

Armed With A \$1.9 Billion Investment Plan, Almarai Eyes Expansion

Saudi's F&B company Almarai, one of the prominent players in the MENA's food and beverages market, announced a fresh business plan that will see it investing SAR 7.1 billion (\$1.9 billion) from 2020 to 2024 to expand its footprint.

The new investment program, which is planned to be financed mainly via company operating cash flow, will be focusing on many areas including the replacement of existing assets; adoption of green and cleaner energy footprint and the improvement of production capacities and capabilities in farms and manufacturing facilities.

Almarai will also invest in the distribution and transportation facilities; extend its geographical footprint and enhance the innovation and product development capabilities.

The company, which generated sales of \$3.7 billion in 2018, has a diversified portfolio that includes juices, bakery, poultry and infant formula, under many brands such as Almarai, L'usine, 7DAYS and others.

The food and beverage sector in the Gulf Cooperation Council (GCC) states is expected to continue to grow at a healthy 7.1% annually, reaching \$196 billion by 2021, up from \$130 billion during 2018, according to MENA Research Partners.

Saudi Arabia alone accounts for more than half of the market share, followed by the UAE which has a share of 31%, as per the report. Kuwait, which is the third largest F&B market in the region, is set to witness the fastest expansion at 9.6% per year.

GCC's booming population and growing tourism influx are among the main factors that fuel the exponential rise of the region's food and beverage industry in the coming years.

<https://forbesmiddleeast.com/armed-with-a-19-billion-investment-plan-almarai-eyes-expansion>