



## **GFH ACQUIRES MARKET LEADING BREAD AND SWEETS PRODUCER IN KSA**

Dubai – [xx November 2015] -- GFH Capital, a subsidiary of GFH Financial Group, announced today that it has agreed to acquire a market leading bread and sweets producer in the Kingdom of Saudi Arabia ("KSA") for a transaction value of US\$50 million.

The Company was established in 1984 and is a leading industrial scale producer of bread and sweets, employing 300 staff and supplying to over 3,000 clients across the Kingdom through its extensive distribution network. Some of the Company's flagship customers include leading fast food chains and five star hotels. The Company has reported strong, consistent growth year after year with revenues increasing at a CAGR of 11% between 2010 and 2014. The company is expected to maintain this level of growth over the investment period.

Commenting on the agreement, Mr. Hisham Alrayes, Managing Director of GFH Capital, said, "We're pleased to announce this new acquisition in Saudi Arabia's consumer goods market, one of the fastest growing and best performing sectors in the Kingdom. The acquisition is well in line with our objectives and ambitions to enhance our position and investment portfolio in the Saudi market where we see significant opportunity particularly in sectors such as this where growth is driven by strong consumer demand. This is a high quality manufacturer that we believe has a solid platform, track record and brand that can be further grown."

KSA is home to the largest population in the GCC at 29.8 million, and growing at a healthy CAGR between 2010 and 2014 of 2.4%, as well as a rising disposable income per capita. The food & beverage sector will be a key beneficiary of KSA's attractive fundamentals, with food consumption forecast to grow at a CAGR of 7.5% between 2014 and 2018 as per the BMI Index.

GFH's strategy is focused on investing in cash yielding opportunities in defensive sectors that have sound growth potential. This includes retail and consumer driven businesses, education, healthcare and real estate among others in the region and other international markets.



**About GFH Capital Limited:**

GFH Capital, a subsidiary for GFH Financial Group, is a Dubai based investment bank and fund manager, providing capital and strategic support for growth companies. With a 10-year track record of top-performing investments and fund management, GFH Capital is one of the region's longest-established private equity firms and one of the first to be licensed by the Dubai Financial Services Authority.

GFH Capital has undertaken and structured investments of more than USD 3 billion in over 40 companies and across 25 countries. The company has managed healthcare, technology, media, telecommunications (TMT) funds and financial institutions and is a regional leader and is a regionally recognised participant in education Technology and Health Care investments.

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