

Arla Foods bids for food and beverage company in Egypt

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Arla Foods has made a non-binding offer for the majority of the shares in the Arabian Food Industries Company (Domty), a listed company with approx. 4000 employees and two production sites in Egypt.

Arla Foods submitted a non-binding offer for the majority of the shares in the Arabian Food Industries Company (Domty) from Egypt, with a price per share of 31.48 EGP, corresponding to a value of 8,897 million EGP (implying \$183 million) for 100 per cent of the shares. It is however expected that the current owners, the El Damaty family, will continue with a shareholding alongside Arla and Mohamed El Damaty will continue as the CEO. Arla intends to delist the company from the Egyptian stock exchange.

The non-binding offer is subject to satisfactory due diligence, definitive documentation, and corporate and regulatory approval.

“The dairy market in Egypt is substantial, Domty is a leading player in that market and the company is well-aligned with our strategy in Egypt. We are now looking at the details before deciding whether to proceed with purchasing the business,” says Kim Villadsen, SVP for MENA in Arla Foods.

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