

Aleid Foods company CEO, Eng. Mohammad Al-Mutairi exclusive interview with Al-Jarida newspaper 2023 (economic supplement)

- Beginning, how do you see Aleid Foods journey in 2023 and what are the most prominent goals you aspire to achieve?
- The year 2022 was about planning and innovation, while the year 2023 is our year for initiation and taking off towards achieving Goals_25 regional expansion strategy, as we are focusing our efforts on enabling the company's operations and solidifying its position in the Kuwaiti financial market, apace with the active initiative to list the company in one of the most influential stock exchange markets in the Gulf in the current year, in addition to launching and activating its operations in Saudi Arabia whilst growing and supporting its market share, especially in the poultry and frozen meat sector, which is one of the most vital goals for the company and the group in general.
- Tell us about the most significant and remarkable progress milestones achieved by Aleid Foods Company, based on its direction and motto of continuous growth?

- Since its establishment, Aleid Foods Company's journey has been associated with a passion for achievement and progress and its ambition to achieve leadership in the food sector by adopting competitive standards with the quality and level of its business distinguished by advancing and enabling its operations locally and regionally through three integrated pillars:

First: reinforcing the company's distribution network in line with diversifying the product basket and building effective partnerships with a number of international, regional and local partner brands and subsidiaries internationally, emphasizing our role as partner of choice and the importance of partnerships in achieving success.

Second: Advancing the established company with a vertically integrated business model reinforced by supporting lines to develop its business locally, while continuously keeping pace with consumers' requirements, the digital market, and the establishment of new branches, in addition to expanding the traditional and digital marketing of its products.

Third: Growing the list of Aleid Foods' owned and subsidiary companies, and employing them to enter new sectors to support expansion strategies at the local and regional levels.

- **What about the Goals_25 regional expansion strategy, which was a clear vision that require anticipation and follow-up, what are its most prominent features?**

- **Goals_25 strategy is a qualitative step that keeps pace with Aleid Foods' momentum and ambition in achieving leadership in the food sector, and it aims to be a road map for the company's future and regional expansion plans for the coming years, and it is characterized by working to list Aleid Foods in two financial markets in the region, the entry of its operations, services, partner brands and subsidiaries to five commercial and vital cities in the Gulf, in addition to doubling the company's financial returns to reach 25 million dinars at the end of 2025 compared to the financial returns achieved at the end of 2021.**
- **And where have you reached in the implementation journey of the Goals 25 strategy and what has been achieved by the end of 2022?**
- **In 2022, Aleid Foods Company continued to work on developing its operation lines to enhance its position in the local and regional markets, attaining many remarkable achievements within the Goals 25 expansion strategy, by focusing on multiple levels, namely:**

First: the Expansion in the Gulf region, by opening Aleid Foods Company in Dubai, the hub of the commercial activity in the region, during the first quarter of 2022 in line with the launch of the Goals 25 strategy, and then establishing Aqtar Alkhaleej Company in Riyadh, to be a focal point for the expansion of the company's operations in the Kingdom of Saudi Arabia.



Second: Attracting various international, regional, and local brands to our product basket, the most important of which is the world-renowned Indian brand Allana, which Aleid Foods is the exclusive distributor of its frozen and fresh meat products, all packaged without preservatives, and ready for retail sale in parallel markets and hypermarkets in the Kuwaiti market. Milky Mist brand, which provides a variety of healthy dairy and cheese products that satisfy the changing and varying requirements of consumers, in addition to the eminent Dutch brand Van den Berg, offering a wide range of crackers, snacks, biscuits, and professionally baked Dutch bread of highest international standards.

At the regional level, Aleid added Freshly to its product basket, the most renowned and widespread Emirati brand in the region in general and Kuwait in particular, which is adopted in most famed restaurants chains such as Burger King, IKEA, and others, and Nabil brand - National Biscuits Industries from the Sultanate of Oman, which is known for biscuits, wafers and snacks products

Locally, the company focused on adding products that satisfy the tastes of different gourmet consumer segments, the most important of which was the AlKazi brand, offering a variety of high-quality and innovative dairy products, cheeses, and olives with unique original flavors.

Third: Building effective partnerships and signing agreements with a number of young entrepreneurs in the local food sector to expand the marketing of their products distinguished by their



quality and ideas, with the aim to reach the largest local consumer segments, especially gourmet consumers. In this context, Aleid Foods Company signed an acquisition and partnership contract with the Brunch Company for ready-made meals, which includes innovative brands such as XO Street Food, Como, and Firin.

Fourth: Entering new sectors to expand in meeting the desires of the largest segment of consumers, which reflects positively on the company's size and positioning in the market and that was achieved by entering the healthy food and supplements sector by acquiring HealthLand Application specialized in organic, vegan and healthy food products and supplements.

Fifth: Developing the existing branches of the company and establishing new ones to enter new food sectors, in this context Aleid established The Bakery & Confectionery Center which launched Morena chocolate as its first brand, in addition to launching the Food Supply Center and the Roastery and Mill Center branches, as for the Food Supply Center it has a special position and journey which started by collaborating with Qassar Brand to prepare special products, and Some time ago, we started producing Bouquet Garni brand specialized in traditional Kuwaiti cuisine, in addition to the La Chorreada brand for Mexican food.

- **What about Aleid Foods' bold venture in entering Saudi Arabia specifically the city of Riyadh, as the first city to expand in the Saudi market within the Aleid regional expansion strategy Goals 25?**

- **Riyadh is the dynamic heart of the Kingdom of Saudi Arabia, because of its strategic location, in addition to being the main engine for achieving the Kingdom's Vision 2030 goals, and due to its great importance, it was chosen to be the outset of the company operational expansion within the geographical framework of Saudi Arabia.**

After the establishment of Aqtar Alkhaleej Company in the Kingdom of Saudi Arabia, we set up an advanced operational program based on diversifying the product basket by keeping some current products and adding new ones to suit consumers' tastes in the Saudi market, the region's largest, most significant, and fastest-growing market, with a growth rate expected to reach 6% in the next five years, in addition, studies and statistics show that the consumption of food goods in the Kingdom of Saudi Arabia constitutes 60% of the total food consumption in the Gulf for several reasons, most importantly the fact that KSA has the largest population in the Gulf with 35.84 million population representing 70% of the total population in GCC countries, and with 37.44% of them being under the age of 25.

- **The food market in Kuwait is distinguished by its high purchasing power, putting it at the forefront of the most**



attractive food markets for food suppliers at the regional and global levels, What is are your vision of its reality and its future?

- **The Kuwaiti gourmet consumer is the real driving force behind the food market in Kuwait, and due to frequent travel, he is highly demanding and always seeking everything new, unique and of high world-class quality. With his ever-changing food tendencies, the Kuwaiti consumer depicts the reality of the local food market, remarkably directing the size and quality of the projects created by young Kuwaiti entrepreneurs locally, which qualifies them to lead the food renaissance movement across the Gulf region in the future, especially with the increase of commercial franchises of brands and restaurant chains created by Kuwaiti entrepreneurs, remarkably growing and gaining popularity and spreading from Kuwait to the rest of the Gulf countries.**

• Aleid Foods' share recorded remarkable leaps on Bursa Kuwait during the last three years, especially after the company signed two market maker contracts with Tharwa Investment and Al-Markaz, and beginning of 2022 the company's efforts paid off with its inclusion in the market main 50 index. What are the effects of this on the current and future position of Aleid's share?

- **The journey of advancing Aleid's share, which was accompanied by a focus on raising the financial performance indicators of the company, was a fundamental and differentiating pillar in the**

restructuring program to gain the confidence of investors and achieve sustainable returns for shareholders and partners.

several factors contributed to Aleid's share reaching the main market 50 index at a solid and deliberate pace, most notably the small number of companies listed on Boursa Kuwait in the food sector coupled with Aleid's focus on advancing its operations and setting standards that are compatible with internationally approved standards to upgrade its performance, also the accelerated growth the tremendous development that has occurred in the food sector globally in recent years, as it has become one of the most attractive sectors for investors in the regional and global financial markets, especially with its remarkable intersection with other economic sectors such as the tourism sector, hotels, agriculture, etc... in addition to the ability of the food sector to achieve sustainable development goals due to its dynamic and evolving nature.

And within the framework of Aleid's commitment to reinforcing its share and enhancing its position as a safe and sustainable investment, we have focused in recent years on strengthening the relationship with shareholders to become partners in our journey of success and profit-making as well, which was translated by ensuring the distribution of rewarding profits, the latest of which was the distribution of 8% cash dividends and 17% bonus to shareholders for the Fiscal year ending December 31, 2021.



- What about the cooperation of Aleid Foods with Arqaam Capital?
- **Arqaam Capital is a leading and experienced company in providing consultancy services and financial analysis with over 15 years of experience, and this collaboration aims to support the company's endeavors towards opening new horizons for the development of its investments and in its local and regional expansion plans by strengthening relations with existing investors and shareholders, and attracting new initiators and investors looking for opportunities to invest in emerging financial markets. Aleid Foods Collaboration with Arqaam will include working on several levels, the most important of which is the seasonal analyst conference dedicated to analyzing the company's financial results, and the first conference was held last November to discuss and analyze the financial results of Aleid Foods Company for the first nine months of 2022, In addition to issuing periodic reports about Aleid Foods to study the Goals_25 strategy and analyze its indicators and implications on the company's operational performance and development rates, noting that the initial report was issued last August.**