The acquisition marked a major step in transforming Invictus from a predominantly commodity trading business into a more integrated food and feed platform with recurring local demand and branded product exposure.

Additionally, Invictus completed the acquisition of a majority stake in Angata in January 2026, expanding the Company's presence into agricultural inputs and fertiliser blending operations. The transaction strengthened the Company's upstream exposure within the agricultural value chain by enabling the Company to serve farming productivity requirements in addition to commodity sourcing and food distribution activities. The Company also acquired a 65.25% stake in Dagro Chemical Limited, the holding company of a leading fertiliser blending company in Angola, for a transaction value of USD 2.694 Mn in 1H26. Together, these acquisitions have significantly expanded Invictus' operational footprint across African markets and strengthened the Company's presence across downstream food processing, local distribution, storage, and agricultural input businesses, while also enhancing its overall agro-food value chain integration capabilities.

Figure 06: Invictus Subsidiaries

Subsidiary Name	Acquisition Date	Business Activity
Invictus Trading FZE	Established in 2014 (Wholly Owned)	Core international trading platform engaged in sourcing, trading, and distribution of agricultural commodities, food products, edible oils, and selected logistics-related services across global markets.
Delta Africa Holding Company	Incorporated as strategic holding platform	Investment and holding platform overseeing African downstream food processing, storage, local distribution, agro-food infrastructure, and value-addition investments.
Graderco SA	Acquired 60% stake in 2024	Wholesale grain trading, grain storage, flour milling linkages, animal feed exposure, and local distribution operations in Morocco.
Merec Industries	Acquired in 2025	Food processing and manufacturing operations including flour milling, pasta, biscuits, crackers, animal feed, and consumer food products across Mozambique.
Angata	Majority stake acquired in January 2026	Fertiliser blending and agricultural input solutions tailored for crop and soil requirements across Angola.
Dagro Chemical Limited	65.25% stake in 1H26	The acquisition is aligned with the Group's strategic objective of vertically integrating its operations across the agro-commodity trading and distribution value chain.

Source: Company Information, FAB Securities

Financial Performance Snapshot

Strong Earnings Growth Amid Strategic Expansion

Revenue increased 48.6% YOY to AED 13.3 Bn, primarily driven by higher traded volumes, partially offset by lower average selling prices

Invictus Investment Company PLC delivered strong financial performance during 2025, with revenue increasing 48.6% YOY to AED 13.3 Bn, primarily driven by higher traded volumes, partially offset by lower average selling prices due to commodity price declines and product mix effects. Despite softer pricing trends, gross profit increased significantly from AED 214 Mn in 2024 to AED 612 Mn in 2025, resulting in gross margins improving from 2.4% to 4.6%, supported by an improved business mix and increasing contribution from higher-margin value-added operations. The Trading segment remained the Company's largest revenue contributor, accounting for 87.1% of total Company revenues during 2025. Trading revenues increased 32.1% YOY to AED 11.5 Bn, while traded volumes rose 31.7% YOY to 10.8 Mn tons, supported by geographic diversification and expansion of trading activities across West Africa and South Africa. Meanwhile, the Value Addition segment delivered exceptionally strong growth following the consolidation of Merec Industries and the first full-year contribution from Graderco SA. Revenue from this segment increased substantially from AED 200 Mn in 2024 to AED 2.5 Bn in 2025, while volumes expanded from 437K tons to 4.1 Mn tons during the same period. At the profitability level, EBITDA increased from AED 158 Mn in 2024 to AED 458 Mn in 2025, with EBITDA margins improving from 1.8% to 3.5%, reflecting stronger operational performance, enhanced supply chain capabilities, and growing contribution from downstream value-added operations. Net income attributable to equity shareholders increased 34.2% YOY to AED 226 Mn in 2025, although net margins moderated slightly from 1.9% to 1.7%, primarily due to the increased contribution attributable to non-controlling interests following recent acquisitions.

Invictus Investment Company PLC continued to operate with a relatively asset-light business model, although capex increased from AED 7 Mn in 2024 to AED 75 Mn in 2025

On the balance sheet side, Invictus Investment Company PLC continued to operate with a relatively asset-light business model, although capex increased from AED 7 Mn in 2024 to AED 75 Mn in 2025, primarily driven by the consolidation of recently acquired subsidiaries, particularly Merec Industries. The acquisition of Merec significantly strengthened the Company's downstream processing, manufacturing, storage, and distribution asset base, supporting Invictus' transition toward a more integrated agro-food platform. Total debt increased from AED 2.6 Bn in 2024 to AED 4.0 Bn in 2025, mainly due to the consolidation of acquired businesses and additional borrowings raised to support higher working capital requirements amid rapid business expansion and increasing traded volumes. Given the nature of the commodity trading business, Invictus primarily utilises short-term borrowings to finance its self-liquidating working capital cycle, including inventory and receivables funding, while long-term debt is generally used for financing non-current assets, strategic investments, and processing infrastructure.

Figure 07: Total Revenue (AED Mn) & Gross Margin (%)

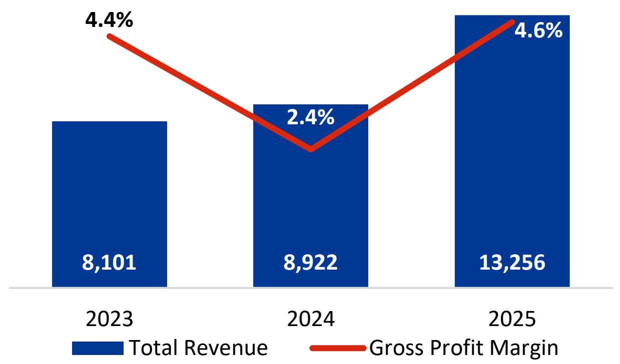
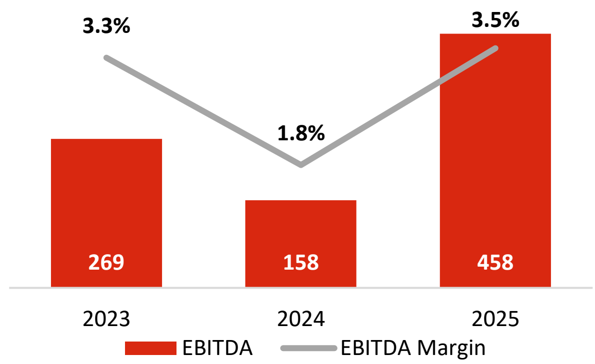


Figure 08: EBITDA (AED Mn) & Margin (%)



Source: Company Information, FAB Securities

Highly Experienced Management Team

Experienced Management Team with a Long Track Record

Chairman – Mr. Osama Daoud Abdellatif

Mr.Osama Daoud Abdellatif is a prominent businessman and serves as Chairman of DAL Group, one of Sudan's largest diversified business groups. He joined the group in 1975 and progressed through various leadership roles before becoming Managing Director in 1985 and Chairman in 1989, a position he continues to hold. Under his leadership, DAL Group expanded significantly across food, beverages, dairy, agriculture, and automotive sectors, including the establishment of Sayga Investment Company, DAL Food Industries, Capo Dairy, and DAL Motors. In addition to his role at DAL Group, he serves as Chairman of Agricultural Investment Holding Company (Ethmar) Limited, Invictus Holding Limited, and Invictus Investment Company PLC, bringing extensive experience in agribusiness, food processing, and regional business development.

Director – Mr. Syed Basar Shueb

Mr.Sayed Basar Shueb is an experienced business leader with a diversified track record across multiple sectors in the UAE. Since 2000, he has served as Chief Executive Officer of PAL Group, where he has led the company's growth through both organic expansion and strategic acquisitions. In 2006, he founded Cooling District Company, which has since become a well-established player in the facility services sector. Mr. Shueb currently serves as Managing Director of International Holding Company (IHC) PJSC and is also a Board Member of Alpha Dhabi Holding PJSC. In addition, he holds chairmanship and board positions across several companies within and outside the UAE, including Chimera Investment Company, Al Reem Finance Company, and Emirates Refreshments Company, bringing extensive experience in corporate strategy, investments, and business development.

CEO – Mr. Amir Daoud Abdellatif

Mr.Amir brings more than three decades of leadership experience across diverse industries, including automotive, heavy machinery, and food. He began his career as Managing Director of DAL Group in London and has held key leadership positions across several DAL Group businesses, including DAL Motors Company, Sudanese Tractor Company, and DAL Food Industries. His extensive operational and strategic experience spans business development, industrial operations, and agribusiness sectors across regional markets.

Environmental, Social, and Corporate Governance

ESG Integration Strengthening Operational Resilience

Invictus integrates ESG considerations across its operations as part of its broader strategy to strengthen supply-chain resilience, manage operational risks, and support long-term value creation

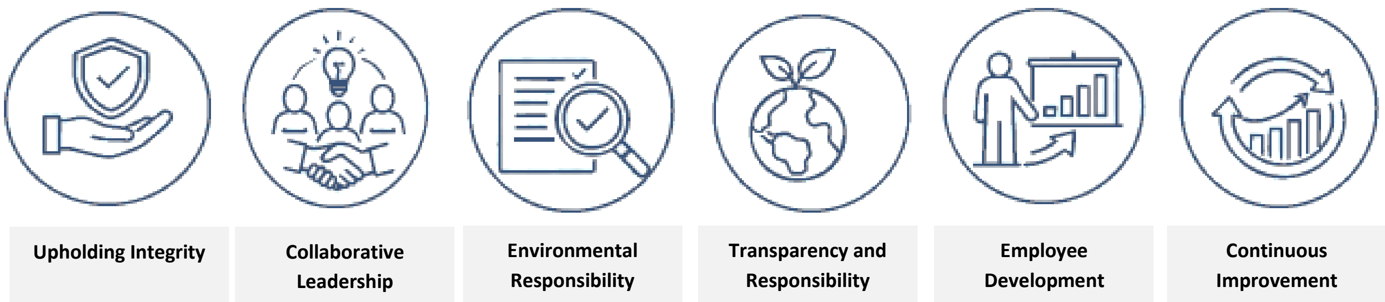
Invictus integrates ESG considerations across its operations as part of its broader strategy to strengthen supply-chain resilience, manage operational risks, and support long-term value creation. Given the company's presence across agricultural trading, logistics, processing, and food manufacturing, management views sustainability as an important component of maintaining reliable supply chains, safeguarding stakeholder relationships, and supporting business continuity across multiple geographies.

The company's ESG approach focuses on areas where it can create the greatest operational impact, including responsible supply-chain management, environmental stewardship, employee development, community engagement, integrity, transparency, and strong governance practices. These focus areas guide resource allocation, performance monitoring, and risk-management processes across the Company. Invictus continues enhancing risk-management frameworks, strengthening oversight across its supply chains, and aligning sustainability considerations with day-to-day operational decision-making. In 2025, 32% of suppliers were screened against environmental and social criteria, zero corruption incidents were reported, and 100% of senior management completed Code of Conduct training, reflecting the company's focus on responsible business practices and governance standards.

The company also aligns its sustainability strategy with the United Nations Sustainable Development Goals (UN SDGs), focusing on environmental stewardship, social empowerment, and ethical governance. Key priorities include improving operational efficiency, supporting workforce development, promoting responsible business practices, and strengthening long-term sustainability across its pan-African agro-food platform.

We believe Invictus' increasing focus on ESG integration supports stronger operational resilience, stakeholder confidence, and long-term sustainability, while reinforcing the company's strategy of building a resilient, transparent, and integrated agro-food platform across Africa and the Middle East.

Figure 9: Invictus Core ESG Values



Source: Company Information

Environmental Stewardship Driving Resource Efficiency

Invictus continued strengthening environmental oversight in 2025, improving visibility over energy, emissions, water, and waste across its operations

Invictus continued strengthening its environmental management framework during 2025, focusing on improving visibility over energy consumption, emissions, water usage, and waste generation across its expanding agro-food platform. Energy and emissions assessments were completed across Invictus Trading, Graderco, and Merec, establishing a consolidated Company-level baseline recording 285 metric tonnes of CO2e emissions, 713,660 kWh of electricity consumption, and 456,189 imperial gallons of water consumption across core operations during the year.

Merec reported electricity usage of 45.7 Mn kWh and water consumption of 118,745 cubic metres across its four Mozambique operating sites, reflecting the energy-intensive nature of large-scale milling and food processing activities. Graderco's resource consumption followed a clear seasonal pattern, aligned with grain import and distribution activity. The integration of both businesses into the Company's ESG reporting framework improves environmental transparency and supports more consistent performance monitoring across the platform.

Invictus recognises climate-related risks associated with logistics, processing, and energy-intensive operations and has initiated a preliminary review of Scope 3 emissions to support future target-setting. The company continues promoting environmental awareness through employee engagement initiatives, including the Earth Bowl programme introduced during 2025, while strengthening environmental governance across its operations.

Looking ahead, Invictus plans to implement its Integrated ESG and Impact Policy in 2026 and expand ESG reporting coverage to additional subsidiaries, further strengthening environmental oversight and reporting consistency across the Company.

Figure 10: Environmental Baseline and Performance Metrics

456,189+	218.9+	713,660+	285
Imperial Gallons Water consumed during the year	Cubic Meters of Waste generated across operations	kWh Electricity used across the business	Total metric tons CO_2e emissions recorded

Source: Company Information

Investing in People to Strengthen Platform Scalability

Invictus recognises human capital development as a key enabler of long-term business performance

Invictus takes a structured approach to social empowerment, recognising that long-term business performance is closely linked to employee wellbeing, workforce development, and community engagement. The Company employs more than 1,000 people across its operations, while Merec alone supports a workforce of 1,637 employees and contractors across Mozambique, reflecting the platform's growing socioeconomic contribution across African markets.

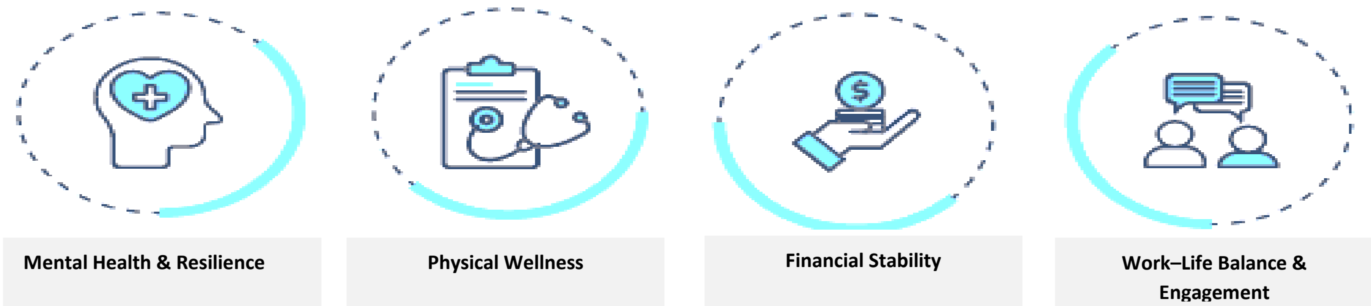
Employee wellbeing is supported through the Invictus Cares Framework, which focuses on physical wellness, mental health, financial stability, and work-life balance. The company provides comprehensive health insurance coverage to all full-time employees and continues investing in workforce development through structured training and professional development programmes. During 2025, Invictus delivered 8,280 learning hours across 338 employees and invested more than AED 791,000 in employee training and capability development, including Company-wide technical and professional development programmes across Invictus, Merec, Graderco, and Angata.

Invictus continues strengthening diversity and inclusion across the organisation. Company headcount increased from 104 employees in 2024 to 117 in 2025, while female workforce representation improved to 30%, representing a 7.1 percentage point increase year-on-year. Female hires accounted for 36.1% of total recruitment during 2025, with total hiring increasing 71.4% to 36 employees from 21 in 2024. The company remains on track toward its target of increasing female representation by a further 10 percentage points by 2026. Additionally, zero discrimination incidents were reported during 2025, reflecting Invictus' commitment to fostering a diverse, inclusive, and equitable workplace culture.

Occupational health and safety remain key priorities across the Company's operations. At Merec, 36 work-related incidents were reported with zero fatalities during 2025, reflecting a Lost Time Injury Frequency Rate of 6.82 across large-scale industrial milling and processing facilities. The company strengthened workforce governance through an updated Code of Conduct, reinforcing standards around ethics, anti-corruption, workplace inclusion, employee protection, and accountability across employees, contractors, and business partners.

We believe Invictus' continued investment in employee wellbeing, workforce development, and governance strengthens organisational capabilities, supports operational execution, and enhances the scalability of its expanding pan-African agro-food platform.

Figure 11: Focusing on employee wellbeing



Source: Company Information

Governance Excellence Supporting Sustainable Growth

Invictus maintains a governance framework focused on accountability, transparency, and disciplined decision-making

Invictus maintains a structured corporate governance framework designed to ensure accountability, transparency, and responsible decision-making across all levels of the organisation. The Board of Directors comprises three members comprising one Executive Director and two Non-Executive Directors, with the positions of Chairman and Chief Executive Officer remaining separate to reinforce independence and effective oversight. The Board retains overall responsibility for strategy, risk management, and ESG integration, supported by three dedicated committees: the Company Strategy and Investment Committee, the HR Nomination and Remuneration Committee, and the Board Audit, Risk and Insider Trading Committee.

ESG considerations are embedded within the Board's strategic oversight, including investment evaluation, capital allocation, and acquisition decisions. The Delegation of Authority framework supports disciplined decision-making across business units, ensuring appropriate oversight while enabling operational agility across the Company's expanding multi-geography platform. The Board and its committees continued strengthening governance practices during 2025, incorporating evolving regulatory requirements and ESG best practices into oversight and decision-making processes.

Invictus maintained a strong governance performance record during 2025. Zero cases of corruption or ethical misconduct were reported, zero data privacy breaches occurred, zero anti-competitive behaviour incidents were recorded, and 100% of senior management completed Code of Conduct training. The whistleblowing mechanism remained operational across subsidiaries, and the company remained fully compliant with applicable laws and regulations across all operating jurisdictions. These outcomes reflect the effectiveness of the Company's governance controls and its zero-tolerance approach to corruption and misconduct.

The company operates a comprehensive supplier governance framework through its Know Your Supplier programme, covering more than 550 suppliers across 30 countries and strengthening oversight across its global supply chain. In 2025, 32% of suppliers were screened against environmental and social criteria, and 100% of suppliers were formally certified as compliant with the Supplier Code of Conduct.

Looking ahead, Invictus plans to implement its Integrated ESG and Impact Policy in 2026, establishing a formalised Company-wide framework for managing environmental, social, governance, and impact-related matters across operations and supply chains. The Policy will be reviewed annually by senior management and approved by the Board, with compliance monitored through the Compliance function and independently evaluated by Internal Audit.

We believe Invictus' governance framework strengthens risk management, supports disciplined capital allocation and acquisition execution, and enhances stakeholder confidence as the company continues expanding its pan-African agro-food platform.

Figure 12: Supplier Governance and ESG Compliance Framework

32%	0%	100%
new suppliers screened for environmental compliance	Environmental and social impact findings across the supply chain	Suppliers certified as compliant with the Supplier Code of Conduct

Source: Company Information

Investment Thesis

Integrated Trading and Logistics Platform Driving Pan-African Expansion

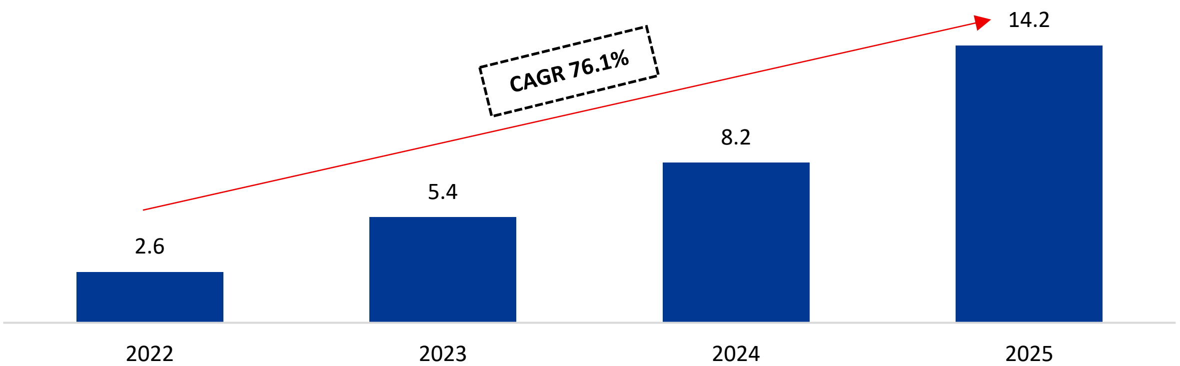
Diversified Agro-Food Trading Platform Driving African Expansion

Company platform scale-up is reflected in volumes increasing from 2.6 Mn tonnes in 2022 to 14.2 Mn tonnes in 2025, generating AED 11.5 Bn in revenues, contributing 87.1% of consolidated revenues in 2025

Invictus Investment Company is scaling its agro-food trading segment by evolving from a traditional high-volume, low-margin commodity trading business into a more diversified and integrated agricultural supply-chain platform. Historically focused on grains and agricultural commodities, the segment relied on scale, efficient sourcing, and logistics execution to operate profitably despite thin trading margins. To improve the quality and sustainability of earnings, the Company has expanded different product categories such as fertilizers, agricultural equipment, supply-chain products, and African-origin commodities. This broader product mix enhances cross-selling opportunities within its existing customer base while reducing reliance on pure bulk-commodity trading margins. Through Invictus Trading FZE, the Company now operates across more than 30 products and 65 countries, serving millers, food processors, feed manufacturers, distributors, government grain agencies, and strategic reserves across African and MENA markets. The diversification across products, customers, and trade flows strengthens revenue resilience and supports earnings stability despite the cyclical and low-margin nature of core commodity trading activities. The Company's integrated two-way trade model also supports margin optimization by combining imports of globally sourced grains, oilseeds, and fertilizers to Africa and the Middle East with exports of African-origin commodities such as cashew, sesame, gum Arabic, and pelleted bran to Asian markets. This structure enhances supply-chain efficiency, improves asset and logistics utilization, and deepens market connectivity across sourcing and destination regions.

In addition, Invictus has strengthened ecosystem integration through its internal supply-chain function supplying yeast, milk powder, packaging materials, spare parts, and agricultural equipment to partners across the MEA region. These activities support stronger customer retention, expand wallet share within existing relationships, and provide opportunities for better-margin ancillary revenue streams alongside core trading operations. The segment's scale-up is reflected in trading volumes increasing from 2.6 Mn tonnes in 2022 to 14.2 Mn tonnes in 2025, generating AED 11.5 Bn in revenues and contributing 87.1% of consolidated revenues. The Company's scale, diversified sourcing network, UAE-based trade-finance access, and logistics coordination capabilities collectively help offset the structurally thin-margin profile of commodity trading while strengthening Invictus' positioning as a strategic agricultural trade platform across Africa and the Middle East.

Figure 13: Trading volumes



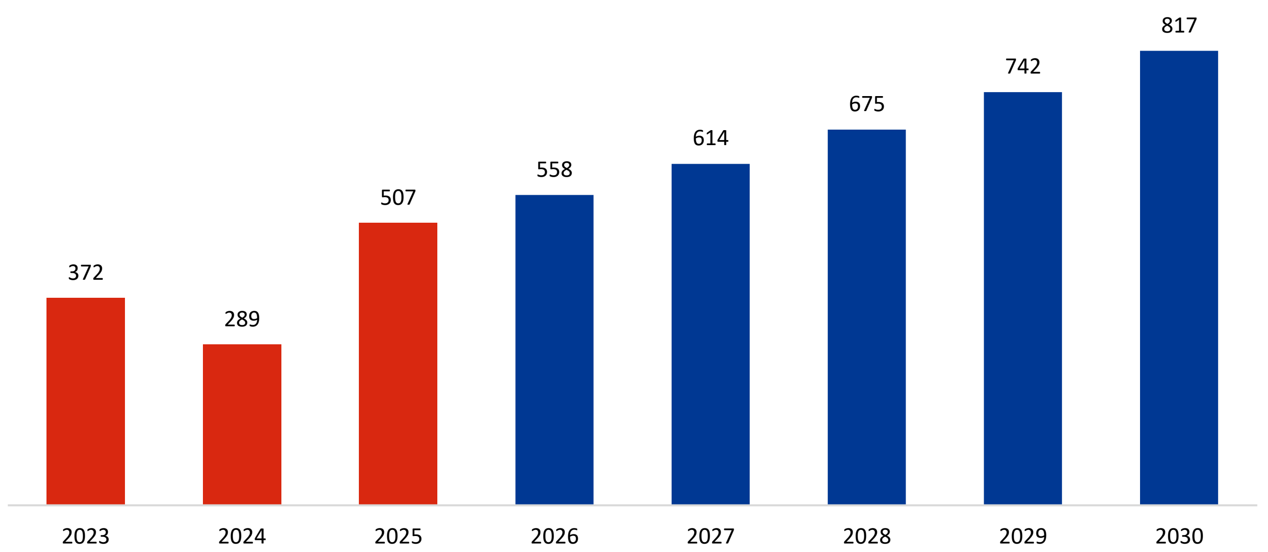
Source: Company Information, FAB Securities

Maritime Logistics and Freight Platform Driving Integration

Safeen Invictus operates a fleet of 11 chartered vessels, including 4 bareboat vessels. It operates multiple time-charter dry bulk vessels ranging from Handysize to Kamsarmax carriers

Invictus operates its logistics services business through Safeen Invictus, a joint venture in which AD Ports Group holds a 51% stake and Invictus Investment Company owns 49%, combining Invictus' commodity trading expertise with AD Ports' maritime logistics capabilities and port infrastructure. The business provides ocean freight and integrated shipping solutions across Africa and the Middle East, directly supporting commodity flows across the Company's Trading and Value Addition operations. Safeen Invictus operates a fleet of 11 chartered vessels, including 4 bareboat vessels. It operates multiple time-charter vessels ranging from Handysize to Kamsarmax carriers. The fleet strengthens visibility over freight availability, shipping costs, and cargo movement across African and international trade routes, while improving supply-chain coordination and execution efficiency. The platform also enhances supply visibility and cargo availability across key sourcing and destination markets, supporting more reliable execution and reducing dependency on third-party vessel operators. The Company's access to dedicated vessels and integrated freight capabilities supports transportation efficiency for agricultural commodities and downstream food products, while strengthening coordination across Trading and Value Addition operations. Furthermore, tightening vessel availability and elevated freight rates arising from geopolitical tensions and global shipping disruptions could support stronger earnings contribution from the Logistics Services segment, particularly during periods of vessel shortages and higher charter demand. The company continues investing in logistics infrastructure across Africa to support both Trading and Value Addition operations. Combined with Invictus' downstream operational presence across African markets, Safeen Invictus strengthens connectivity between global commodity flows and African end markets through integrated maritime logistics and freight execution capabilities. We believe the Logistics Services segment will continue improving freight efficiency, operational reliability, and supply-chain integration, while supporting the long-term scalability of Invictus' pan-African agro-food platform.

Figure 14: Revenue contribution from Safeen Invictus



Source: Company Information, FAB Securities

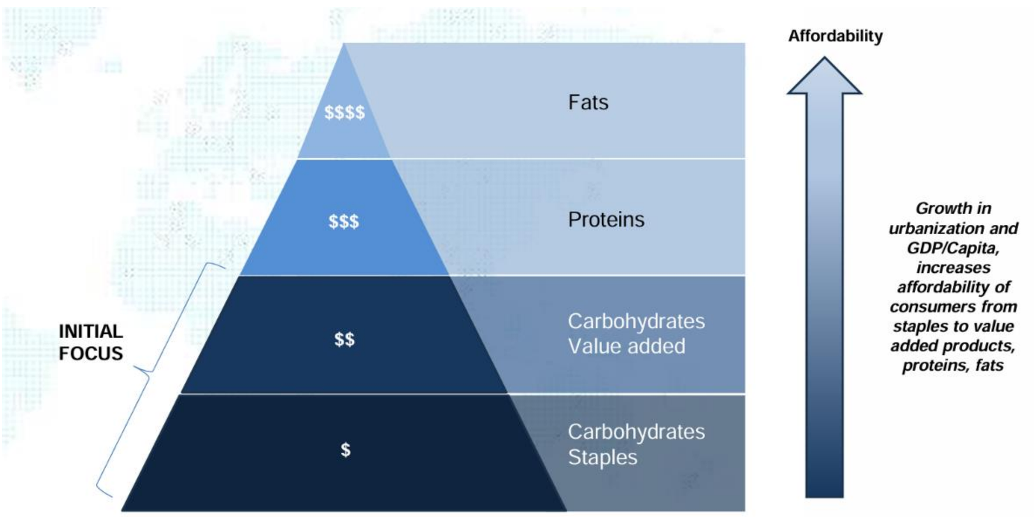
Transforming Commodity Trading into a Diversified Value-Addition Platform

Integrated Pan-African Value-Addition Platform Driving Supply Chain Expansion & Long-Term Growth

Invictus's position beyond commodity trading by expanding into higher-margin processing and manufacturing activities, enabling it to capture greater value across the agricultural supply chain

Invictus is building a scalable pan-African value-addition platform through Delta Africa, focused on creating an integrated food and feed ecosystem across the continent. The strategy strengthens the Company's position beyond commodity trading by expanding into higher-margin processing and manufacturing activities, enabling it to capture greater value across the agricultural supply chain. Delta Africa's initial focus on carbohydrate-based food products aligns with the large and price-sensitive consumer base across Africa, allowing the Company to cater to essential food demand while maintaining affordability, quality, and traceability. As consumer purchasing power improves over time, the platform is positioned to gradually expand into higher-value food and feed categories, creating long-term growth opportunities. The platform's phased expansion strategy, prioritizing coastal countries before entering landlocked regions, provides operational and logistical advantages by leveraging Invictus' existing Trading and Logistics Services businesses. This integrated model improves supply chain connectivity, enhances sourcing efficiency, and supports reliable import-export processing capabilities. In parallel, investments in locally grown crop processing strengthen domestic value creation and deepen the company's presence within regional agricultural ecosystems. Delta Africa also creates significant internal synergies for Invictus through integration of acquired businesses, sharing of operational best practices, and further investments in downstream value-addition capabilities. This approach supports profitability improvement across portfolio companies while helping Invictus establish leadership positions in targeted African markets. Overall, the strategy enhances the company's geographic diversification, strengthens vertical integration, and positions Invictus to benefit from the long-term growth of Africa's food and agriculture sector.

Figure 15: Value addition with Delta Africa



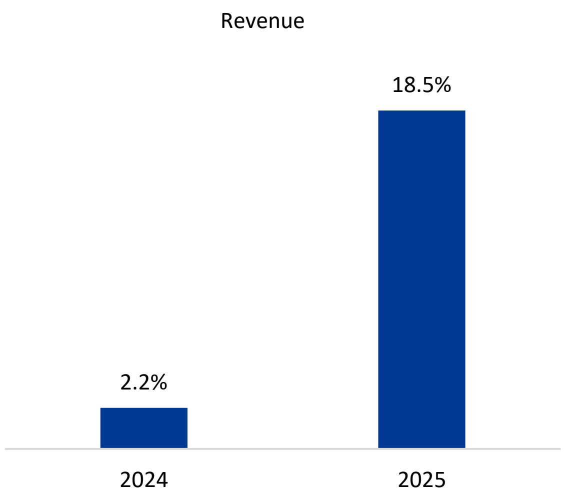
Source: Company Information

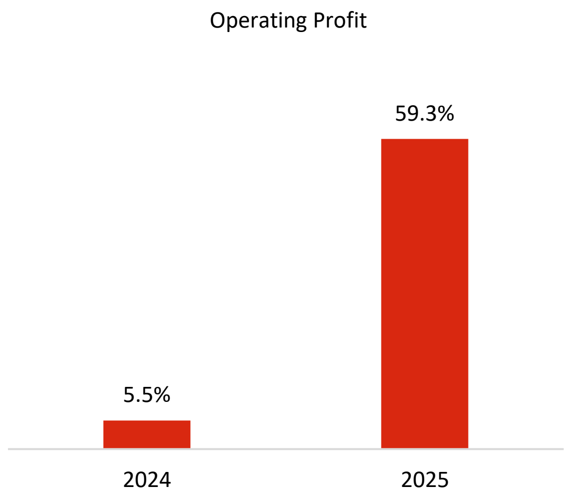
Strategic African Acquisitions Strengthening Downstream Integration

The acquisitions of Graderco, Merec Industries, and Angata strengthened the company's exposure to grain distribution, food manufacturing, fertilizer blending, and higher-margin downstream operations

Delta Africa has completed three major acquisitions, including Graderco, Merec Industries, and Angata that have strengthened the Company's exposure to grain distribution, food manufacturing, fertilizer blending, and agricultural-input operations, while increasing contribution from higher-margin downstream businesses. **Graderco** operates a scaled grain trading and distribution platform in Morocco, handling more than 25% of national grain imports with a logistics and warehousing network across Moroccan ports. The business processes up to 3.5 Mn tonnes of grain annually, giving Invictus a scaled presence in one of the world's largest wheat-importing markets. The acquisition of Graderco was substantially completed during 2024 and contributed materially to consolidated revenues and EBITDA. Graderco operates alongside Zalar, Morocco's largest feed and poultry producer, which holds a 40% stake, supporting captive demand exposure across Morocco's food and feed markets growing at c.5% annually. On 1 January 2026, the time-limited amendment to Graderco SA's shareholders' agreement expired, resulting in a change in control assessment and the deconsolidation of Graderco SA. Following reassessment, the Company's 60% interest was classified as a joint venture and is now accounted for under the equity method, as key decisions require joint approval with the other shareholder. **Merec** is Mozambique's leading flour milling and pasta manufacturing company, operating large-scale processing facilities across Maputo, Beira, and Nacala with annual production capacity exceeding 800k tonnes of flour and 180k tonnes across pasta, biscuits, and animal feed, supported by grain storage capacity of over 145k tonnes. The business holds strong brand recognition and leading positions across multiple downstream food categories, with an estimated c.55% market share in Mozambique's flour and pasta segments. Its diversified product portfolio spans flour, pasta, biscuits, maize, and animal feed products, reinforcing its presence across essential food value chains. The acquisition significantly strengthened Invictus' downstream processing capabilities and increased the contribution of value-added products to overall revenue, supported by comparatively higher selling prices versus Graderco. **Angata** adds fertilizer blending, customised fertilizer solutions, and farmer-focused agricultural-input distribution, extending the platform's reach into input supply alongside the company's broader downstream agro-food operations. Furthermore, full-year consolidation of Merec and Angata is expected to provide a meaningful revenue and profitability tailwind through 2026 and 2027, supported by ongoing operational integration and scaling benefits across all three acquired businesses. Invictus also acquired 65.25% stake of **Dagro Chemical Limited**, the holding company of the leading fertiliser blending company in Angola in 1H26. The transaction was valued at USD 2.7 Mn. The acquisition aligns with the Company's objective of vertically integrated trading and distribution chain. Additionally, the company continues evaluating further acquisition opportunities across Africa, with additional assets currently under due diligence supporting continued platform expansion beyond the completed transactions.

Figure 16: Value-Added Segment Contribution to total Revenue & Operating Profit





Source: Company Information, FAB Securities

Building an Integrated Agro-Food Platform Aligned with Regional Food Security Priorities

Egypt alone is forecast to import c. 13 Mn tonnes of wheat in the 2025/26 marketing year, while Nigeria's wheat imports are estimated at c. 6.2–6.4 Mn tonnes annually

Food security has emerged as a major strategic priority across the Middle East and Africa (MEA), driven by structural dependence on imported grains, limited arable land, water scarcity, rapid population growth, and rising urbanisation. The GCC countries currently import up to 85% of their food requirements. To reduce this dependence, the region has adopted a unified food security strategy focused on expanding domestic agriculture, livestock, and fisheries production. Supported by approximately USD 3.8 Bn in food technology investments, the strategy combines government initiatives, public-private partnerships, technological innovation, and entrepreneurial development to enhance self-sufficiency, improve supply chain resilience, and contribute around USD 30.5 Bn to the Gulf economy. According to the OECD-FAO Agricultural Outlook 2025–2034, Africa and Asia are expected to remain the key drivers of global cereal demand growth over the next decade, while many countries across these regions are likely to remain structurally dependent on imports as domestic production continues to lag consumption growth. The MENA region remains one of the world's largest wheat-importing regions, with governments increasingly focused on strengthening food security and diversifying sourcing channels following disruptions caused by the Russia-Ukraine conflict and broader Black Sea supply volatility. Egypt alone is forecast to import c. 13 Mn tonnes of wheat in the 2025/26 marketing year, while Nigeria's wheat imports are estimated at approximately 6.2-6.4 Mn tonnes annually, highlighting the growing importance of the African food import market.

This environment creates a favourable long-term operating backdrop for Invictus Investment Company, whose business model is closely aligned with regional food security priorities. The company operates across agricultural commodity sourcing, trading, logistics, storage, and value-added processing, positioning it to benefit from rising grain import volumes, increasing demand for multi-origin sourcing, and expansion of regional milling and storage infrastructure. Beyond food security, Africa itself represents a significant structural growth opportunity, with the continent's population projected to increase from approximately 1.4 Bn currently to nearly 2.5 Bn by 2050, while urbanisation levels are expected to rise from approximately 45% to 65%. Rising urbanisation, improving income levels, and evolving dietary preferences are expected to drive sustained growth in demand for staple foods, processed products, animal proteins, and agricultural inputs over the long term.

Invictus has strategically expanded its footprint across several high-growth African markets through acquisitions and operating partnerships, including Morocco, Mozambique, Angola, Cameroon, Ghana, Nigeria, and South Africa. The Company's presence through platforms such as Graderco, Merec Industries, and Angata provides exposure to structurally underserved food markets where shortages in grain storage, milling capacity, logistics infrastructure, and downstream food processing continue to create significant barriers to entry. By combining commodity sourcing with local processing and distribution capabilities, Invictus is building an integrated agricultural platform positioned to benefit from one of the most significant long-term food security and consumption growth opportunities globally.

Strong Financial Performance Driven by Volume Growth, and Value-Addition Scale-Up

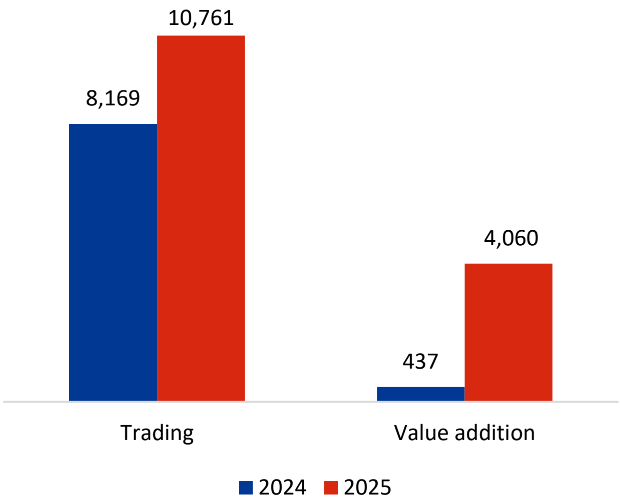
Revenue and EBITDA Growth Supporting Earnings Expansion

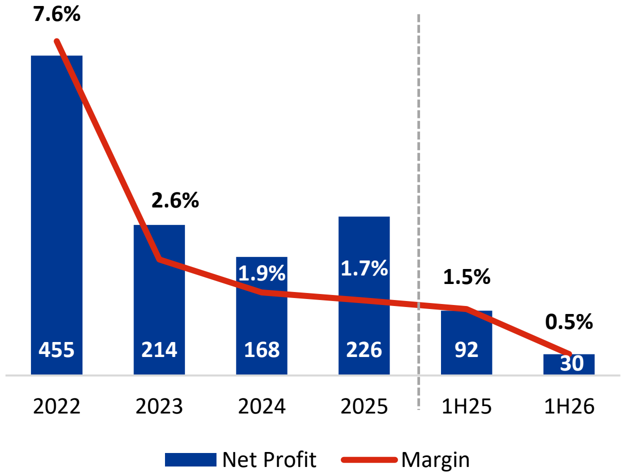
Invictus delivered strong financial performance in 2025, supported by volume growth, geographic expansion, operational efficiencies, and recent acquisitions

Invictus delivered strong financial performance during 2025, supported by higher trading volumes, geographic expansion, operational efficiencies, and the consolidation of recently acquired businesses, including Graderco and Merec Industries. The Company's revenue increased 48.6% YOY to AED 13.3 Bn in 2025, driven by higher traded volumes, expansion into new markets, and acquisition-led growth, partially offset by lower average selling prices due to commodity price declines and product mix effects. Despite softer commodity pricing, overall revenue growth remained strong, supported by substantial volume expansion and broader operational scale across both Trading and Value Addition businesses. Revenue further increased marginally 0.9% YOY to AED 6.1 Bn in 1H26, due to an increase in contribution from the Trading and Other segment, partially offset by a decline in revenue from the Value Addition segment due to the derecognition of Graderco as a subsidiary. The Trading vertical remained the primary revenue contributor, accounting for 87.1% of total revenues during 2025. Trading revenue increased 32.1% YOY to AED 11.5 Bn in 2025, supported by a 31.7% increase in traded volumes to 10.8 Mn tons, driven by stronger demand, geographic expansion, and product diversification across African markets. In 1H26, revenue from this segment increased 10.7% YOY to AED 5.8 Bn. Meanwhile, the Value Addition vertical delivered exceptional growth following the consolidation of Merec Industries and the first full-year contribution from Graderco. Segment revenue increased significantly from AED 200 Mn in 2024 to AED 2.5 Bn in 2025, while volumes expanded sharply from 437K tons to 4,060K tons, supported by the increasing contribution from downstream food-processing and consumer-product operations. The Company derecognized Graderco as a subsidiary and classified it as an associate in 1H26. Consequently, revenue from the Value Addition segment declined from AED 1.1 Bn in 1H25 to AED 0.5 Bn in 1H26. Invictus also recorded AED 25 Mn in revenue from the Other segment in 1H26, primarily contributed by Dagro Chemical Limited. We expect the Company's total revenue to increase at a CAGR of 6.9% from AED 13.3 Bn in 2025 to AED 18.5 Bn in 2030.

The Company's EBITDA increased significantly from AED 158 Mn in 2024 to AED 458 Mn in 2025, representing the company's strongest EBITDA performance since listing on the ADX. The strong improvement was supported by higher trading volumes, operational efficiencies, enhanced supply-chain capabilities, and the consolidation of Graderco and Merec Industries. EBITDA margins improved from 1.8% in 2024 to 3.5% in 2025, reflecting increasing contribution from higher-margin downstream value-addition operations. In 1H26, the Company recorded EBITDA of AED 109 Mn, compared with AED 192 Mn in 1H25. The decline was primarily driven by a lower gross margin in the Trading segment, partially offset by an improvement in the gross margin of the Value Addition segment. SG&A expenses increased 28.5% YOY to AED 163 Mn in 1H26, mainly due to higher freight expenses and impairment charges. Most other operating expenses also increased, except amortisation, office expenses, rental expenses, travelling expenses, and depreciation. Consequently, EBITDA margin declined to 1.8% in 1H26 from 3.2% in 1H25. We expect the Company's EBITDA to increase at CAGR of 2.4% from AED 458 Mn in 2025 to AED 517 Mn in 2030 and margin to expand to 2.8% in 2030. Net profit attributable to equity shareholders increased 34.2% YOY to AED 226 Mn in 2025, supported by strong revenue growth, improving operating leverage, enhanced supply-chain efficiencies, and the increasing contribution from higher-margin downstream operations. Margins declined marginally from 1.9% in 2024 to 1.7% in 2025, primarily due to the increased contribution attributable to non-controlling interests following recent acquisitions. Net profit declined from AED 92 Mn in 1H25 to AED 30 Mn in 1H26 with margins contracting from 1.5% in 1H25 to 0.5% in 1H26. We expect the Company's net profit attributable to equity shareholders to increase at CAGR of 8.5% from AED 226 Mn in 2025 to AED 340 Mn in 2030 and margin to expand to 1.8% in 2030.

Figure 17: Trading volumes (000's tonnes)	Figure 18: Net Profit attributable to equity shareholders (AED, Mn) & Margin (%)





Source: Company Information, FAB Securities

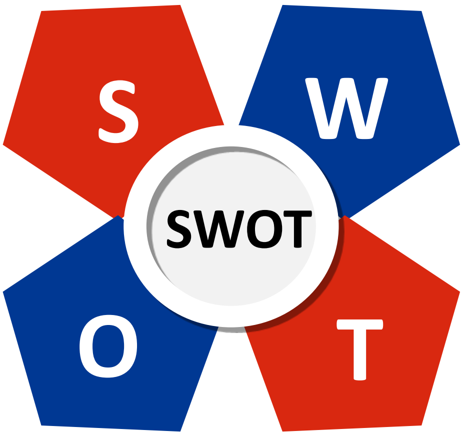
SWOT Analysis

STRENGTHS

- **Large Agri-commodity platform:** Invictus has established a diversified Agri-commodity trading platform across grains, oilseeds, edible oils, animal feed, pulses, meat, and other agricultural products, providing exposure to essential global food supply chains.
- **Strategic UAE Base:** Invictus benefits from the UAE's strategic position as a regional trading and logistics hub, supporting efficient sourcing, distribution, and re-export opportunities across Africa, the Middle East, Asia, and global commodity markets.
- **Expansion through acquisitions and new markets:** Invictus continues to strengthen its market presence through strategic acquisitions and expansion into new geographies, supporting strong revenue growth and enhancing its scale across core operations.
- **Focus on Africa and Emerging Markets:** Invictus' strong presence across Africa and other emerging markets provides access to high-growth food consumption regions, supported by established supplier relationships and integrated Agri-commodity procurement and distribution networks.

WEAKNESSES

- **Exposure to working capital pressure:** Invictus' operations remain working capital intensive, requiring significant investment in inventories, receivables, and trade finance facilities, which exposes the Company to collection risks, liquidity pressures, and higher funding requirements amid business expansion.
- **Commodity price volatility:** Invictus remains exposed to fluctuations in global Agri-commodity prices, foreign exchange movements, freight costs, and supply chain disruptions, which may result in volatility in revenue, margins, and overall earnings performance.
- **Dependence on external suppliers and logistics network:** Invictus' operations are dependent on third-party suppliers, logistics providers, shipping routes, ports, warehousing infrastructure, and financing partners, exposing the Company to operational disruptions that could impact delivery timelines, margins, and customer relationships.



OPPORTUNITIES

- **Rising food demand in MENA and Africa:** Invictus is well positioned to benefit from rising food demand across the MENA region and Africa, supported by population growth, urbanization, and increasing focus on food security across essential agricultural commodity categories.
- **Expansion into value-added Agri-food:** Invictus' expansion into value-added agri-food activities, including processing, packaging, distribution, storage, and specialized food products, is expected to support margin enhancement and diversify earnings beyond pure commodity trading operations.
- **Scale benefits:** Invictus' growing scale and increasing transaction volumes are expected to enhance procurement efficiencies, strengthen supplier relationships, improve freight optimization, and expand customer reach, supporting overall operational competitiveness.

THREATS

- **Currency and financing risk:** Invictus is exposed to foreign exchange fluctuations and financing risks across international markets, where a stronger US dollar, weaker emerging-market currencies, or higher borrowing costs could adversely impact trade economics, customer affordability, and profitability.
- **Counterparty risk:** Invictus remains exposed to counterparty and credit risks due to its sizeable trade receivables base and extensive cross-border trading operations, which may result in delayed collections, customer defaults, and pressure on cash flows.
- **Rising competition:** Invictus operates in a highly competitive agri-commodity trading market, facing competition from regional and global players with larger balance sheets, broader supplier networks, lower-cost funding access, and more advanced risk management capabilities.
- **Regulatory and trade policy risk:** Invictus remains exposed to regulatory and trade policy risks, including changes in export restrictions, import duties, subsidy frameworks, customs regulations, and sanitary requirements, which could disrupt sourcing activities and pressure margins.

Valuation Methodology

Target Fair Value Analysis

DCF AND RELATIVE VALUATION

We arrive at Invictus fair value of AED 3.00 per share using a mix of valuation methods

We have used a mix of Discounted Cash Flow (DCF) and Comparable Company Method (CCM) (EV/EBITDA and P/E) valuation methods to arrive at the fair value of Invictus Investment Company PLC. Invictus is a Dubai headquartered agro-food company operating across Africa, the Middle East, and Asia through an integrated platform spanning agricultural commodity trading, logistics, storage, processing, and value-added food operations. The Company specializes in the sourcing, trading, processing, and distribution of a diversified portfolio of agricultural commodities and food products across more than 65 countries globally. Through its three core business verticals, Trading, Logistics, and Value Addition, Invictus is building a scalable pan-African agro-food ecosystem focused on strengthening food security. We have assigned a higher weight to DCF valuation as it strengthens its reliability in capturing future cash flow projections over multiple periods as opposed to other valuation methods. In CCM valuation, the median of EV/EBITDA and P/E multiple is used to value the Company. The EV/EBITDA multiple allows us to compare companies of various sizes with different capital structures, while the P/E valuation multiple facilitates easy comparison with similar companies within the industry or sector.

CONSOLIDATED VALUATION Invictus Investment Company PLC

Name of Entity	Valuation (AED)	Weight (%)	Total Valuation (AED)
Valuation of Invictus based on -			
Discounted Cash Flow (DCF)	3.27	70.0%	2.29
Relative Valuation (EV/EBITDA)	1.92	15.0%	0.29
Relative Valuation (P/E)	2.76	15.0%	0.41
Total Valuation (AED)			**3.00**

Invictus's performance is analysed in detail to determine fair value estimates. We took a fair estimate across the respective companies' income statements and financial positions to arrive at their valuation. The valuation brought forward a target value of AED 3.00 per share.

The weightage assigned to the DCF, Relative valuation methods of EV/EBITDA and P/E stood at 70%, 15%, and 15%, respectively.

1) Discounted Cash Flow Valuation

We arrived at a value of AED 3.27 per share using DCF valuation

We relied upon the guidance provided by the Company management for the next few financial years and recent performance to arrive at the valuation through DCF methodology. We derived the Company's Terminal Value using the Gordon Model and extrapolated last year's adjusted free cash flows at a terminal growth rate of 2.0% to perpetuity. To arrive at Ke (Cost of Equity), we have used the 10-year government bond yield of 5.2%, Country risk premium of 4.7%, and Beta of 1.0. After applying all these, we arrived at the cost of equity of 9.9%. We have used a 10-year US Government Yield and further added a 10-year Abu Dhabi Government CDS spread to arrive at an appropriate risk-free rate. Invictus has an outstanding debt of AED 3.6 Bn as of 1H26 at an implied borrowing cost of 4.4%. The Company is likely to maintain its current debt level during the forecasted period. Therefore, we have used free cash flow to a firm (FCFF) to arrive at the valuation using the DCF methodology. The same is used to arrive at a weighted average cost of capital (WACC). We assume the cost of debt is 6.4% for 2026 and adjust the tax rate of 32.0% to arrive at the after-tax cost of debt of 4.4%. The debt-to-equity ratio of 76.8% is used to arrive at the WACC of 6.2%.

I. DCF Valuation of Invictus

	FY2026	FY2027	FY2028	FY2029	FY2030
All figures in AED Mn, unless stated					
NOPAT	217	299	304	308	307
(+/-) Depreciation & amortization	60	59	61	63	65
(+/-) CAPEX	-62	-73	-79	-83	-86
(+/-) Working Capital	-81	-128	-347	-45	34
Free Cash Flow to Firm	**134**	**156**	**-61**	**243**	**320**
Discount factor	*0.98*	*0.92*	*0.87*	*0.82*	*0.77*
Present Value of FCFF	**66**	**144**	**-53**	**199**	**247**
Total Present value of FCFF					**602**
Terminal Value					6,004
Terminal growth rate					2.0%
Weighted Average Cost of Capital (WACC)					6.2%
Enterprise Value					**6,606**
Cash / (Net Debt)					-2,938
Equity Value					**3,668**
Equity Value Per Share (AED)					**3.27**

Source: FAB Securities Research

a) Sensitivity of DCF to Key Assumptions

Sensitivity analysis generates the highest valuation of AED 8.71 per share and the lowest valuation of AED 1.35 per share

Our DCF valuation is based on a weighted average cost of capital (WACC) of 6.2%. A sensitivity analysis shows that a change of +/- 0.5% in the weighted average cost of capital and terminal growth rate will provide a valuation range of AED 8.71 per share to AED 1.35 per share. The table below shows the sensitivity between the change in terminal growth rate and the weighted average cost of capital.

1. DCF Sensitivity to Terminal Growth Rate and WACC

		Terminal Growth				
	3	**1.0%**	**1.5%**	**2.0%**	**2.5%**	**3.0%**
WACC	**5.2%**	3.46	4.24	5.26	6.67	8.71
	5.7%	2.76	3.37	4.13	5.14	6.52
	6.2%	2.20	2.68	**3.27**	4.03	5.02
	6.7%	1.74	2.13	2.60	3.19	3.93
	7.2%	1.35	1.67	2.06	2.52	3.10

2) Relative Valuation

We are using EV/EBITDA and P/E multiples in CCM valuation to value the firm

In the CCM valuation, the EV/EBITDA and P/E multiples are used to value the Company, as the EV/EBITDA multiple allows us to compare companies of various sizes with different capital structures, and the P/E multiple allows for easy comparison with similar companies within the industry or sector. We have used the EBITDA and net profit of FY2027 for the EV/EBITDA and PE multiple calculations. We have used regional companies operating in the Consumer Staples sector to compare their business models for relative valuation.

II. Relative Valuation of Invictus

(All Figures in Million AED, unless stated)	
Based on EV/EBITDA Multiple	
EBITDA (FY2027)	498
Applicable Multiple	10.2x
Premium/(Discount to Median Multiple)	0.0%
Peer Median Valuation	10.2x
Enterprise Value	**5,093**
Net (Debt)/Cash (as of 30 June 2026)	-2,938
Total equity value	**2,155**

Source: Company Information, FAB Securities Research

(All Figures in Million AED, unless stated)	
Based on P/E Multiple	
Net Income (FY2027)	273
Applicable Multiple	11.3x
Premium/(Discount to Median Multiple)	0.0%
Peer Median Valuation	11.3x
Equity Value	**3,093**

Source: Company Information, FAB Securities Research

III. Peers Valuation

		EV/EBITDA (x)		PE (x)	
Company. Name	**Market Cap (USD, mn)**	**2026**	**2027**	**2026**	**2027**
Global & Regional Peers					
Almarai	12,658	11.2x	10.2x	18.9x	17.0x
Olam Group Limited	4,195	10.9x	10.4x	14.7x	9.7x
Bunge Global SA	20,249	9.7x	8.6x	11.1x	9.4x
Archer Daniels Midland Company	37,622	9.4x	8.4x	16.2x	13.9x
Wilmar International	19,772	11.3x	10.7x	12.3x	11.3x
Average		10.5x	9.7x	14.6x	12.3x
Median		10.9x	10.2x	14.7x	11.3x
Max[1] (Quartile 3)		11.2x	10.4x	16.2x	13.9x
Min[2] (Quartile 1)		9.7x	8.6x	12.3x	9.7x

Source: Bloomberg, [1] Values correspond to Quartile 3, [2] Values correspond to Quartile 1

Key Financial Metrics

Revenue

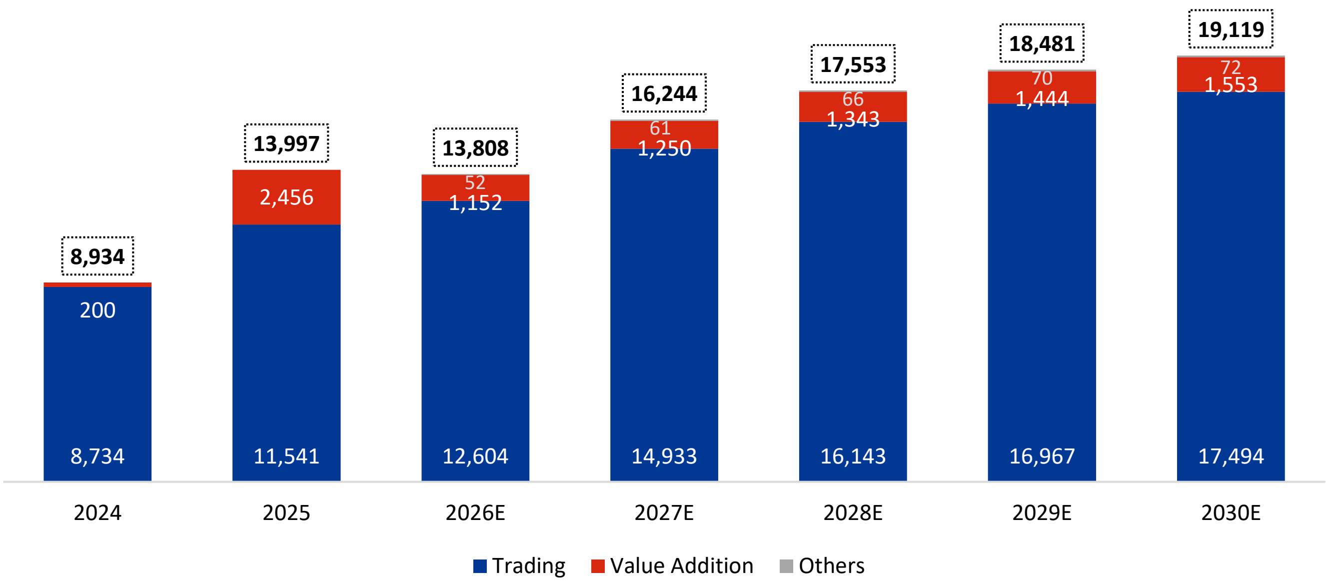
Invictus Investment Company operates through two primary reporting segments, namely the Trading vertical and the Value Addition vertical

Invictus Investment Company operates through two primary reporting segments, namely the Trading vertical and the Value Addition vertical. Before December 2023, the Company reported its operations under a single reporting segment comprising the trading of agricultural commodities, food products, non-manufactured precious metals, and other general commodities. Following the expansion of downstream operations and recent acquisitions, Invictus transitioned toward a more diversified reporting structure reflecting its growing value-added operations. The Company reported strong revenue growth over 2022–2025, with total revenue increasing from AED 6.0 Bn in 2022 to AED 13.3 Bn in 2025, representing a CAGR of 30.4%. The Trading segment remained the largest contributor to Company revenues, with segment revenue increasing 32.1% YOY to AED 11.5 Bn in 2025, supported by a 31.7% increase in traded volumes to 10.8 Mn tons. Additionally, the Value Addition segment delivered substantial growth following the consolidation of recently acquired businesses, with segment revenue increasing from AED 200 Mn in 2024 to AED 2.5 Bn in 2025, while volumes expanded from 437K tons to 4.1 Mn tons. Overall revenue growth during the period was primarily driven by higher traded and processed volumes, partially offset by lower average selling prices due to softer commodity price trends.

We expect Invictus to maintain strong growth momentum, with total revenue projected to increase at a CAGR of 6.9% over 2025-2030, rising from AED 13.3 Bn in 2025 to AED 18.5 Bn by 2030

Going forward, we expect Invictus to maintain strong growth momentum, with total revenue projected to increase at a CAGR of 6.9% over 2025-2030, rising from AED 13.3 Bn in 2025 to AED 18.5 Bn by 2030. The projected growth is expected to be driven by continued expansion across both the Trading and Value Addition segments, supported by increasing scale of recently acquired businesses and expanding operational presence across African markets. The Trading segment is expected to be the primary growth driver, with segment revenue projected to increase at a CAGR of 8.7% from AED 11.5 Bn in 2025 to AED 17.5 Bn by 2030. Growth within the segment is primarily expected to be volume-led, with traded volumes projected to increase at a CAGR of 8.5% from 10.8 Mn tons in 2025 to 16.2 Mn tons by 2030, supported by geographic expansion, increasing customer penetration, and strengthening sourcing relationships across key agricultural producing regions. Average revenue per ton is expected to remain relatively stable over the forecast period, increasing marginally from AED 1.07K/ton in 2025 to AED 1.08K/ton in 2030, reflecting the inherently volatile nature of global commodity prices. Revenue from the Value Addition segment is expected to decline at a CAGR of 8.8%, from AED 2.5 Bn in 2025 to AED 1.6 Bn by 2030, primarily due to the derecognition of Graderco in 2026. However, excluding Graderco's contribution in 2025, underlying revenue from the segment is expected to grow at a CAGR of 8.1%, from AED 1.1 Bn in 2025 to AED 1.6 Bn by 2030. Growth is expected to be supported by higher processing volumes, increasing downstream integration, expansion of local distribution networks, and scaling up of recently acquired businesses including Merec Industries, and Angata under the Delta Africa platform. Meanwhile, the Company reported AED 25 Mn in revenue from the Other segment in 1H26, which includes the revenue contribution from Dagro Chemical Limited. Revenue from this segment is expected to increase from AED 52 Mn in 2026 to AED 72 Mn by 2030.

Figure 19: Segmental Revenue[1] (AED, Mn)



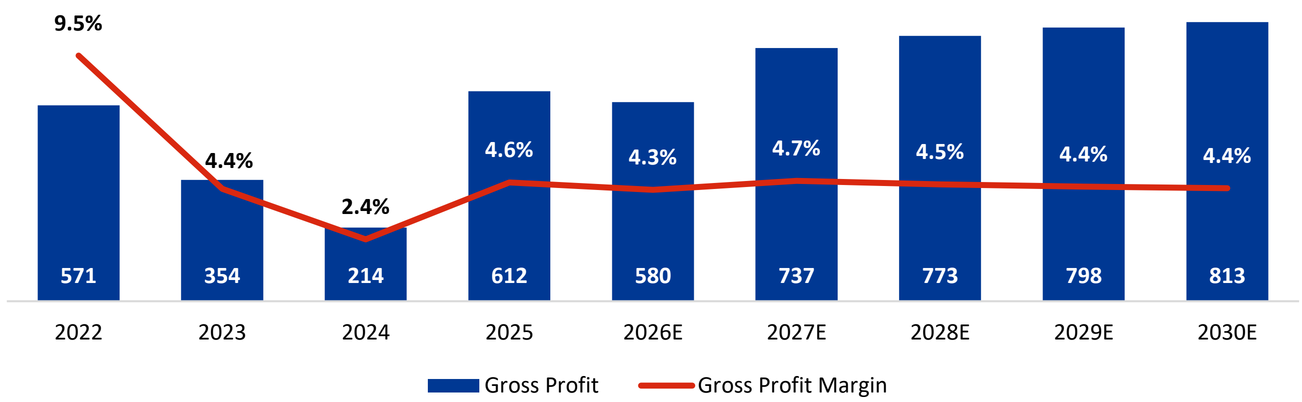
Source: Company Information, FAB Securities research FY2026E-30E, [1]The Company started reporting segmental revenue from 2024 hence no prior data is available, segmental revenue and total revenue excluding eliminations

Gross Profit

Gross profit is expected to increase at a CAGR of 5.9% over 2025-2030, rising from AED 612 Mn in 2025 to AED 813 Mn by 2030, with consolidated gross margins moderating to 4.4% in 2030

Invictus reported moderate gross profit growth over 2022–2025, with gross profit increasing from AED 571 Mn in 2022 to AED 612 Mn in 2025. However, gross margins moderated from 9.5% in 2022 to 4.6% in 2025, primarily due to pressure from direct costs, softer commodity pricing, product mix changes, and higher logistics costs. On a segmental basis, gross profit from the Trading segment increased 27.7% YOY to AED 260 Mn in 2025, although margins moderated slightly from 2.3% in 2024 to 2.2% in 2025 due to the inherently low-margin nature of commodity trading activities. In contrast, the Value Addition segment delivered substantial profitability improvement, with gross profit increasing from AED 11 Mn in 2024 to AED 358 Mn in 2025, while margins expanded significantly from 5.6% to 14.6%, supported by the consolidation of higher-margin downstream processing and food manufacturing businesses. Going forward, we expect gross profit to increase at a CAGR of 5.9% over 2025–2030, rising from AED 612 Mn in 2025 to AED 813 Mn by 2030, with consolidated gross margins moderating to 4.4% in 2030. Gross profit from the Trading segment is projected to increase at a CAGR of 7.1% from AED 260 Mn in 2025 to AED 365 Mn by 2030, with margins moderating at 2.1% from 2025-2030 due to the low margin nature of the business. The Value Addition segment is expected to grow at a CAGR of 3.5% from AED 358 Mn in 2025 to AED 425 Mn by 2030, while margins are expected to expand from 14.6% in 2025 to 27.4% in 2030, supported by the higher-margin nature of operations. We expect gross profit from Other segment to increase from AED 12 Mn in 2026 to AED 17 Mn in 2030 and margins to remain stable at 23.0% by 2030.

Figure 20: Gross Profit (AED Mn) & Margins (%)



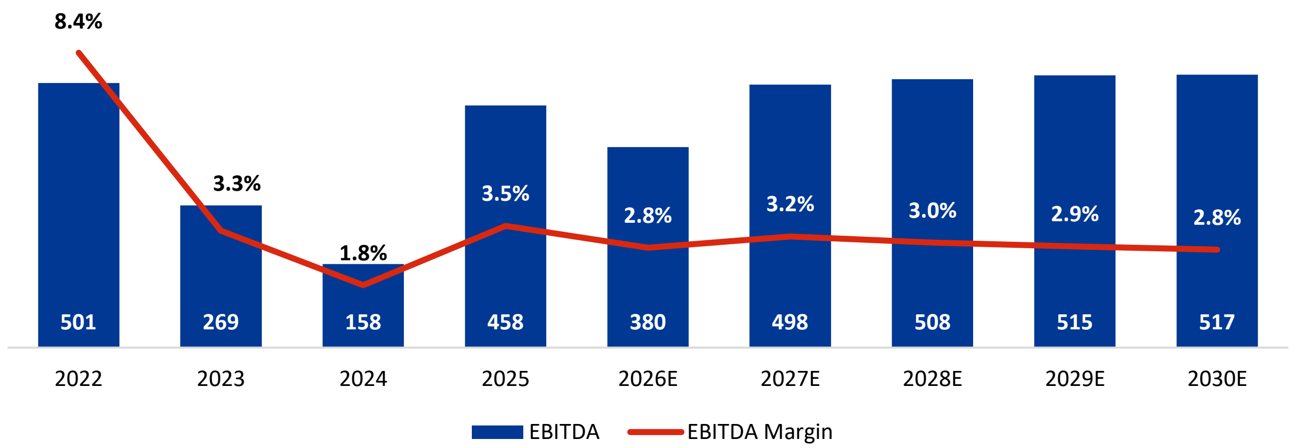
Source: Company Information, FAB Securities research FY2026E-30E

EBITDA

EBITDA is expected to increase at a CAGR of 2.4% over 2025-2030, rising from AED 458 Mn in 2025 to AED 517 Mn by 2030

Invictus reported EBITDA decline of 2.9% over 2022–2025, with EBITDA decreasing from AED 501 Mn in 2022 to AED 458 Mn in 2025, while EBITDA margins moderated from 8.4% to 3.5%. The decline in margins was primarily attributable to softer commodity pricing, changes in business mix, and a significant increase in operating expenses associated with the Company's rapid expansion strategy and acquisition-led growth initiatives. On the cost front, G&A expenses increased at a CAGR of 61.7% from AED 71 Mn in 2022 to AED 298 Mn in 2025, reflecting higher employee costs, expansion of operational infrastructure, integration of acquired businesses, and increased administrative expenses associated with scaling operations across multiple geographies. Meanwhile, other income increased from AED 12 Mn in 2023 to AED 80 Mn in 2025, supported by improved operating activities and ancillary income streams. Going forward, we expect EBITDA to increase at a CAGR of 2.4% over 2025-2030, rising from AED 458 Mn in 2025 to AED 517 Mn by 2030, supported by continued revenue expansion, increasing contribution from trading operations, and improving operating leverage. EBITDA margin is expected to reach 2.8% by 2030, underpinned by operational efficiencies, downstream integration, and a growing contribution from processing and food manufacturing operations. We further expect G&A expenses to increase at a CAGR of 6.9% from AED 298 Mn in 2025 to AED 417 Mn by 2030, reflecting continued business expansion and operational scale-up, although expense growth is expected to moderate relative to revenue growth, supporting gradual margin improvement over the forecast period.

Figure 21: EBITDA (AED, Mn) and EBITDA Margin (%)



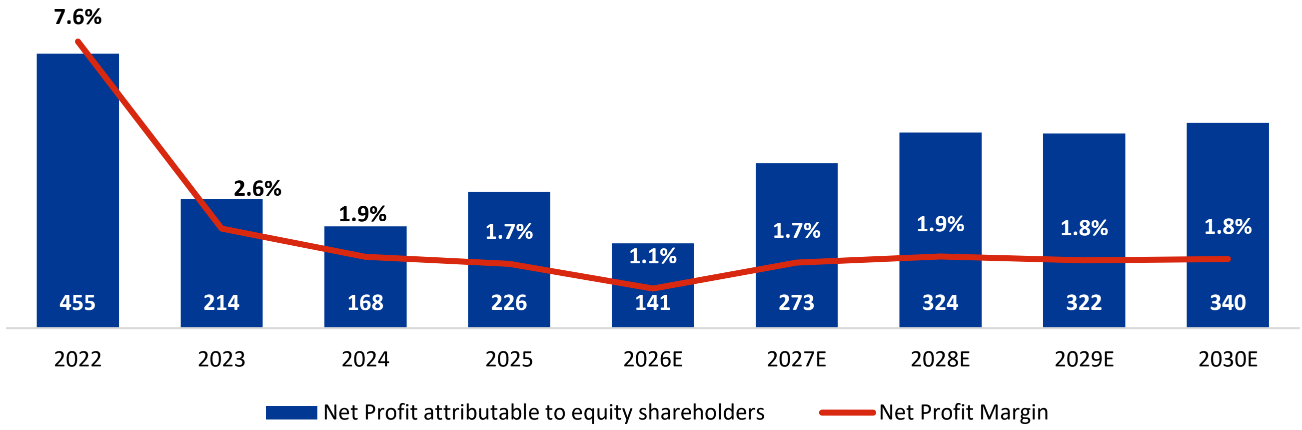
Source: Company Information, FAB Securities research FY2026E-30E

Net Profit Attributable to Equity Shareholders

Net profit attributable to equity shareholders is projected to increase at a CAGR of 8.5% over 2025–2030, rising from AED 226 Mn in 2025 to AED 340 Mn by 2030 with margins increasing from 1.7% in 2025 to 1.8% in 2030

Net profit attributable to equity shareholders declined at a CAGR of 20.8% during 2022–2025, decreasing from AED 455 Mn in 2022 to AED 226 Mn in 2025. The decline was primarily attributable to margin normalization following the exceptionally strong performance recorded in 2022, coupled with elevated finance costs amid a higher interest rate environment and comparatively lower operating profitability. Consequently, net profit margins moderated from 7.6% in 2022 to 1.7% in 2025. Going forward, net profit attributable to equity shareholders is projected to increase at a CAGR of 8.5% over 2025-2030, rising from AED 226 Mn in 2025 to AED 340 Mn by 2030 with margins increasing from 1.7% in 2025 to 1.8% in 2030.The anticipated growth is expected to be driven by continued business expansion across core geographies, higher traded and processed volumes, improving operating leverage and disciplined cost optimization initiatives. In addition, enhanced contribution from trading segments and gradual normalization of finance costs are expected to further support profitability improvement over the forecast period. Non-controlling interest (NCI) is also expected to increase at a CAGR of 14.9% from AED 2 Mn in 2025 to AED 3 Mn in 2030, primarily due to the increasing contribution from subsidiaries.

Figure 22: Net Profit Attributable to Equity Shareholders (AED, Mn) & Net Profit Margin (%)



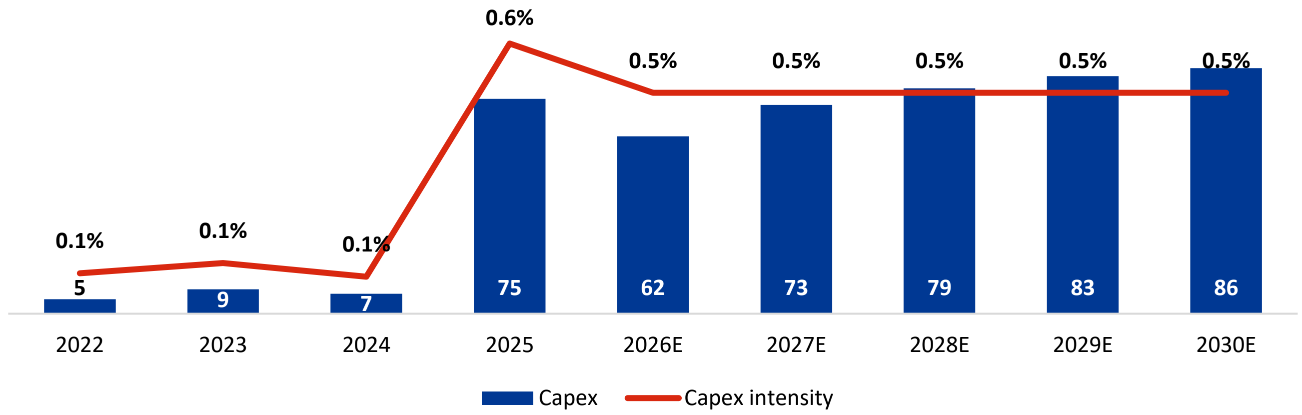
Source: Company Information, FAB Securities research FY2026E-30E

Capital Expenditure (CAPEX)

PPE projected to increase from AED 75 Mn in 2025 to AED 86 Mn by 2030, supported by continued investments in capacity expansion, vertical integration, and strengthening of the Company's value-added business segments

Invictus reported a significant increase in capital expenditure during 2022–2025, with total capex rising from AED 5 Mn in 2022 to AED 75 Mn in 2025. Despite the increase in absolute spending, capex intensity remained relatively low, increasing from 0.1% in 2022 to 0.6% in 2025, reflecting the Company's inherently asset-light operating model. Capital expenditure increased materially from AED 7 Mn in 2024 to AED 75 Mn in 2025, primarily driven by ongoing business expansion, integration of acquired entities, enhancement of operational infrastructure, and scaling of logistics and processing capabilities across key business verticals. The Company is expected to continue investing in operational capacity expansion and strategic growth initiatives, which is likely to result in higher consolidation of PP&E from subsidiaries and newly acquired businesses. In addition, investments in warehousing, storage infrastructure, processing facilities, and supply chain optimization initiatives are expected to support long-term scalability and operational efficiency. Looking ahead, Invictus capital expenditure is projected to remain higher over 2025–2030, with purchase of property and equipment expected to increase from AED 75 Mn in 2025 to AED 86 Mn by 2030. Capex intensity is forecast to average c. 0.5% during 2026-2030, supported by continued investments in capacity expansion, vertical integration, and strengthening of the Company's value-added business segments.

Figure 23: Capex (AED, Mn)



Source: Company Information, FAB Securities research FY2026E-30E

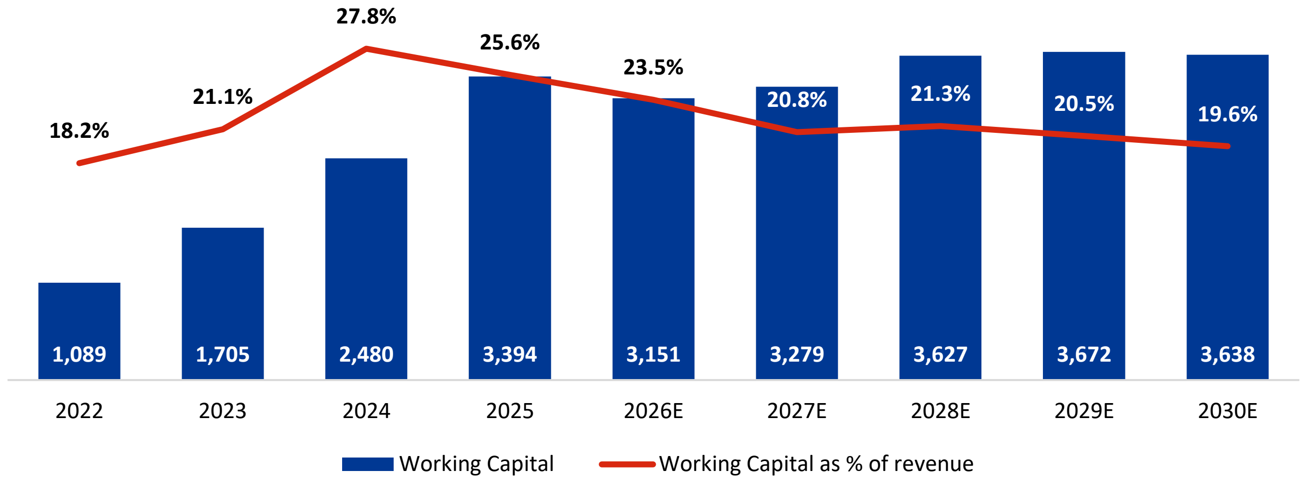
Working Capital

Working capital is expected to remain stable with continued business growth and expansion across core operations

Invictus' working capital remained structurally positive, increasing from AED 2.5 Bn in 2024 to AED 3.4 Bn in 2025, primarily driven by higher trade receivables, inventories, and overall business expansion. However, working capital as a percentage of revenue improved from 27.8% in 2024 to 25.6% in 2025, reflecting better operational efficiency and disciplined working capital management. Working capital primarily comprises inventories, trade receivables and contract assets, amounts due from related parties, and prepayments and other receivables, while key liabilities include trade and other payables and amounts due to related parties. Trade receivables and contract assets increased from AED 2.2 Bn in 2024 to AED 2.8 Bn in 2025, supported by higher revenue generation and increased trading activity. Inventories also increased significantly from AED 758 Mn in 2024 to AED 1.2 Bn in 2025 due to higher inventory requirements associated with increased commodity trading volumes and expansion across value-added operations. Meanwhile, trade and other payables increased from AED 732 Mn in 2024 to AED 944 Mn in 2025, reflecting higher procurement activity and operational scale.

Receivable days improved materially from 91 days in 2024 to 78 days in 2025, supported by stronger collections and improved receivables management, while inventory days remained broadly stable at 32 days and 34 days in 2024 and 2025, respectively, reflecting efficient inventory utilization. However, payable days moderated from 31 days in 2024 to 27 days in 2025 due to relatively faster supplier settlements amid higher procurement activity. Overall, Invictus working capital profile reflects continued business expansion alongside improving operational efficiency. Looking ahead, working capital is expected to remain stable with continued business growth and expansion across core operations to AED 3.6 Bn in 2030. Receivable days are projected to average at 66 days during 2026–2030, while inventory days are expected to average around 33 days and payable days are forecasted to average 29 days during the same period. Consequently, working capital as a percentage of revenue is expected to decrease, averaging at 21.1% over 2026-2030.

Figure 24: Working Capital (AED, Mn)



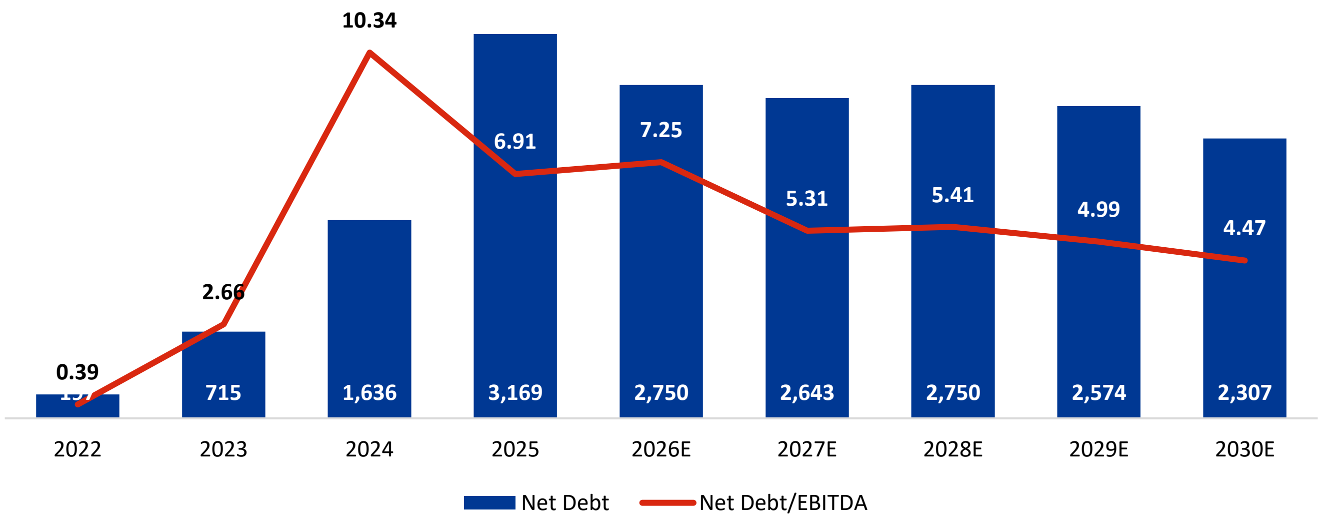
Source: Company Information, FAB Securities research FY2026E-30E

Financial Leverage

Total borrowings are projected to decrease to AED 3.5 Bn by 2030, primarily supported by gradual improvement in operating cash generation as the business scales

Invictus leverage profile expanded in line with business growth and increasing working capital requirements during 2022-2025, with total borrowings, including lease liabilities, rising significantly from AED 734 Mn in 2022 to AED 4.1 Bn in 2025. The increase was primarily driven by higher funding requirements associated with growing trading volumes, expansion across value-added operations, increased inventory holding, and consolidation of acquired entities. The Company’s debt profile remains predominantly short term in nature, reflecting the working capital-intensive nature of its commodity trading operations. Short-term borrowings are mainly utilized to finance self-liquidating working capital requirements such as inventories and trade receivables, while long-term debt is generally used to fund capital expenditure, strategic investments, and non-current assets. Going forward, total borrowings are projected to decrease to AED 3.5 Bn by 2030, reflecting the gradual improvement in operating cash generation as the business scales.

Figure 25: Net Debt/(Cash) (AED, Mn)



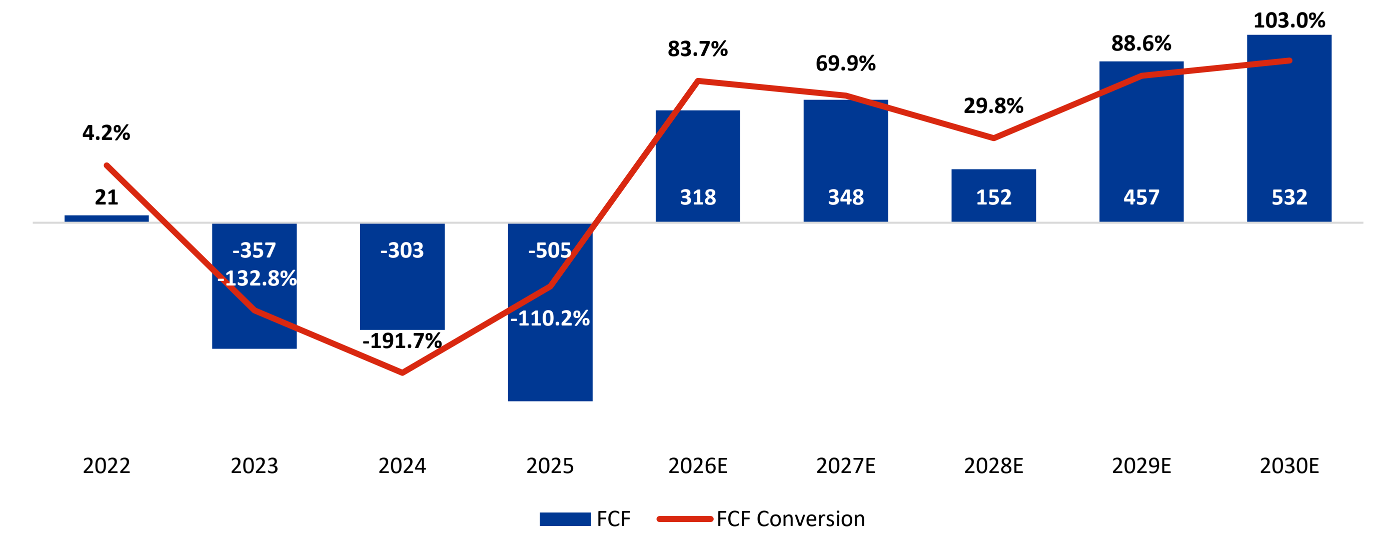
Source: Company Information, FAB Securities research FY2026E-30E

Cash Flow Generation

Invictus is projected to generate cumulative free cash flow of AED 1.8 Bn during 2026–2030

Invictus Investment's free cash flow profile remained constrained during 2022–2025, declining from AED 21 Mn in 2022 to negative AED 505 Mn in 2025, primarily due to higher working capital requirements associated with increased trading volumes, inventory build-up, and overall business expansion. Going forward, the Company's cash flow generation profile is expected to improve gradually, supported by higher operating profitability, improving operating leverage, and more stable working capital requirements as operations mature. In addition, disciplined working capital management, improving receivables efficiency, and moderation in capex intensity relative to revenue growth are expected to support cash flow generation over the forecast period. Consequently, Invictus is projected to generate cumulative free cash flow of AED 1.8 Bn during 2026-2030.

Figure 26: Free Cash Flow (AED, Mn) & FCF Conversion (%)



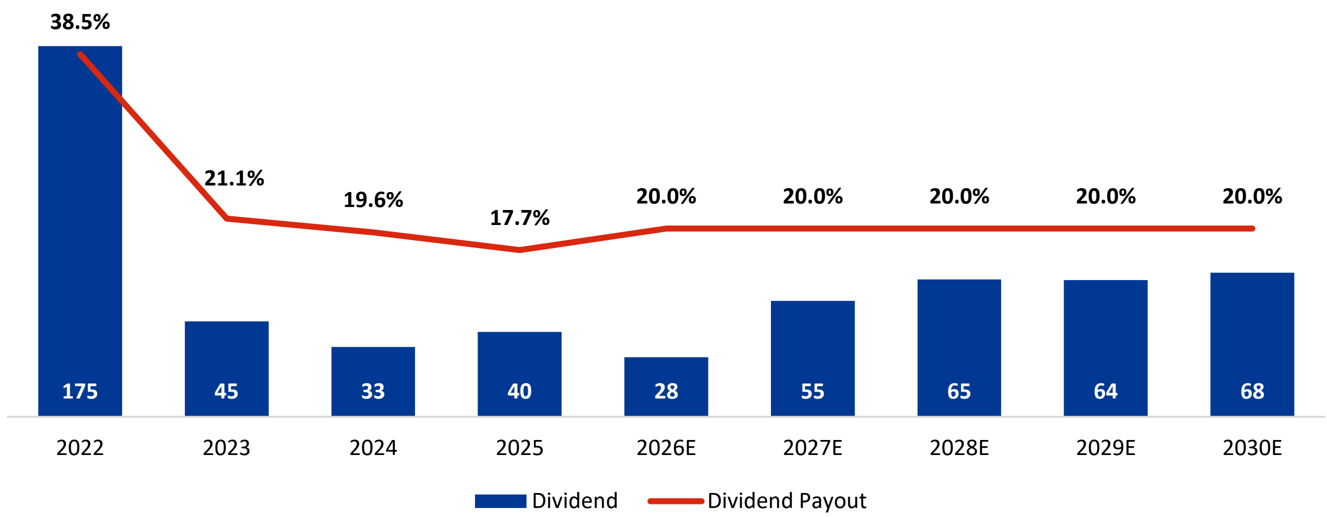
Source: Company Information, FAB Securities research FY2026E-30E

Dividends

Invictus is projected to distribute cumulative dividend distributions of AED 280 Mn over 2026-2030 with a payout ratio averaging 20%

Invictus declared dividends of AED 40 Mn in 2025, compared to AED 33 Mn in 2024. The dividend payout ratio stood at 19.6% in 2024 and 17.7% in 2025, reflecting the Company's balanced approach toward shareholder returns while retaining earnings to support ongoing business expansion and working capital requirements. Dividend distributions remain linked to the Company's annual financial performance, profitability, liquidity position, and future investment requirements. Going forward, Invictus is expected to maintain a prudent and progressive dividend distribution approach, with the payout ratio projected to average 20.0% during 2026–2030. This is expected to result in cumulative dividend distributions of AED 280 Mn over 2026-2030, while enabling the Company to retain adequate internal accruals to support capital expenditure, working capital funding requirements, strategic investments, and debt servicing obligations.

Figure 27: Dividend (AED, Mn) & Dividend Payout (%)



Source: Company Information, FAB Securities research FY2026E-30E

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Financial Statements:

Income Statement, (AED, Mn)

	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Revenue	5,983	8,101	8,922	13,256	13,395	15,758	17,028	17,929	18,547
Direct Operating expenses	-5,412	-7,747	-8,708	-12,644	-12,816	-15,021	-16,256	-17,131	-17,734
Gross Profit	**571**	**354**	**214**	**612**	**580**	**737**	**773**	**798**	**813**
Other operating income	0	0	3	0	0	0	0	0	0
Other Income	0	12	21	80	49	50	52	53	55
SG&A expenses	-71	-99	-85	-298	-309	-349	-377	-398	-417
Operating Profit	**500**	**267**	**153**	**394**	**320**	**439**	**448**	**453**	**452**
EBITDA	**501**	**269**	**158**	**458**	**380**	**498**	**508**	**515**	**517**
Other non-operating income	0	0	0	0	20	0	0	0	0
Finance income	3	52	145	162	151	145	162	164	166
Finance costs	-48	-105	-128	-269	-270	-260	-245	-253	-233
Share of profit/(loss) from associate	0	-1	3	-1	-34	-2	16	21	26
Profit Before Tax	**455**	**214**	**172**	**286**	**187**	**323**	**381**	**384**	**410**
Tax expenses	0	0	-6	-58	-44	-47	-53	-59	-67
Profit for the year	**455**	**214**	**166**	**228**	**142**	**276**	**327**	**326**	**344**
Non-controlling interest	0	0	-2	2	1	3	3	3	3
Net Profit attributable to equity shareholders of the company	**455**	**214**	**168**	**226**	**141**	**273**	**324**	**322**	**340**

Key Ratios:

	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
YoY % Change									
Revenue		35.4%	10.1%	48.6%	1.1%	17.6%	8.1%	5.3%	3.4%
Gross Profit		-38.0%	-39.4%	185.3%	-5.2%	27.1%	4.8%	3.2%	1.9%
EBITDA		-46.3%	-41.2%	189.9%	-17.2%	31.2%	2.1%	1.4%	0.2%
Net profit		-53.0%	-21.2%	34.2%	-37.7%	94.2%	18.6%	-0.5%	5.5%
% Margin									
Gross profit margin	9.5%	4.4%	2.4%	4.6%	4.3%	4.7%	4.5%	4.4%	4.4%
EBITDA margin	8.4%	3.3%	1.8%	3.5%	2.8%	3.2%	3.0%	2.9%	2.8%
EBIT margin	8.4%	3.3%	1.7%	3.0%	2.4%	2.8%	2.6%	2.5%	2.4%
Net Profit margin	7.6%	2.6%	1.9%	1.7%	1.1%	1.7%	1.9%	1.8%	1.8%
Leverage									
Net Debt/Total EBITDA	0.39	2.66	10.34	6.91	7.25	5.31	5.41	4.99	4.47
Net Debt/Equity	0.71	1.02	2.15	2.82	2.18	2.27	2.04	1.76	1.37
Return Ratios									
ROE		20.4%	14.5%	17.0%	9.7%	17.1%	17.5%	15.2%	14.2%
ROA		7.9%	4.5%	4.0%	2.3%	4.4%	4.6%	4.3%	4.5%
ROCE		19.9%	8.5%	10.8%	7.7%	13.2%	14.0%	12.6%	12.2%
Free Cash Flow									
Free Cash Flow (FCF)	21	(357)	(303)	(505)	318	348	152	457	532
FCF Conversion	4.2%	-132.8%	-191.7%	-110.2%	83.7%	69.9%	29.8%	88.6%	103.0%

Source: Company Information, FAB Securities research (2026E-30E)

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FAB SECURITIES

Balance Sheet (AED, Mn)

	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Assets									
Non-current Assets									
Property and equipment	5	28	160	645	513	534	560	586	613
Goodwill	0	0	86	291	196	196	196	196	196
Other Intangible assets	1	1	42	206	160	154	149	144	139
Investment in an associate	5	4	6	5	130	128	144	165	191
Right-of-use assets	0	7	38	50	12	12	13	13	14
Other non-current financial assets	0	0	9	7	7	7	7	7	7
Deferred tax assets	0	0	8	13	11	11	11	11	11
Other receivables	0	0	2	1	0	0	0	0	0
Total non-current assets	**12**	**40**	**351**	**1,218**	**1,029**	**1,043**	**1,079**	**1,121**	**1,170**
Current Assets									
Inventories	584	610	758	1,193	1,156	1,235	1,470	1,549	1,595
Trade receivables and contract assets	1,301	1,543	2,214	2,817	2,553	2,936	3,032	3,045	2,998
Prepayments and other receivables	120	72	258	330	335	347	375	394	408
Due from related parties	1	3	0	3	1	1	1	1	1
Other current financial assets	144	45	112	116	110	110	110	110	110
Bank balances and cash	538	370	1,013	897	506	1,299	1,349	1,431	1,185
Total Current Assets	**2,688**	**2,643**	**4,355**	**5,356**	**4,660**	**5,926**	**6,336**	**6,530**	**6,297**
Total assets	**2,700**	**2,683**	**4,706**	**6,573**	**5,689**	**6,970**	**7,415**	**7,652**	**7,467**
Equities and Liabilities									
Equity									
Share capital	280	280	280	280	280	280	280	280	280
Share premium	294	294	294	294	294	294	294	294	294
Retained earnings	455	493	617	810	910	1,155	1,425	1,682	1,958
Foreign currency translation reserve	0	0	-3	10	10	10	10	10	10
Cash flow hedge reserve	0	0	0	-5	-5	-5	-5	-5	-5
Equity attributable to the shareholders of the Company	**1,029**	**1,067**	**1,187**	**1,389**	**1,489**	**1,735**	**2,004**	**2,262**	**2,537**
Non-controlling interest	0	0	44	55	1	4	7	11	14
Total equity	**1,029**	**1,067**	**1,231**	**1,444**	**1,491**	**1,739**	**2,011**	**2,272**	**2,551**
Non-current Liabilities									
Lease liabilities	0	7	29	41	9	9	10	10	11
Employees' end of service benefits	0	1	2	4	6	8	10	12	14
Bank borrowings	0	0	431	334	106	131	138	135	119
Loan from a related party	0	0	236	221	203	176	149	122	96
Other non-current financial liabilities	0	0	9	25	25	25	25	25	25
Deferred tax liabilities	0	0	25	32	0	0	0	0	0
Total non-current Liabilities	**0**	**8**	**732**	**657**	**349**	**350**	**332**	**305**	**264**
Current Liabilities									
Bank borrowings	734	1,085	1,981	3,491	2,925	3,615	3,796	3,734	3,268
Trade and other payables	896	505	732	944	890	1,235	1,247	1,314	1,360
Due to related parties	22	18	17	6	4	4	4	4	4
Loan from a related party	0	0	0	20	23	20	17	14	11
Lease liabilities	0	0	4	5	1	1	1	1	1
Other current financial liabilities	0	0	9	7	7	7	7	7	7
Dividends payable	19	0	0	0	0	0	0	0	0
Total current liabilities	**1,671**	**1,608**	**2,743**	**4,473**	**3,849**	**4,881**	**5,072**	**5,074**	**4,651**
Total Liabilities	**1,671**	**1,616**	**3,475**	**5,130**	**4,199**	**5,231**	**5,404**	**5,380**	**4,915**
Total equity and liabilities	**2,700**	**2,683**	**4,706**	**6,573**	**5,689**	**6,970**	**7,415**	**7,652**	**7,467**

FAB SECURITIES أبوظبي الأول للأوراق المالية

Cash Flow Statement (AED, Mn)

	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Cash flow from operating activities									
Profit before tax	455	214	172	286	187	323	381	384	410
Adjustments to reconcile profit									
Depreciation of property and equipment	0	1	3	46	50	49	52	54	57
Impairment of property and equipment	0	0	1	1	0	0	0	0	0
Amortisation of intangible assets	1	0	2	14	8	8	8	7	7
Finance costs	48	95	127	265	219	210	203	214	199
Finance income	-3	-52	-145	-162	-151	-145	-162	-164	-166
Provision for allowance for expected credit losses against receivables and due from related parties	0	0	0	13	0	0	0	0	0
Provision for impairment of advance to suppliers	0	5	-2	5	0	0	0	0	0
Reversal of allowance for expected credit losses	0	9	-2	-13	0	0	0	0	0
Loss on derivative financial instruments carried at fair value through profit or loss	0	-23	37	17	0	0	0	0	0
Provision for slow moving inventories	0	4	1	0	0	0	0	0	0
Reversal of provisions	0	-12	-15	-25	0	0	0	0	0
Share of loss of an associate	0	1	-3	1	34	2	-16	-21	-26
Provision for employees' end of service benefits	0	1	1	2	2	3	3	3	3
Depreciation of right-of-use assets	0	0	1	4	1	1	1	1	1
Gain on disposal of property and equipment	0	0	0	-1	0	0	0	0	0
Interest on lease liabilities	0	0	1	3	4	1	1	1	1
Impairment of property and equipment	3	0	0	0	0	0	0	0	0
Cash generated from operations before change in Working Capital	**504**	**243**	**179**	**457**	**355**	**452**	**470**	**480**	**486**
Inventories	-580	-30	86	-240	-141	-79	-235	-79	-46
Trade receivables and contract assets	-517	-251	-367	-539	-45	-383	-97	-13	47
Prepayments and other receivables	0	62	-172	-56	159	-12	-28	-20	-14
Trade and other payables	611	-385	80	-161	-54	345	12	67	46
Due from related parties	-9	-2	-134	-3	0	0	0	0	0
Due to related parties	17	-19	-97	-10	0	0	0	0	0
Cash generated from operations	**25**	**-383**	**-425**	**-552**	**274**	**323**	**122**	**435**	**520**
Employees' end of service benefits paid	0	0	0	0	0	-1	-1	-1	-1
Interest income received	1	34	131	145	151	145	162	164	166
Income tax paid	0	0	-2	-23	-44	-47	-53	-59	-67
Net Cash Inflows from Operating Activities	**26**	**-348**	**-296**	**-430**	**380**	**421**	**230**	**540**	**618**
Cash Flows from Investing Activities									
Additions to property and equipment	-3	-8	-6	-73	-60	-71	-77	-81	-83
Additions to intangible assets	-2	0	-1	-2	-2	-2	-2	-2	-2
Proceeds from disposal of property and equipment	0	0	1	1	0	0	0	0	0
Acquisition, net of cash	0	0	0	-626	0	0	0	0	0
Net Cash Outflow from Investing Activities	**-5**	**-9**	**-6**	**-701**	**-220**	**-73**	**-79**	**-83**	**-86**
Cash Flow from Financing Activities									
Availment of bank borrowings	2,051	4,677	6,958	10,546	8,037	9,455	9,366	8,964	7,419
Repayment of bank borrowings	-1,768	-4,327	-5,971	-9,220	-8,304	-8,740	-9,178	-9,029	-7,902
Margin money deposits placed	-71	-19	-95	-33	0	0	0	0	0

Margin money deposits released	17	141	1	13	0	0	0	0	0
Interest paid	-42	-89	-121	-219	-219	-210	-203	-214	-199
Dividends paid	-12	-194	-45	-33	-40	-28	-55	-65	-64
Payment of lease liabilities	0	0	-27	-7	-9	-2	-2	-2	-2
(Repayment) / Proceeds of loan from a related party	0	0	236	-21	-15	-30	-30	-30	-30
Issue of additional share capital	30	0	0	0	0	0	0	0	0
Issue of shares with premium	294	0	0	0	0	0	0	0	0
Net Cash inflow/ outflow from financing activities	**500**	**189**	**937**	**1,025**	**-550**	**445**	**-102**	**-375**	**-778**
Net (decrease)/ increase in cash and cash equivalents	521	-168	634	-106	-390	793	50	82	-246
Effect of foreign currency translation reserve	0	0	9	-10	0	0	0	0	0
Bank balances and cash, at 1 January	17	538	370	1,013	897	506	1,299	1,349	1,431
Cash and Cash Equivalents at the End of the Year	**538**	**370**	**1,013**	**897**	**506**	**1,299**	**1,349**	**1,431**	**1,185**

Source: Company Information, FAB Securities research (2026E-30E)

FAB أبوظبي الأول للأوراق المالية SECURITIES

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