



Corporate Profile







*This document is strictly confidential and contains a certain amount sensitive commercial, proprietary or legally privileged information. The document is intended to provide a very specific and known audience with privileged information, the majority of which information is not in the public domain.*

*The authors request that the information contained herein is not copied, transmitted or distributed in any way by its intended recipients, unless previously agreed and authorised by the authors.*

A photograph of a person's hand holding a large, flowing white fabric in a desert landscape. The fabric is draped and billowing, creating deep shadows and bright highlights. The background is a vast, flat desert under a bright, clear sky. The overall mood is serene and expansive.

Covering  
Multiple  
Geographies  
& Regions

## BRIEF HISTORY

*HB Group was founded in 1952 by Ibrahim Husni Bey, primarily as a logistics company. It diversified rapidly over the years, gradually modifying and subsequently transforming its core businesses.*

HB Group has achieved critical mass and continuity through a sustained period of carefully planned and managed expansion and diversification programs. It has evolved to become the pioneer importer and distributor of market leading brands in the FMCG, Fashion, Pharmaceuticals, Commodities and Fresh Fruits sectors.

This process has successfully grown, through a series of closely held associates and subsidiaries into a private, substantial, diversified and independent entity, based in Libya. All subsidiaries enjoy significant shareholdings retained under full family control.

HB Group remained very active during a transitional phase of change and uncertainty for the country, often leading the way, and as a result, expanded exponentially in Libya after the 1990s.

Today, HB Group is recognized internationally as the premier private holding company in Libya. It has become widely acknowledged as a market leader in its numerous core trading and distribution activities, across multiple geographies, and it continues to take further quantitative and qualitative business development initiatives. These initiatives both broaden and deepen our activities, enabling the Group to expand into Commercial Real Estate, Hotels, Large Retail Complexes, Malls and leisure facilities.

### RECENT HISTORY OF THE LIBYAN MARKET

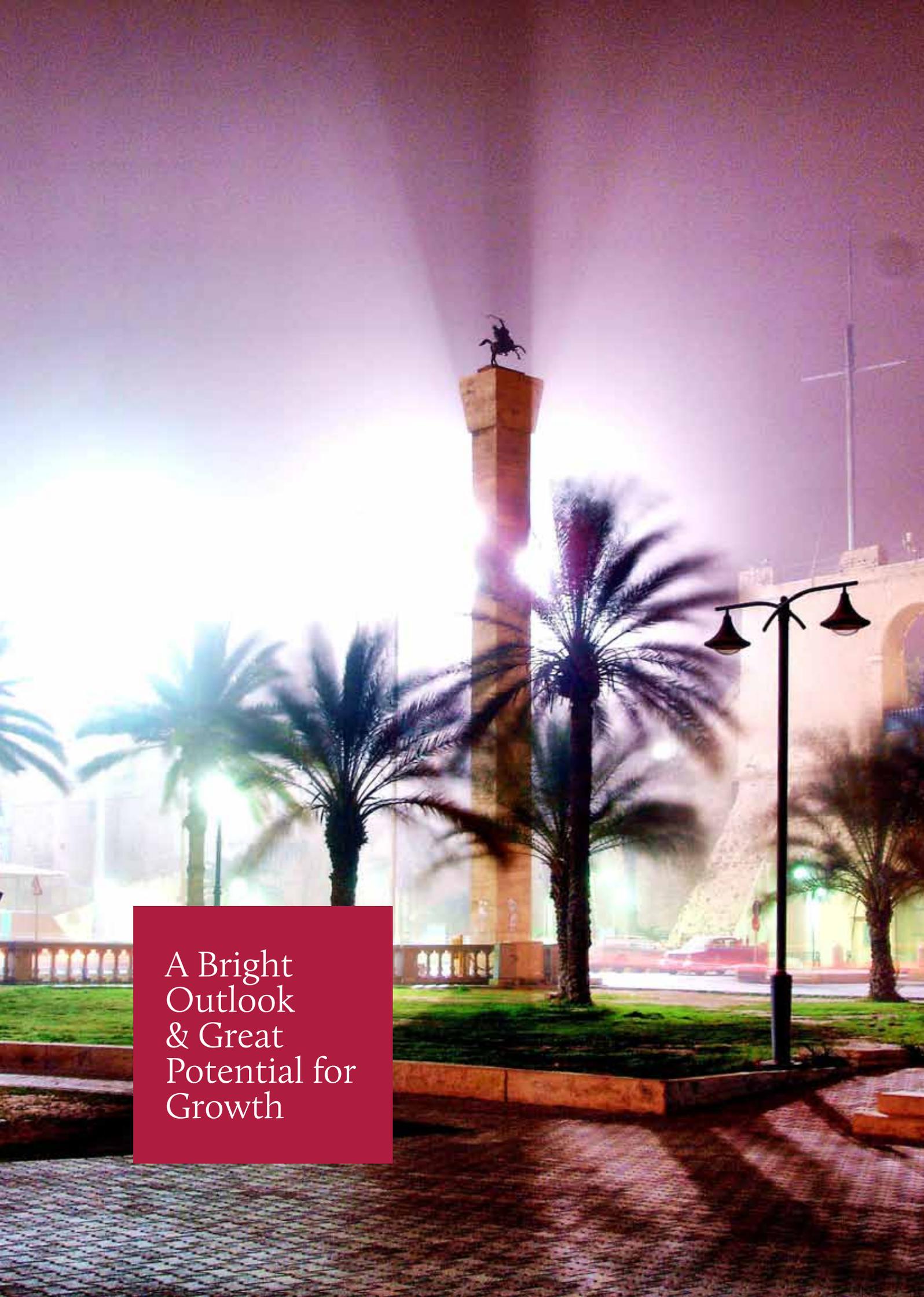
During the 1980's and 1990's, the period of Libyan centrally planned and internationally embargoed economy, HB Group acted as the medium through which Libyan private importers demands, and foreign exporters needs were matched in order to bridge the barter trade conditions set by the Libyan government.

The HB Group subsidiaries acted as 'confirming companies' to link HB Group and other financial needs for foreign goods and services in Libya in order to meet and fully satisfy the Libyan foreign exchange control regulations.

### *HB Group in Times of Uncertainty*

---

*The Group companies have, for the most part, remained fully operational during the recent period of unrest. Levels of commercial activity have generally seen a decline as UN sanctions take effect and the operational reality on the ground becomes more testing. Important contributions have been made to ensure the supply of essential goods into Libya and limit the suffering of the general population.*

A nighttime photograph of a public square or park. In the center is a tall, rectangular stone monument topped with a dark silhouette of a horse and rider. Several palm trees are scattered around the monument. To the right, a black street lamp with two white globe lights stands on a paved area. In the background, a large, light-colored building with arches is visible, and a tall, thin tower rises into the dark sky. The ground in the foreground is paved with cobblestones. A semi-transparent red rectangle is overlaid on the bottom left of the image, containing white text.

A Bright  
Outlook  
& Great  
Potential for  
Growth

## HB GROUP STRUCTURE

*HB Group is formed by a number of independent entities operating across multiple industrial sectors. The number of individual entities currently in operation, and in which Bey family members have a significant stake, exceeds 50. Operations are predominantly based in Libya, typically in co-operation with international partners, but an increasing proportion of activities exist and are developing in Europe, Middle East and wider North Africa.*

HB Group is not a formal organisational structure as you may typically see in other geographies and jurisdictions. Each business in which members of the Bey family are shareholders remains fully independent, with its unique shareholders, board of directors and management.

The Group function undertaken is primarily that of strategic alignment, facilitation of activities in pursuit of individual company objectives, co-ordination of family member interests and unlocking business potential through the application of international best practice and the implementation of common policies and procedures – where appropriate.

The primary reasons for this ‘collaborative’ type structure are:

- No recognition of, or benefit derived from, the consolidated holding company concept within Libyan law.
- Risk management. Should one entity encounter any regulatory or governmental problems, all other entities would remain unaffected.
- Focus. Each company operates independently, develops and implements its own strategies, sets and manages its own budgets and is fully accountable for its performance. This focuses the directors and management to ensure that the company they represent remains independent, profitable, viable and specialised.
- Facilitation. Where opportunities are available, either within existing companies or through the creation of new ventures, the Group management function is to facilitate the development of these opportunities where required. This takes the form of arranging visits, developing appropriate partnership and legal structures, defining the terms of the relationship, building business plans, securing and structuring investment capital (if required), supporting the ongoing relationship with partners or authorities, and providing advice and assistance where appropriate.

HB GROUP SECTORS

FMCG

---

Perishable Commodities

---

Pharmaceuticals

---

Shipping

---

Retail

---

Real Estate Development

---

Financial Services

---

Information Technology

---



## FMCG (FAST MOVING CONSUMER GOODS)

*HB Group has changed and shaped the FMCG environment in which it competes today by constantly challenging the accepted market standards and gradually introducing progressive improvements.*

HB Group are widely recognised as the pioneers of the FMCG market in the private sector in Libya. Partnering with world leading brands, HB Group have developed its own branded manufacturing and distribution businesses in the fields of soft drinks, cheese, tuna and tea.

The Group has created an unrivalled logistics and sales network within Libya, basing its approach on innovative marketing and creative access to the market. Many of the brands distributed were amongst the first to appear on Libyan television, the first to be mentioned in Libyan newspapers, and the first to have the support of high profile promotions.

*Unrivalled  
Logistics & Sales  
Network*

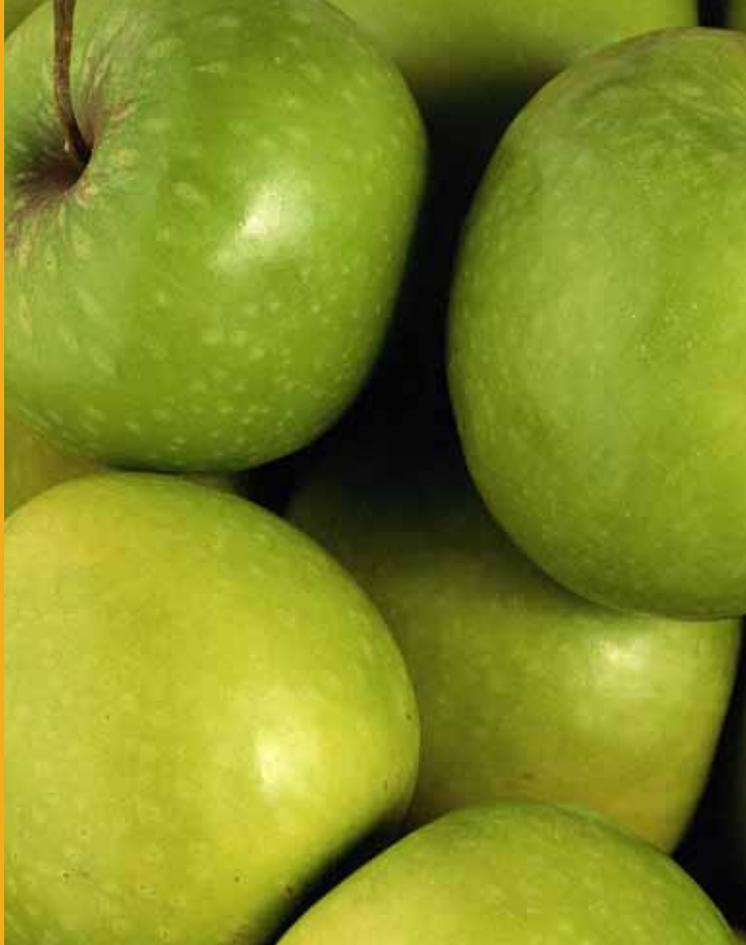
The FMCG business has developed from primarily a wholesale type operation into a direct distribution system.

The Group operates a fleet of distribution vehicles servicing the whole of Libya numbering over 480, providing high quality, specialised on time delivery of goods covering the entire temperature spectrum-ambient, chilled and frozen.

*480+  
Distribution  
Vehicles*

Current operations are focused into 6 clearly defined operating divisions to ensure specialised sales and delivery performance:

- Personal Care
- Detergents
- Dairy
- Beverages
- Food
- Confectionary



## PERISHABLE COMMODITIES

*HB Group is one of the largest and most active perishable commodities traders in Libya.*

*Cool  
Chain from  
'Ship to Ship'*

The Group companies import large quantities of commodities such as sugar, tea, rice, bananas and apples into Libya, either for local consumption or re-export. The companies also own and manage the cool chain from 'ship to shop' guaranteeing exceptional freshness and cost effective operations.

*Exceptional Freshness  
& Cost Effective  
Operations*

The commodities sector, from a Group perspective, has a totally independent structure from the FMCG distribution. Facilities, combining into a fully integrated network, are located in all major centers throughout the territory.



## PHARMACEUTICALS

*HB Group, through its specialised company named Siran, is a leading importer and distributor of medicine and infant nutrition products.*

As with all pharmaceutical operations, HB Group has state of the art warehousing and distribution facilities, with the latest tracking and control technology being utilised. Two main operating bases, one in Benghazi and one in Tripoli, provide the highest standards of operating procedures, controls, and full adherence to the latest health and safety regulations as demanded by our partners. All facilities are humidity and temperature controlled to meet international standards.

Siran works with an experienced team of 18 medical representatives. They work closely with the wider medical community and provide detailed advice and assistance related specifically to Abbott Laboratories, Nutricia and P&G products.

HB Group works very closely with all the partners in the healthcare sector. In liaison with numerous local and international partners, Siran design promotes, manages and leads numerous symposiums, exhibitions and sponsored educational programs.

The Group firmly believes that it must continue to support, promote, improve and develop public health awareness in Libya.

**18+**  
**Medical**  
**Representatives**

**Support, Promote**  
**& Improve**  
**Public Health**



## SHIPPING

*HB Group is the majority shareholder in Esterlab, the Libyan agent for the second largest global carrier, MSC.*

### *The Largest Container Operator in Libya*

The agency, over a number of years and due to investing heavily in sustaining a long term relationship, has grown to become the largest container operator in Libya. In addition, Esterlab provides extensive bonded warehousing facilities in port areas, working closely with the authorities and users of the facilities, especially the oil industry.

### *Extensive Bonded Warehousing Facilities*

Esterlab, also specialises in providing comprehensive port services to vessels calling at all the major marine ports in Libya.

HB Group has developed and is currently expanding a fuel oil bunker supply service. Demand is currently exceeding supply as Libya is strategically located in the Mediterranean, and has an abundance of relatively inexpensive natural resources and services. In the future, the Group will develop all the shipping related services to create a significant logistical hub for bunker fuel oil, products and services in the Mediterranean.

HB Group has commenced procedures to implement “ISO 9000” as part of a comprehensive total “Quality Management System.” This process will increase the productivity of the organisation and the quality of services offered.



## RETAIL

*HB Group, through its partner, United Fashions, is one of the leading fashion retail organisations in Libya.*

The Group aims to become, by a significant margin, the leading retailer across multiple retail sectors in Libya and the wider Maghreb region. This will be achieved through partnering with a number of top international brands and operators, opening a mixture of single and multi brand stores, both stand alone and Mall based.

The retail sector in Libya is still in a very early stage of development, with the Group having a clear competitive advantage to drive further development and effectively shaping the future retailing landscape in the country. The Group currently operates over 15 retail outlets in Tripoli and Benghazi, with an aggressive expansion plan being executed to broaden and deepen the market penetration of Group partners.

HB Group's current brand line up includes international leading brands such as Marks and Spencer, Mango, Benetton, La Senza, Terranova, Next, Oviessa, Aldo and Piazza Italia. New properties throughout Libya, and in Tunisia and Morocco, are currently under development to further support the current brand portfolio and develop new partnerships.

The Group has also expanded the product portfolio to include "Art of the Table". Brands in this sector include Christofle, Villeroy and Boch, Baccarat, Leonardo, Asa, Luminarc, Guy de Grenne and others.

*Shaping  
the Future  
Retailing  
Landscape*

*15+  
Retail  
Outlets*



## REAL ESTATE DEVELOPMENT

*HB Group recognise that a critical component of its existing and future success is the availability of high quality, fit for purpose property and real estate. This encompasses residential, commercial, industrial and leisure properties.*

### *Boom in Real Estate Development*

During the last 10 years, and in contrast to the global trends, Libya has witnessed a boom in real estate development and prices. HB Group has anticipated the growing demand, especially for commercial real estate, and invested heavily in developing a large property portfolio.

The Group has used the synergies available between Group companies to identify, market, purchase, build and lease properties to various international and local companies, both within the Group and with third parties.

### *Purchase, Build & Lease Properties*

High quality, modern, fit for purpose commercial premises have been created for external international clients such as Occidental Petroleum and Wahda Bank, and internal clients such as Mango, Marks and Spencer, and Next.

The Group works exclusively with well established, international companies in order to ensure a steady, sustainable revenue stream over the long term. It aims to grow its portfolio within Libya and other geographies.



## FINANCIAL SERVICES

*Historically, the financial services sector in Libya has been dramatically underdeveloped, primarily as a result of international sanctions and government policy.*

Financial services, often considered the backbone of any economy, have begun to emerge in Libya, but are in dire need of revamping.

HB Group has invested in three main areas of the financial sector

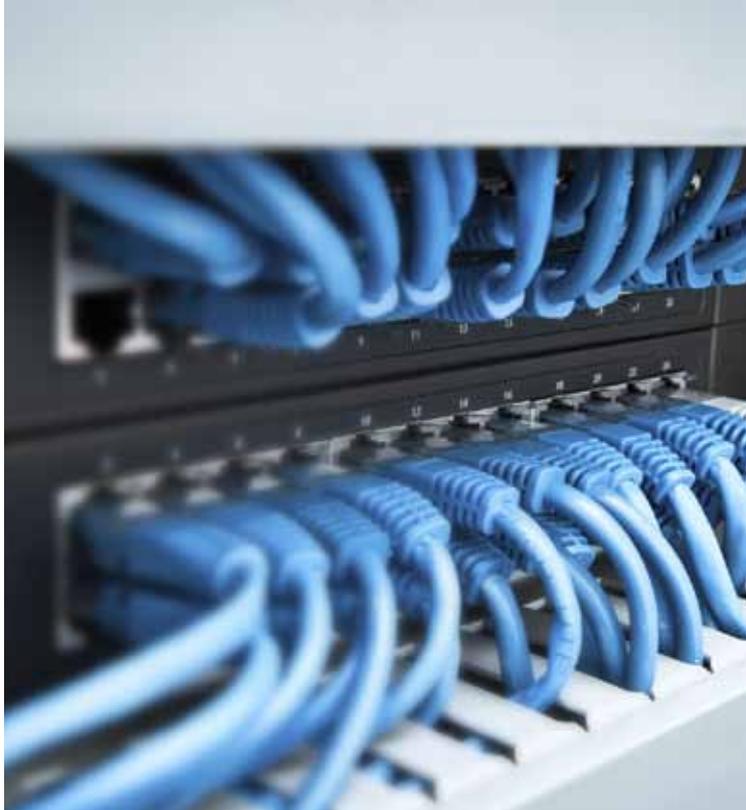
- Banking
- Insurance
- Financial Services

The Group is one of the first private Libyan based entrants into the Libyan financial services sector. Tadawul Financial Group has been specifically created to provide financial advisory, asset management, brokerage and corporate finance services to the market. In addition, it will identify and transact attractive investment opportunities.

HB Group is also a major shareholder in a private Libyan Bank, private Libyan insurance company and a brokerage firm.

*Major Shareholders  
in Financial  
Institutions*

*Investments in the  
Financial Sector*



## INFORMATION TECHNOLOGY

*Through its Transahara entity, HB Group is active in providing a wide range of information technology and communications solutions to a diverse client base.*

### *Solutions for a Modern Libya*

TSITC has specialised its products to focus on two key areas:

- Radio and communication equipment
- Banking solutions

TSITC is completing the implementation of a full service Islamic banking solution for the largest bank in Libya. It has also designed, supplied and installed extensive radio communication networks to the Libyan Port Authorities, and international oil companies such as Wintershall, BP and Petrocanada.

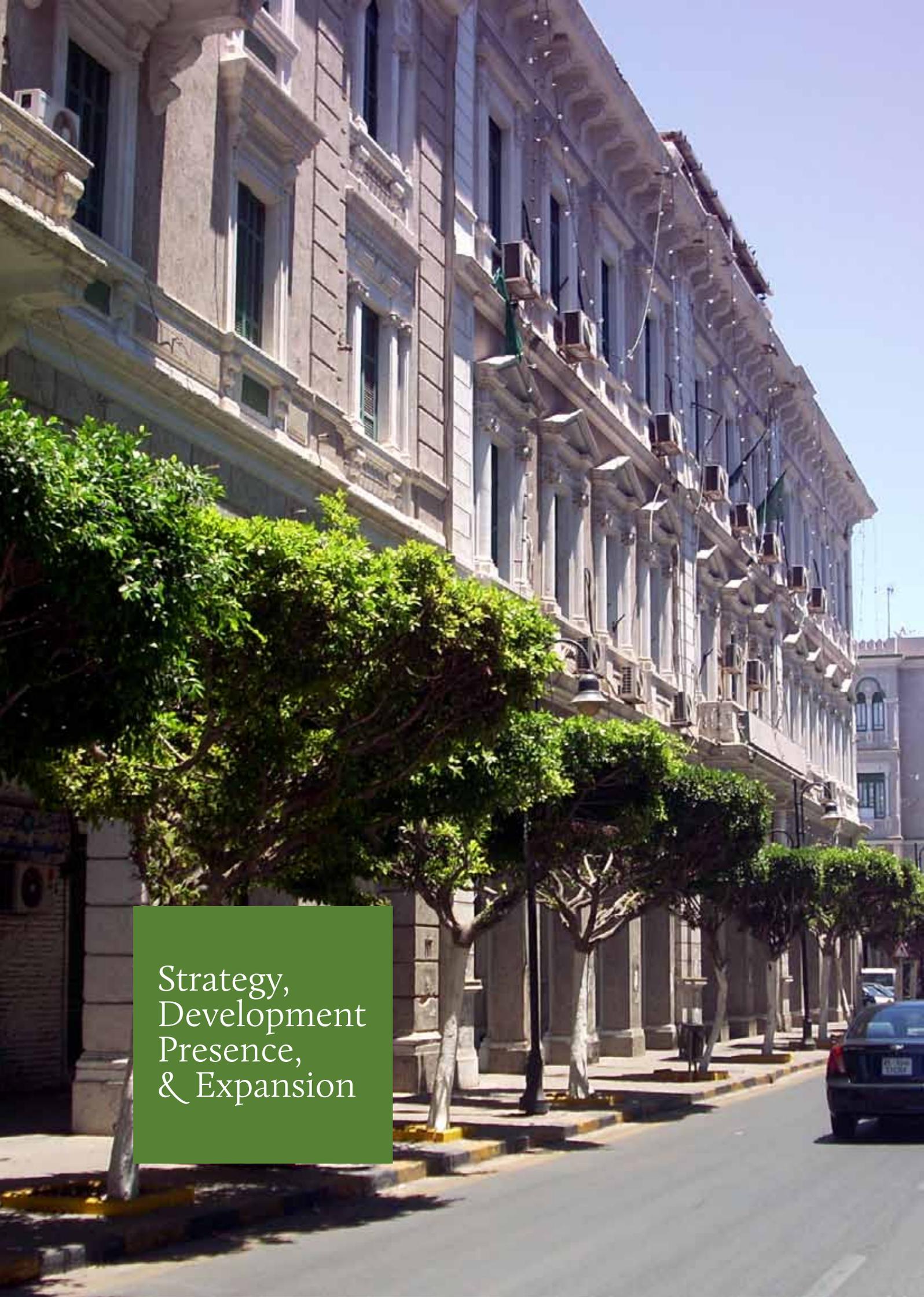
### *Development & Supply*

In an important development for the Group, TSITC was awarded the rights to act as the distributor for Oracle in Libya, being official licence partners. This relationship has supported the roll out of Oracle solutions within a number of the HB Group companies, a roll out and upgrading program that continues today as part of the continuous investment policy adopted.

The TSITC team is currently developing a proprietary technology solution with Extronics that will enable it to become a large scale international solution provider to the global oil industry.

All Group companies benefit from common synergies, yet maintain independent and autonomous management.





Strategy,  
Development  
Presence,  
& Expansion

## INVESTING WITH HB GROUP

*HB Group are strategically developing a significant presence in multiple sectors within Libya, the Maghreb region, the Middle East and Europe.*

Growth has been, and will continue to be, driven by :

- Expansion of existing operations within established sectors and geographies.
- Strategic alliances and strong roll out plans in partnership with major international operators and brand owners.

The Group reflects the guiding principles of the overall economy by embracing the two fundamental principles promoted by its government:

- Distribution of wealth
- Broader asset ownership

These principles are actively applied and implemented through the allocation of shares to management, staff and through public offerings to individual shareholders.

HB Group, with its strategic partners, aim to be the leading operator in their chosen industrial sectors and geographies.

HB Group will provide many of the worlds leading brands with access to some of the most exciting and dynamic growth markets available.

All Group companies benefit from common synergies, yet maintain independent and autonomous management. This approach, we believe, gives the best possible return to shareholders with different interests within the Group.

The Group's success is built on its pool of resources and a set of fine tuned working models that all operate together in one coordinated effort - providing a diversified portfolio of products and services.

As a result we are able to provide those companies that we work with local support in an extremely cost effective manner whilst still meeting the best international standards in commercial operations, health, safety and environment.



### *Libya in Brief*

#### POPULATION

*5.67 million, 1.8 million in Tripoli*

#### GDP (PPP) - 2010 ESTIMATE

*\$90.841 billion Total*

*\$13,846 Per capita*

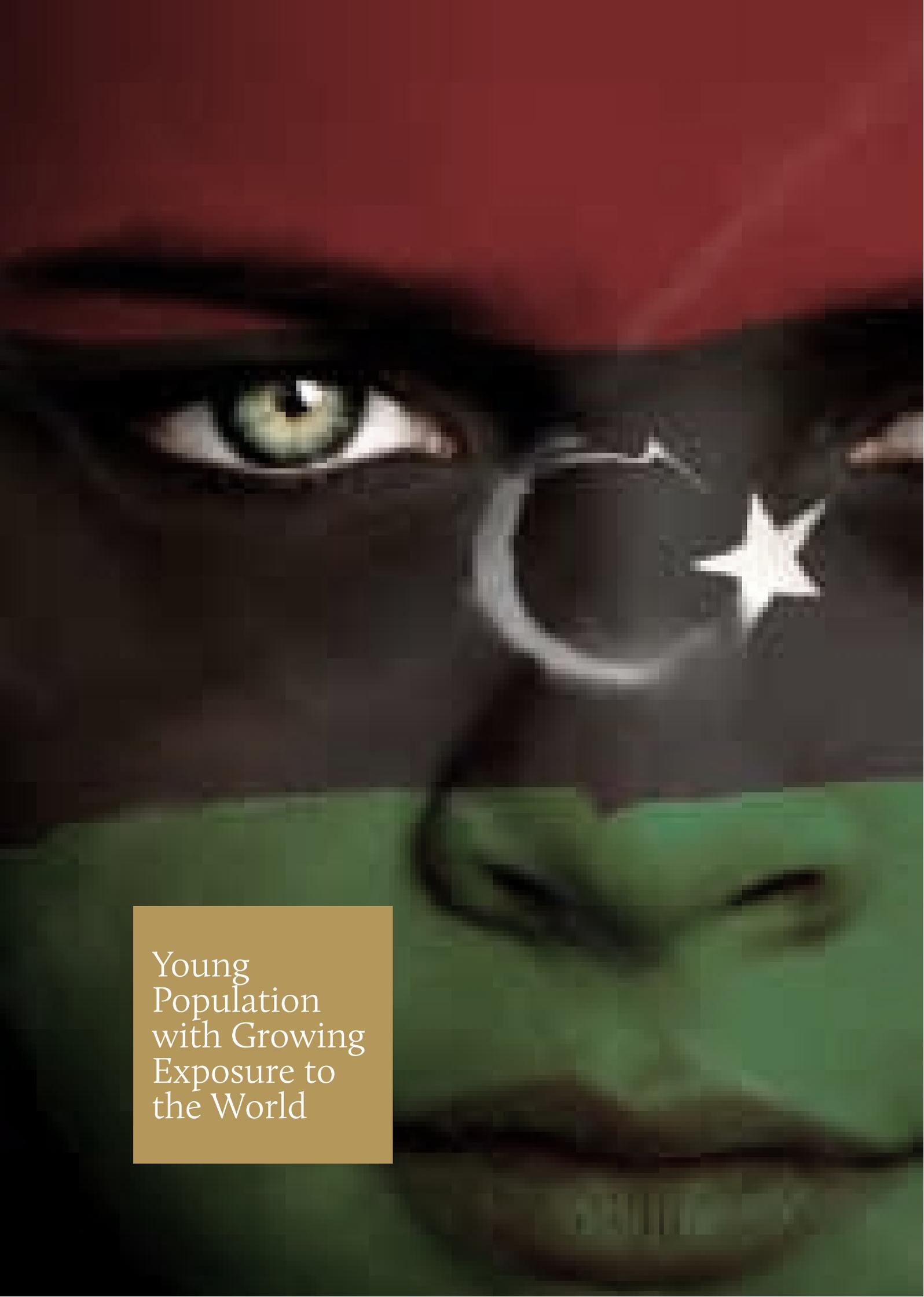
#### HUMAN DEVELOPMENT INDEX (HDI)

*Highest HDI in Africa\**

#### AREA

*The world's 17th largest territory*

*\*United Nations Development Programme's Human Development Report 2010.*



Young  
Population  
with Growing  
Exposure to  
the World

## INVESTING IN LIBYA

*Libya still represents one of the most attractive, and as yet, under developed business environments available today.*

Strong growth is forecasted to return following the resolution of current hostilities, with HB Group companies well positioned to lead the redevelopment of the Libyan private economy.

### LIBYAN ECONOMIC DATA

Key indicators	2010	2011	2012	2013	2014	2015
Population	6.6	6.1	6.8	6.9	7	7
Nominal GDP (US\$ billions)	79.16	56.46	74.21	87.38	96.13	99.56
GDP per Capita	11,993.9	9,255.7	10,913.2	12,663.8	13,732.9	14,222.9
Real GDP growth (%)	3.3	-26.1	15.5	9.1	7.5	4.4
Consumer Price Inflation (av %)	2.5	6.8	5.2	2.7	3.1	3.2
Budget Balance (% of GDP)	9	-28.2	3.2	2.9	7.4	9
Current-Account Balance (% of GDP)	20.4	-0.3	21.7	18.3	19	16.5
Exchange rate LD : US\$ (av)	1.27	1.23	1.26	1.28	1.28	1.26
Exchange rate LD : € (av)	1.68	1.68	1.59	1.54	1.57	1.61

© Economist Intelligence Unit 2011

The Libyan population is a young mobile population, with high disposable income, growing awareness of international business and brands, as well as growing exposure to the international community and growing expectations.

### HB GROUP FUTURE DEVELOPMENTS

HB Group's strategy has always been to develop large, sustainable companies in chosen sectors and geographies. This strategy remains unchanged and underpins the continued development of HB Group. This will be typically through strategic relationships with recognised, leading international companies and brands, building on in depth local and international expertise.



**Head Office** Soussa Street, Abou Nawwas, Gergaresh, Tripoli, Libya  
T. +218 21 484 1488 F. +218 21 484 1491

**Benghazi Office** Andalous Street, Gwarsha, Benghazi, Libya  
T. +218 61 222 8220 F. +218 61 222 6086