



Bond Offering Overview

WEST FOODSTUFF COMPANY LTD presents an attractive fixed-income investment opportunity with competitive returns and strong operational fundamentals.

Investment Highlights

- **9% Annual Interest Rate** - Attractive fixed-rate returns
- **Semi-Annual Payments** - Regular 4.5% coupon payments twice per year
- **London Stock Exchange** - Listed on a major international exchange
- **Proven Track Record** - Over 20 years of operational excellence

Bond Terms at a Glance

ANNUAL INTEREST RATE

9%

Fixed annual return

SEMI-ANNUAL COUPON

4.5%

Paid twice yearly

PAYMENT FREQUENCY

2x

Per annum

LISTING LOCATION

LSE

London Stock Exchange

About WEST FOODSTUFF COMPANY LTD

WEST FOODSTUFF COMPANY LTD (Company Number: 16804844) is a leading foodstuff distribution company with extensive experience across the GCC region. With over 20 years of operational excellence, we have established ourselves as a trusted partner in food distribution.

We are strategically relocating our headquarters to the United Kingdom to access European capital markets and enhance our global presence. This expansion is supported by a robust financial foundation and a proven track record.

Use of Proceeds

This section details exactly how the \$20 million bond proceeds are allocated. It includes both operational investment and the mandatory Debt Service Fund, which ensures bond viability during the initial negative-EBITDA phase.

Operational Investments (Total \$15.5M)

These are cash deployments into building and operating the company's infrastructure and revenue engines:

- **Fleet Expansion (\$1.0M)** — Purchase of refrigerated trucks to support cold-chain logistics for perishable goods.
- **Warehouse Expansion (\$1.5M)** — Fit-out and automation of leased warehouse spaces to increase throughput and capacity.
- **Regional Distribution Hubs (\$3.5M)** — Capital costs for establishing the five planned regional hubs, forming the backbone of the nationwide B2B network.
- **B2C E-Commerce Platform (\$1.0M)** — Development and deployment of website, mobile app, and backend ordering systems for consumer-facing operations.

- **IT & ERP Upgrade (\$1.0M)** — Investment in digital infrastructure, data systems, and software for real-time supply chain and financial management.
- **Total CapEx Budgeted (\$8.0M)** — Sum of lines 1–5, representing total planned investment in fixed assets between 2025 and 2026.
- **Product Diversification (\$1.0M)** — Budget for research, pilot production, and packaging for new high-margin, value-added food products.
- **B2C Marketing Budget (\$3.0M)** — Dedicated marketing allocation for digital campaigns, online ads, and brand-building from 2025–2027.
- **Total Marketing & Growth Budgeted (\$4.0M)** — Sum of lines 6–7, representing planned marketing and product diversification activities.
- **Working Capital (\$3.5M)** — Pre-funded liquidity to finance the initial inventory, payables, and receivables gap during the first operational years.

Debt Service Fund (Mandatory — \$4.5M)

This portion is ring-fenced and not used for operations. It ensures uninterrupted debt servicing during the ramp-up phase:

- **Capitalized Interest (\$3.6M)** — Set aside to cover all interest payments for the first two years (USD 1.8M annually), fully insulating the bond from early operational losses.
- **Debt Service Reserve Account (DSRA) (\$0.9M)** — A one-coupon reserve (semi-annual) mandated by bond covenants to enhance credit protection.

Total Bond Raise: \$20.0M

This structure corresponds exactly to the 40/30/30 capital allocation framework: 40% CapEx, 30% Growth & Marketing, 30% Liquidity & Reserves.

Why Invest in West Foodstuff?

Established Track Record: Decades of proven success in foodstuff distribution across the GCC region

Strategic Expansion: UK headquarters relocation provides access to European markets and enhanced governance standards

Attractive Returns: Competitive 9% annual interest rate with semi-annual coupon payments

Strong Fundamentals: Solid financial position with consistent operational performance

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