

1957  
2007

HALF A  
CENTURY OF  
CONTINUOUS  
GROWTH

58



محمد وعبد الرحمن السعد البواردي

**M & A ALBAWARDI**

مجموعة شركات Group of Companies

Corporate Profile

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Albawardi has come a long way since it was established in 1957, a time when Saudi Arabia's economy was beginning to benefit from the discovery of oil. Half a century of continuous growth has propelled Albawardi Group from its origins as a traditional trading house into a dynamic and diversified business active in trading, industry, services and investment. The Group is proud to have contributed to the Kingdom's economic and social development, and it looks to continue this vital role in the future.

World-class companies in Saudi Arabia and the Middle East leverage the expertise of Albawardi's subsidiaries. Competitive advantages enjoyed by its customers are a fitting testament to the Group's culture of quality and this is a cornerstone of the business on which long-term relationships are fostered.

Partnership with Albawardi Group ensures association with a dynamic enterprise that enjoys a longstanding reputation for professionalism and an ethical approach to business.



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**M & A ALBAWARDI**

مجموعة شركات Group of Companies

**TRADING**

Albawardi Building Materials  
Albawardi Cement  
Albawardi Tools & Hardware  
Albawardi Grain Terminal  
Albawardi Supplies  
Albawardi Foods  
Alba International  
MAB International

**INDUSTRY**

Albawardi Steel Industries  
Albawardi Woodwork  
Industries  
Albawardi Metal Alloys

**SERVICES**

Albawardi Marine Survey  
Albawardi Materials  
Recycling  
Materials Surveys &  
Inspection Co., Ltd  
Saudi Materials  
Recycling Co., Ltd  
International Transport &  
Warehousing Co., Ltd

**INVESTMENT  
& REAL ESTATE**

Albawardi Investments  
Albawardi Real Estate

**Group Board Members**

Khaled M. Albawardi  
Musaed A. Albawardi  
Sami A. Albawardi

Chairman of The Board, Group President & CEO  
Board Member & Executive Vice President  
Board Member & Executive Vice President



# Group overview

In 1957 Mohammed and Abdulrahman Albawardi entered into a partnership that has evolved into one of Saudi Arabia's foremost merchant houses. Their commitment to operate ethically was matched by a strong ambition to be the best in every area of the business. These founding principles still guide Albawardi Group today.

The Company began modestly with just a few employees at a single outlet in Riyadh and a branch in Dammam. Today the Group has a branch network covering the Kingdom and employs over 1,500 professional staff whose skills and abilities are fundamental to its success. Albawardi invests significantly in their development, using the latest systems to ensure that its human resources are effectively used and that they are empowered to fulfil their career aspirations. All members of the management team have a strong sense of accountability and loyalty, which in turn ensures Group cohesion and growth.

Although the primary focus remains on Saudi Arabia and the neighbouring Gulf states, Albawardi interests and operations extend across the globe. The Group has three main areas of activity: trading, industry, and services and investment.

The achievements of Albawardi Group and its subsidiaries have been recognised through numerous awards and citations from international brand principals, industry groups and governmental bodies.

Albawardi's great stability and strength lies in its flexibility to respond to changing market dynamics and the diversified nature of its activities. Albawardi's vision is customer oriented and innovative. As a result, it can optimise its response to new opportunities and market developments, while meeting the highest international quality standards across all the Group's operations.



## Our vision

Our aim is to achieve leadership in each of our key sectors. We will achieve this through teamwork and staff development, investing in the latest technology and research and development.

Offering the best service to our customers is the ultimate goal, in accordance with our values that are centred on faith and commitment.

We will always strive to achieve superior quality in every endeavour - these efforts will receive the recognition they deserve.

We will explore new ventures to continue our growth and prosperity, building on our strong foundations.

## Our values

We are committed to the highest levels of professionalism, ethics and integrity.

We strive constantly to achieve excellence by offering the best products and the highest standards of service, meeting and exceeding our customers' needs.

We are open to new ideas and we act consistently and decisively.

People are our most valuable asset. By working as a team we achieve success together, to the mutual benefit of our customers, shareholders and staff.

We are concerned about preserving and protecting the environment for future generations.

# Trading

## Albawardi Building Materials

Albawardi Building Materials was formed to consolidate the family's general trading activities and today it remains at the heart of the Group's rich heritage. In the early years, business was confined to supplying steel, timber and cement. Later the company expanded rapidly, in parallel with the exponential growth of the Kingdom's construction sector.

Taking advantage of buoyant economic conditions, the company's activities broadened to encompass all construction needs, every item of which had to meet stringent international standards. Teams of qualified engineers and salesmen, specialising in the industrial, construction and commercial sectors, were recruited to support a growing product range. The implementation of this strategy formed the basis for a period of sustained growth. Consequently the company became the leading building materials stockist in Saudi Arabia with a Kingdom-wide distribution network encompassing all the main commercial centres and a logistical infrastructure that ensured operational efficiency and the highest levels of customer satisfaction.

Today, Albawardi Building Materials occupies an enviable position as supplier of choice to Saudi Arabia's construction industry, where vigorous growth continues. However, the business is not restricted to the Kingdom – an ambitious strategy has been implemented to expand throughout the Middle East.

The company offers over 18,000 items of price-competitive, high-quality products with a range of sizes and specifications. These include various categories of structural and construction steel, metals, tubes and pipes, hardwood, softwood and plywood.

Albawardi Building Materials has a well-established reputation, recognised standards of excellence, and a customer-focused approach to business. Allied with its single-source product offer, this will ensure the company continues to support customers in this dynamic market well into the future.



## Albawardi Cement

The supply of cement has been integral to the Group's business for over 50 years. In order to keep pace with national development and the increasing demands of its customers, Albawardi initially imported cement. Over time it concentrated on supporting Saudi cement producers and augmenting the geographic reach of its business.

Today Albawardi Cement has a nationwide distribution network and is one of the leading suppliers of cement to the Kingdom's construction industry. It operates over 600 bulk transporters, supplying customers with over one million tonnes of cement annually.

## Albawardi Tools & Hardware

Albawardi Tools & Hardware is the largest tools stockist in the Middle East and the company has developed an impressive infrastructure over its 30 years of operation. Representation includes the worlds leading brands: Stanley, Ridgid, Proto, Masterlock, DeWalt, Black & Decker, Greenlee, Osborn, Dronco, Mittitoyo, Louisville, Khoshin Pumps, Vessel, Vermont and Allen, among others. An unrivalled distribution network extends across Saudi Arabia and the Gulf states, and the company has gained an enviable reputation for quality.

Albawardi Tools & Hardware maintains more than 50,000 items in stock at any one time. Its sophisticated e-commerce sales and inventory systems ensure rapid customer response times and on-time deliveries.

The company also holds a wide range of spare parts and provides efficient after-sales service to customers at a number of regional hubs across the Kingdom.

The comprehensive range of tools and hardware is constantly under review with further expansion and diversification addressing customers' evolving requirements. Albawardi's research and development department develops and trademarks new high quality products that are brought to market under the company's proprietary brands: Rhino, Panther, Mikado and Impala.

Although it leads the market, Albawardi Tools & Hardware remains committed to ambitious growth targets. It is also committed to continue providing a high-quality service to customers across Saudi Arabia and the Gulf states.



# Trading **continued**

## Albawardi Foods

Recognising the needs of Saudi Arabia's burgeoning population and the staple need for food products, Albawardi Foods initially focused on the bulk importation of rice and edible oils for distribution Kingdom-wide. Increasing customer demand led to expansion into other areas, and today the company handles a comprehensive range of dry and canned foods.

Working closely with producing companies, Albawardi Foods has established a nationwide wholesale and retail distribution network supplying hypermarkets, supermarkets, catering companies, and food stores in every region of the Kingdom.

## Albawardi Supplies

The arrival of hypermarkets in the region created a new, more demanding retail environment for suppliers to address. Albawardi Supplies recognised this at an early stage. Together with its principals, the company is leading the way to enhance the effective merchandising and sale of a wide range of products that meet the increasingly sophisticated needs of consumers.

Established to implement selling programmes on behalf of principals at the growing number of hypermarkets in Saudi Arabia and Bahrain, Albawardi Supplies enjoys the full support of manufacturers. Their products receive dedicated attention from the company's team of merchandising specialists.

From highly sophisticated warehousing facilities in Dammam, Riyadh and Jeddah, the company supplies virtually all the major outlets – Carrefour, Géant and Panda, among others. The focus is on home linen and textiles, camping equipment, light household goods, stationery, toys, and do-it-yourself products.

Today Albawardi Group employs over 1,500 professional staff whose skills and abilities are recognised as fundamental to its growth and success.



## Alba International

Alba International is a trading, stocking and distributing company operating from the United Arab Emirates. The company works to implement innovative selling programmes for a wide range of household textiles at major hypermarkets and department stores across the UAE, Qatar and Oman.

Professional sales and merchandising teams support the company's product range by providing their knowledge and expertise to both principals and retailers.

Like Albawardi Supplies, the company operates in a new niche market created by the arrival of hypermarkets in the region. This business has developed into a highly successful enterprise with an impressive reputation for quality and customer service.

## MAB International

Based in Lebanon, MAB International is a leading manufacturer of branded household textile items such as comforters, pillows, bed covers and mattress protectors. Textiles utilised in the process are sourced from various international markets, with the company's finished products exported to major hypermarket chains around the world.

MAB International also designs and produces its own range of fabrics and supplies raw materials to other regional textile factories.

## Albawardi Grain Terminal

Albawardi Grain Terminal is one of Saudi Arabia's leading suppliers of animal feeds. Its innovative facilities handle the receipt, processing and despatch of the wide range of products in demand by the local market.

The company's first terminal in Dammam was established in 1982, primarily for bulk barley used as animal feedstock. The grain was imported and then processed for bagging at a purpose-built facility before being distributed through its supply chains that extended across Saudi Arabia.

As demand for barley fluctuated, the company diversified to include flaking products for various animal feeding grains. Subsequently a second terminal at Jubail further expanded the company's throughput, and today its built-up capacity exceeds 1.2 million tonnes annually.

Projections for economic growth in Saudi Arabia herald a number of parallel infrastructural development opportunities. As the leading materials solution provider, Albawardi Grain Terminal is well placed to provide comprehensive support to all those involved in the rapid growth of the Kingdom.



# Industry

## Albawardi Steel Industries

Albawardi Steel Industries commenced business in 1993 as a coil service centre, as a natural development of the Group's long involvement with the construction industry. It has since grown to become the largest centre for flat products and slitted steel in Saudi Arabia. The company has an unrivalled reputation as a major supplier to the construction, electricity, transport and industrial sectors.

Building on its growing expertise, the company expanded into downstream areas. It now has 16 fully integrated production units producing a wide range of flat products and slitted steel in black, galvanised, stainless and silicon steel, as well as aluminium. The company offers straightening and cutting of re-bars, and undertakes powder coating and plating in chrome, nickel and zinc.

In recent years Albawardi Steel Industries has further diversified into medium to heavy fabrication. It produces OEM products for the construction industry – asphalt cutters, mini earthmoving equipment, plate compactors, concrete vibrators, and trowelling and cement smoothing machines. Production lines for wheel barrows, nuts, bolts and hinges have also become a key part of the operation.

Albawardi Steel Industries' professionalism, innovation and precision are recognised by customers who benefit from its consistent excellence in quality and service. The company has attained ISO 9001-2000 and ISO 14001 accreditation and it benefits from various synergies that arise from close collaboration with other Group companies.



## Albawardi Metal Alloys

Anticipating the benefits to be gained from processing classified metal into alloys, Albawardi Metal Alloys was a pioneer in the recycling field in 1993. Still the only facility of its kind in the region, the company's plant is located in Dammam where it maintains state-of-the-art smelting facilities for high-grade recycled aluminium, copper and stainless steel.

The company's environmentally sound induction, rotary, crucible and reverberatory furnaces produce high-quality alloys as ingots, cubes and sows. These include automobile castings grade aluminium ingots, as well as copper base ingots suitable for the fasteners, pumps and impellers industries, and also ornamental applications.

Albawardi Metal Alloys is ISO 9002 accredited and maintains the highest international standards of manufacturing and metallurgical quality. An important partner for local casting factories, the company also supplies the automotive industries of Germany and South East Asia. Over 98 per cent of production is exported for delivery to prime international names such as BMW, Volkswagen, Mercedes Benz, Toyota, Mazda, Honda and Yamaha.

With more than a decade of successful operation, and having received a major Saudi award for export, the company's longer-term strategy is to diversify into other ferrous and non-ferrous metals, while continuing to seek new markets worldwide.

## Albawardi Woodwork Industries

Albawardi Woodwork Industries designs and manufactures high quality wooden products such as doors, cabinets, kitchen units, decorative panels, furniture, and other bespoke items. For a number of years the company has dominated the market in Saudi Arabia's Eastern Province, supplying numerous major projects and clients. Operating from a fully integrated plant in Dammam, the team of designers, engineers and craftsmen produce competitively priced products using the latest technologies, including CNC machines.

In what has become a highly competitive and quality conscious market, Albawardi Woodwork Industries has built an enviable reputation for design, craftsmanship and reliability, consistently exceeding customers' expectations. Professionalism, superb design, product finishing and attention to detail, as well as its commitment to continually raising standards, has made Albawardi the industry benchmark, against which other locally produced and imported wooden products are measured.



# Services, investments and real estate

## Albawardi Marine Survey

Albawardi Marine Survey is a leading marine surveyor, loss adjuster and service provider to the PNI club and other underwriters in Saudi Arabia. Founded in 1983, the company works from offices in Dammam and Jeddah. With ready access to the other ports on the Red Sea and Arabian Gulf coasts, a team of maritime experts comprising master mariners, naval architects, legal experts and engineers offers world-class services to a growing customer base. Albawardi Marine Survey was a regional pioneer in the field of marine survey. These activities grew to encompass comprehensive inspection, investigative and inquiry services relating to ships, cargoes and fires.

Services include bunker, hull, machinery and classification surveys; damage investigations and assessments; safety inspections and seaworthiness surveys of ships and yachts; cargo loading and discharge supervision; oil pollution surveys; and the inspection of equipment on-board ships and on land.

## Albawardi Materials Recycling

When it was established, Albawardi Materials Recycling identified and procured recyclable material such as ferrous and non-ferrous scrap, plastics and electronic items. Today it provides a full scrap management and recycling service to companies in the oil, petrochemical, power generation, telecommunications and cement sectors. Its focus remains predominantly on non-ferrous scrap, but plastic, wood, rubber and paper are also recycled. The company was established in 1985, when the concept of recycling was new to the Middle East. As the benefits of effective disposal of waste materials became more widely recognised, Albawardi grew to become one of the Kingdom's largest recycling operations with a global client base. Today, its reputation rests on in-depth experience and professionalism in recycling, and its ability to offer cost-effective solutions for the disposal of waste materials.



Albawardi Materials Recycling operates the most sophisticated processing equipment. It has three fully integrated processing units, each of which complies with internationally recognised safety and environmental standards.

Saudi Arabia's fast-growing economy offers outstanding opportunities to develop the scope of the business. Exposure to highly competitive international markets, participation in the Bureau of International Recyclers, and total dedication to the needs of local and international clients combine to ensure the company remains at the forefront of the region's recycling sector.

## Albawardi Investments

Albawardi Investments participates in venture capital projects and mergers and acquisitions in Saudi Arabia and the Gulf region. Joint ventures with local and foreign partners are entered into on a highly selective basis, according to a set of prescribed investment criteria.

The Group's aim is to expand and broaden its sources of income in terms of sectoral and territorial coverage. To date, successful ventures have been undertaken in the petrochemicals, paper mills, ports services and developments, insurance services, banking sectors, mining, salt productions, educational and medical services sectors.

Various factors such as Saudi Arabia's entry into the World Trade Organisation (WTO), increasing emphasis on developing the Kingdom's private sector, the rapidly growing regional population and the dynamic nature of the Gulf and MENA region economies are affording numerous investment opportunities that are continually monitored and evaluated by the Group's team of investment experts, advisors and sector specialists.

## Albawardi Real Estate

In recent years a burgeoning real estate market has emerged in the Gulf Cooperation Council (GCC) region with a number of high profile landmark developments leading the way. Albawardi Group has become a key participant in the sector with its dedicated subsidiary owning, developing and leasing real estate in Saudi Arabia and throughout the region.

Albawardi Real Estate has implemented projects that include infrastructural developments, preparation of raw land for housing developments, and the construction of shopping malls, apartment buildings, and housing complexes. In future the focus on this key growth area will intensify as further opportunities for leading or participating in new real estate developments arise.



## A brief history

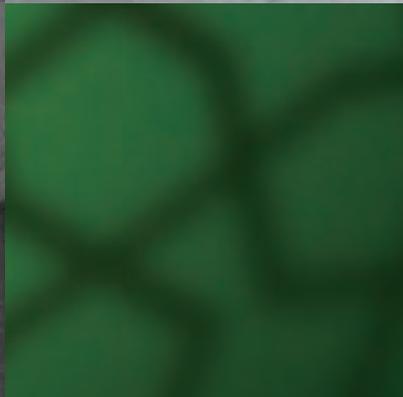
Coming from Shaqra – a village in the AlWashm district north of Riyadh on the ancient pilgrim routes that once crossed the Arabian Peninsula – it was perhaps inevitable that Sheikh Saad Albawardi would become a trader. Although Sheikh Saad never left Shaqra, in the 1920s and 30s he successfully built his business trading with Makkah AlMakarramah in the West, and AlAhsa in the East. Originally a farmer of significant lands in the area surrounding Shaqra, Saad provided butterfat and livestock to AlAhsa in exchange for dates and cloth. He then traded cloth, clothes and carpets in Makkah AlMakarramah for gold bars and coins. Most activity was conducted on an informal basis, albeit pursuing Saad's desire to 'honour one's word'.

In 1957 a formal partnership was registered between Sheikh Saad's two sons, Mohammed and Abdulrahman, under the name of M&A Albawardi. This period saw a broadening of the business with its first involvement in building materials, specifically cement and steel. Investments were also made in a bus company linking the villages around Shaqra and Riyadh, as well as a soft drinks company in Riyadh. Later, the family diversified further into services and the trading of electrical goods, rice and other food products.

The Company continued to grow rapidly during the 1960s and 70s, and the present generation of the family became involved in 1980 when Sheikh Saad's grandsons – Khaled, Musaed and Sami – joined the business.

Subsequently the Group diversified into new trading ventures, industry and services and, thus, Albawardi developed into the dynamic and broadly based enterprise that it is today.





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**BUREAU VERITAS**  
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