



## Shares of Arabian Food Industries Company Domty S.A.E. begin trading today on the Egyptian Stock Exchange

Cairo, 22 March 2016

Ordinary shares of Arabian Food Industries Company Domty S.A.E. (DOMT.CA on the Egyptian Exchange) will begin trading today at 10:00am CLT on the EGX, opening at EGP 9.20 per share.

Trading begins after a book-building process that saw selling shareholders including El Damaty family (c. 65%) and Mr. Yehia Bin Laden (c. 35%) offer 110,250,000 shares to international institutional investors and 12,250,000 more to Egyptian retail investors (together, the “Combined Offering.”) The institutional offering was more than 5.5x oversubscribed, while the Egyptian retail offering was 10.7x oversubscribed.

In total, the Combined Offering of 122,500,000 was 6x oversubscribed, having generated demand for 739,040,360 shares (or EGP 6.8 billion in total demand). EFG Hermes Promoting & Underwriting was sole global coordinator and bookrunner for the Combined Offering. Baker & McKenzie LLP was international counsel to the issuer, while Matouk Bassiouny served as local counsel and Akanar Partners as financial advisor.

The market capitalization of the company stands at EGP 2.3 billion at the start of trading prior to the execution of a closed subscription that will see Domty offer the Selling Shareholders the right to subscribe to newly issued shares, pro rata to the percentage of shares sold by the selling shareholders in the Combined Offering, subject to certain conditions. Upon completion of the Closed Subscription, the selling shareholders will inject EGP 300 million into the company.

Following the completion of the Combined Offering and the Closed Subscription, the Company expects to have a free float of 43%, assuming no stabilizing purchases are made by the stabilizing manager and no shares are returned to the selling shareholders at the end of the stabilization period.

**Domty Chairman and Managing Director Mr. Omar El Damaty said:** “Today is a day without precedent for our family, our fellow shareholders and to the employees who have helped us build Domty into the nation’s top producer of cheese and a leading player in the local juice market. Our company began commercial operations in 1990, but in becoming today a publicly traded company, our journey has in many respects just begun. I am confident we have the right team, the right strategy and the right portfolio of brands to create new shareholder value in the years ahead as we invest in addition production capacity, new products and the penetration of high-potential expansion markets.”

Domty manufactures, markets and distributes a range of branded white and processed cheeses and juice products. Its portfolio of brands includes the flagship Domty brand as well as the ‘fighter’ brands Gebnety and Damo (which target new consumer brackets) and the juice brand Bravo (targeting export markets). Egypt’s number-one cheese producer by market share, Domty holds leading positions in unprocessed (or “natural”) soft packaged cheese as well as processed packaged cheese. The company also became a top five player in the highly fragmented and competitive juice segment less than two years from its entry into the sector.



**Commenting on the transaction, Moustafa El Chiati, Managing Director at EFG Hermes said:** “The high rate of oversubscription from some of the world’s leading institutional investors as well as from regional and local fund managers speaks to both Domty’s corporate fundamentals and to those of Egypt’s very attractive consumer market. It exemplifies the strong foundation of the Egyptian economy and is a testament to EFG Hermes’ strong placement power. It is significant that the transaction is being executed amid exceptional volatility in global financial markets that has seen a number of companies globally and regionally pull back from offerings this since the beginning of 2016.”

With the Domty offering, EFG Hermes has now lead-managed and executed all international-standard IPOs — those executed in accordance with the international standards (Reg S / Rule 144A) — to have come out of Egypt and the United Arab Emirates in the past 24 months. The firm closed 2015 atop the Thomson Reuters MENA Equity Capital Markets League table.

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#### **About Arabian Food Industries Company Domty S.A.E.**

Domty, founded in 1988 and headquartered in Egypt, is a leader in the growing Egyptian cheese and juice market. The Company manufactures, markets and distributes a range of branded white and processed cheeses and juice products, with a family of nearly 200 SKUs under a brand portfolio including Domty, Damo, Gebnety and Bravo. Domty is a household name and the number-one cheese producer in the nation by market share. The Company sells to tens of thousands of retail and business customers as well as to more than 35 export destinations. Learn more about Domty by visiting [Domty.org](http://Domty.org).

#### **Contact**

##### **Ahmed El Homosani**

Member of Investor Relations and Corporate Affairs Department

T: +202 010 0169 0796 | [ahmed.elhomosani@domty.org](mailto:ahmed.elhomosani@domty.org)

#### **About EFG Hermes**

With a footprint spanning seven countries in the Middle East and North Africa, EFG Hermes started in Egypt and has grown over 30 years to become the region’s leading investment bank. We have a proven track record of providing a wide spectrum of financial services including investment banking, asset management, securities brokerage, research and private equity to clients across the region and beyond. EFG Hermes also owns a 63.7% majority stake in the Lebanese commercial bank Crédit Libanais.

Through our on-the-ground operations in Egypt, Jordan, Kuwait, Lebanon, Oman, Saudi Arabia and the UAE, and with more than 800 talented employees of 25 nationalities, we serve a considerable and diversified client base from the Middle East and North Africa to Europe, Africa and the United States. Our clients include corporations, financial institutions, governments, high net worth clients and individual customers.

In 2015, we launched EFG Hermes Leasing, a wholly-owned subsidiary offering leasing services and highly sought-after, value-added advisory to large corporations and SMEs across Egypt.



For further information about EFG Hermes, please visit [www.efghermes.com](http://www.efghermes.com) and stay connected with us:    

For further information, please contact:

**EFG Hermes Media**

[media@efg-hermes.com](mailto:media@efg-hermes.com)

**May El Gammal**

Head of Marketing and Communications

[melgammal@efg-hermes.com](mailto:melgammal@efg-hermes.com)

## Forward-Looking Statements

This communication contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be identified by the use of such words and phrases as “according to estimates”, “anticipates”, “assumes”, “believes”, “could”, “estimates”, “expects”, “intends”, “is of the opinion”, “may”, “plans”, “potential”, “predicts”, “projects”, “should”, “to the knowledge of”, “will”, “would” or, in each case their negatives or other similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans, or expectations regarding our business and management, our future growth or profitability and general economic and regulatory conditions and other matters affecting us.

Forward-looking statements reflect our management’s (“Management”) current views of future events, are based on Management’s assumptions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The occurrence or non-occurrence of an assumption could cause our actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements. Our business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to become inaccurate. These risks include fluctuations in the prices of raw materials or employee costs required by our operations, its ability to retain the services of certain key employees, its ability to compete successfully, changes in political, social, legal or economic conditions in Egypt, worldwide economic trends, global and regional trends in the dairy and juice industries, the impact of war and terrorist activity, inflation, interest rate and exchange rate fluctuations and Management’s ability to timely and accurately identify future risks to our business and manage the risks mentioned above.

Accordingly, investors should not rely on the forward-looking statements in this announcement and investors are strongly advised to read the following sections of the offering circular: “Summary”, “Risk Factors”, “Use of Proceeds”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Business” and “Egyptian Cheese and Juice Industries”. These sections include more detailed descriptions of factors that might have an impact on our business, financial condition and the industry in which we operate. None of us, our Management or EFG Hermes gives any assurance regarding the future accuracy of the opinions set forth herein or as to the actual occurrence of any predicted developments. After the date of the offering circular, none of us and the Managers assume, and each of us and the Managers expressly disclaim, any obligation, except as required by law and the listing rules, as amended, of the EGX (the “EGX Listing Rules”), to update any forward-looking statements or to conform these forward-looking statements to our actual results.