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## Retail Food Group Establishes Joint Ventures to Secure Middle East Expansion

Retail Food Group Limited (RFG or the Company) today announced the consummation of joint ventures with leading UAE-based businesses, the Al Hathboor Group and HKO Group, to accelerate Brand System expansion in the Gulf region, and to establish a World class coffee enterprise focused on realising significant untapped commercial coffee opportunities throughout the Middle East & North Africa (MENA) region.

RFG Managing Director Andre Nell said the joint ventures represented an important breakthrough in the Company's long-term strategy to support continued diversification and global expansion via the establishment of coffee roasting and Brand System licensing hubs within the Middle East, Asia and Europe.

"The joint ventures provide RFG the opportunity to grow a substantial commercial coffee enterprise throughout the MENA region, whilst enabling the Group to more efficiently service and grow Brand System franchise networks in the Gulf", he said.

Under the agreements, RFG will maintain a 50% interest in the joint ventures, whilst also retaining existing Middle East Brand System royalty and coffee income streams. The remaining 50% interest will be shared equally between the Company's joint venture partners, who share RFG's vision and possess the necessary resources, expertise and resolve to pursue the success of the ventures.

The Al Hathboor and HKO Groups each bring to the table significant complementary business operations, including in food and beverage, distribution, franchising and property, together with considerable local knowledge, resources, access and networks.

"We are honoured to partner with both the Al Hathboor Group and the HKO Group, and look forward to establishing a long and successful working relationship with them", Mr Nell said.

HKO Group's representative, Mr Hamad Khalaf Al Otaiba, noted that his group looked forward to working with RFG to fast-track the expansion of new regional franchise agreements and establish a World class coffee roasting and distribution hub.

"We are positive RFG's Brand Systems will appeal to consumers in the region, and consider that the joint ventures represent an exciting opportunity to build upon the strong regional footprint already created by RFG, whilst also tapping into the ever growing demand for high quality coffee products. We look forward to working with RFG and the Al Hathboor Group to ensure the success of these ventures", he said.

The Al Hathboor partners' Mohammed Abdulla Al Hathboor noted that his group was also excited about the opportunities the joint ventures offer to leverage synergistic opportunity amongst its existing bakery and distribution operations, whilst also affording scope for establishment of a significant commercial coffee supply and Brand System licensing business.

"Within the Middle East, there is an increasing demand for quality in terms of products and service. I am confident that Retail Food Group's brands, product offering, systems, and expertise will be received very positively in the Middle East marketplace, and we are excited by the opportunity these ventures present", he said.

RFG also acknowledged Trade Investment Queensland for its support in connection with consummating these joint venture opportunities within the Middle East.

## **ENDS**

For further information, interviews or images contact:

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### **About Retail Food Group Limited:**

RFG is a global food and beverage company headquartered in Australia. The Company is owner of the iconic Donut King, Brumby's Bakery, Michel's Patisserie, bb's Café, Esquires, Gloria Jean's Coffees, It's A Grind, The Coffee Guy, Café2U, Pizza Capers and Crust Gourmet Pizza Bar Brand Systems, and is a significant wholesale coffee roaster supplying existing Brand Systems and third party accounts under the Di Bella Coffee, Evolution Coffee Roasters Group and Roasting Australia coffee manufacturing brands. As well, RFG is a leader in foodservice, dairy processing and wholesale bakery pursuits, operating the Hudson Pacific Foodservice, Dairy Country, Bakery Fresh, and Associated Food Service businesses. For more information about RFG visit: [www.rfg.com.au](http://www.rfg.com.au)

### **About Al Hathboor Group:**

Founded in 1954, the Al Hathboor Group is based in Dubai and is a conglomerate of 11 group companies and 8 associate companies which operate across a range of industries including but not limited to electro-mechanical, fashion, beauty, car care, industrial maintenance, supermarket equipment, food and real estate within the UAE. Al Hathboor Foods division has significant bakery, warehousing and distribution solutions (including supply of fresh/frozen/canned products, pastry and bakery ingredients).

### **About HKO Group:**

HKO Group incorporates a diversified business portfolio, with high focus areas including food and beverage retail franchising and manufacturing, coupled with service industries spanning property and financial services. The HKO Group is aligned to the Al Otaiba Group of Companies through it's Chairman Hamad bin Khalaf Al Otaiba. The Al Otaiba Group of Companies, which was founded in 1954, is a corporate multi-segment business house with significant interests in oil, gas, precious metals, automobiles, electric motors, filtration and water treatment, telecommunications, pharmaceutical and health care, food and beverage. The Al Otaiba Group holds investments across a range of sectors including distribution, communications, technologies, real estate and business consultancy.