**Tanmiah Food Company partners with international food and agrotech leader MHP Group to boost Saudi poultry production**

**Riyadh, 16 February 2023** –Tanmiah Food Company (TADAWUL: 2281, “Tanmiah” or “The Company”), an established market leader in the provision of poultry and other meat products, today entered into a Memorandum of Understanding with MHP, the leading European producer of poultry. The agreement is the first step in establishing a joint venture between Tanmiah's wholly owned subsidiary, Desert Hills for Veterinary Services Company Ltd and MHP SE (LSE: MHPC, ‘MHP’), the parent company of the leading international food & agrotech group headquartered in Ukraine.

Supported by the government of Saudi Arabia, and in line with the food security goals of Saudi Vision 2030, the memorandum sets out the principles of establishing a joint venture with the aim of accelerating efforts to close the existing production gap in KSA’s domestic poultry sector.

The joint venture’s primary focus will be developing and operating poultry breeding facilities and includes the establishment of a greenfield hatchery in Saudi Arabia to hatch 108 million hatching eggs per annum. It will also invest in feed milling facilities with the target of producing 137 thousand tonnes of feed per annum.

The initiatives will be primarily funded by the Agriculture Development Fund of Saudi Arabia. MHP is set to provide a wide spectrum of industry expertise across the value chain to capture the long-term opportunities and design the best-in-class facilities fully adapted to local market conditions.

The establishment of the joint venture company remains subject to necessary regulatory approvals including the clearance by the General Authority for Competition of Saudi Arabia and other applicable authorizations.

 **Zulfiqar Hamadani, CEO of Tanmiah,** said: *“The new partnership with MHP is yet another important step, demonstrating our resolve to contribute towards KSA’s poultry self-sufficiency whilst reinforcing our pioneering role in supporting the Kingdom’s food security and self-sufficiency objectives. In addition, as Europe’s largest poultry producer, MHP brings a wealth of industry expertise that will advance Tanmiah’s production capabilities and efficiencies, whilst enhancing our sustainability agenda.”*

**Dr John Rich, MHP SE Executive Chairman**, added: ***“****This memorandum represents an important milestone in MHP’s international strategy. I am confident that Tanmiah’s excellent operational track record in combination with MHP’s industry-leading poultry expertise can bring transformational results to the Kingdom on their way to achieving the food security goals of 2030 Vision. The steady deepening of the relationship between MHP and Saudi Arabia is an important part of our long-term commitment to the region, and we continue to seek opportunities to make the best use of our expertise to improve food security around the globe. The agreement also brings closer together the peoples of Saudi Arabia and Ukraine.”*

Tanmiah is on track to achieving its ambitious growth plans, which include expanding its production capacity for fresh poultry and further processed products and developing new and innovative products and services that cater to the changing demands of domestic and international consumers.

**Ahmed Bin Sharaf Osilan, Executive Board Member & Managing Director of Tanmiah**, commented: *“Our feed and animal health segment has been delivering solid results over the past few quarters and we have ambitious plans to expand this business further, and generate sustainable long-term value to all our stakeholders, including our shareholders. The material investments into this joint venture, will result in an expansion of our overall capacity, whilst supporting local job creation and delivering on the Kingdom’s strategic vision for our sector.”*

The signing ceremony was held in [Riyadh](https://eur03.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.google.com%2Fsearch%3Frlz%3D1C1GCEJ_enGB948GB948%26sxsrf%3DAJOqlzXOaAWRSCkfTAwEaRk-Sq-6trlqtQ%3A1675860219421%26q%3DRiyadh%26stick%3DH4sIAAAAAAAAAOPgE-LUz9U3MKwyMjRV4gAxU3Jy47VkspOt9HPykxNLMvPz9JPzS_NKiiqtkhMLMksScxaxsgVlViamZOxgZdzFzsTBAAC3TonwRgAAAA%26sa%3DX%26ved%3D2ahUKEwi3osno-YX9AhV1olwKHcWLBJsQmxMoAXoFCIgBEAM&data=05%7C01%7Ca.sobotyuk%40mhp.com.ua%7Ca71a77a6e85748068c0608db0ac1c668%7C0eeb54ec50a14ef38bda96b20dcc413c%7C0%7C0%7C638115599876575334%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C0%7C%7C%7C&sdata=cCMSxo8qbN4fONt11c%2FF%2BW0sRl6297xpaqGcoi1CUpw%3D&reserved=0) at the offices of the Ministry of Environment, Water, and Agriculture on February 16, 2023.  Representatives from the Ministries of Investment, and Commerce, of the Kingdom of Saudi Arabia, Saudi Food and Drug Authority, Agricultural Development Fund and Saudi Investment Recycling Company also attended this event.

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**About Tanmiah Food Company**

Tanmiah Food Company, established in 1962, is one of the Middle East’s leading providers of fresh poultry, processed poultry, and other processed meat products, as well as animal feed and health products. It is a publicly listed company on the Saudi Stock Exchange. It is worth noting that Al-Dabbagh Holding Group is a partner and founding shareholder of Tanmiah Food Company. Tanmiah’s fully integrated and highly efficient business model includes production, processing, and distribution with products sold in Saudi Arabia, the UAE, Bahrain, Oman, Jordan, and Kuwait. As of 31 December 2022, Tanmiah operates 108 farms as well as six hatcheries, two feed mills, four slaughterhouses, and 13 dry and cold storage facilities located in Saudi Arabia, Bahrain, and the UAE. Tanmiah distributes its products through a network of wholesalers, retailers, and food service outlets, as well as online direct to consumers. Sustainability is a core principle at Tanmiah, with initiatives including planting a million trees by the end of 2025, using wastewater from its facilities, and turning waste products into fertilizer. For more information, visit [www.tanmiah.com](http://www.tanmiah.com)

**About MHP SE**

MHP SE is the parent company of a leading international food & agrotech group with headquarters in Ukraine, and production facilities both in Ukraine and in the Balkans (Perutnina Ptuj Group).

Ukraine: MHP has the greatest market share and highest brand recognition for its products. MHP owns and operates each of the key stages of chicken production processes, from feed grains and fodder production to egg hatching and grow out to processing, marketing, distribution and sales (including through MHP's franchise outlets). Complete vertical integration practically eliminates MHP’s exposure to raw material price fluctuations since its grain production exceeds internal consumption requirements, allowing the Company to be an important participant in the international commodity trade. In addition to cost efficiency, vertical integration also enables MHP to maintain strict biosecurity and to control the quality of its inputs and the resulting quality and consistency of its products all the way to the point of sale. To support its sales, MHP maintains a distribution network consisting of nine distribution and logistical centers within major Ukrainian cities. MHP uses its own truck fleet to distribute its products, reducing overall transportation costs and delivery times.

MHP also has a leading grain cultivation business growing corn, soya and sunflower to support the vertical integration of its chicken production and increasingly other grains, such as wheat and rape, for sale to third parties. MHP leases agricultural land located primarily in the highly fertile black soil regions of Ukraine.

The Balkans: Perutnina Ptuj (PP) is a leading poultry and meat-processing producer in the Balkans, with production sites in four Balkan countries: Slovenia, Croatia, Serbia, Bosnia and Herzegovina. PP owns distribution companies in Austria, Macedonia and Romania and supplies products to fifteen countries in Europe. PP is vertically integrated across all states of chicken meat production - feed, hatching eggs production and incubation, breeding, slaughtering, sausage production and further poultry processing.

MHP trades on the London Stock Exchange under the ticker symbol MHPC. For more information, visit [mhp.com.ua](https://mhp.com.ua/en/)

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