



Press Release

Beirut, March 1st.

The Chalhoub Group and Pearl Brands SAL have agreed to merge Chalhoub Group's two retail operations in Lebanon, Luxury development Company SAL ("LDC") and Beauty Retail Company SAL ("BRC") with Pearl Brands SAL. The Combined entity which will continue under the banner of Pearl Brands, will emerge as a major retail player in the Lebanese market with operations spanning 35 point of sales, and holding a diversified portfolio of leading international brands in fashion, Jewellery, gifts and beauty products.

On the occasion Mr. Patrick Chalhoub, CEO of Chalhoub Group, commented " We are happy to embark on this new partnership with Pearl Brands, which marks a new and reinvigorated presence for our Group in Lebanon through a partner that shares the same vision and business ethos, demonstrating our strong commitment to the Lebanese market".

Ghassan El Jisr, General Manager of Pearl Brands added "this partnership is a continuation of a long cooperation with Chalhoub Group where I have personally spent most of my career and learned the business. What brings us together is mainly the values we share. We have further aligned our interests, to optimize our operations and tackle the challenges of the Lebanese market. With the ensuing increase in efficiency and scale, the new operations are well positioned to capitalize on any recovery in the market in pursuit of our ambitious plans."

Pearl Brands will continue under the same leadership with previous LDC and BRC personnel joining to take key positions. The company aims to grow and solidify its presence in the Lebanese Market representing major international brands and bringing the latest trends in fashion, beauty, gifts and jewellery to the Lebanese consumers.

Broadgate Advisers has acted as exclusive Financial Advisor to Pearl Brands SAL on this merger.



About Chalhoub Group

The Chalhoub Group is the leading partner for luxury across the Middle East since 1955. As an expert in retail, distribution and marketing services based in Dubai, the Group has become a major player in the beauty, fashion and gift sectors regionally.

By blending its Middle East expertise and intimate knowledge of luxury, the Chalhoub Group is building brands in the region, by offering service excellence to all its partners and a unique experience to its customers. The Group is moving fast from a traditional distributor and retailer for luxury in the Middle East to a hybrid retailer bringing luxury experiences to the fingertips of customers everywhere.

With a growing workforce of more than 12,000 people, in 14 countries, as well as operating over 600 retail stores, the Group's success is attributed to its most valued asset: highly skilled and dedicated teams. Professionalism and passion are what fuel the Chalhoub Group's competitive edge in today's market.

By being committed to implementing further sustainable practices into their business, the Chalhoub Group was awarded in 2018, for the sixth consecutive year, the CSR Label from the Dubai Chamber of Commerce. The Group is a member of the United Nations Global Compact Community since 2014 and signatory of the Women's Empowerment Principles (WEP).

www.chalhoubgroup.com

About Pearl Brands SAL

Pearl Brands SAL is a leading Lebanese retailer established in 1935 with a network of multi-brands stores in kids fashion and lingerie under "Zahar kids" and "Zahar Lingerie" signs. The Zahar emblem became a strong Lebanese household name synonymous with high quality and trendy fashion.

In 2012, led by a new management team with a fresh vision and ample experience in the retail sector, Pearl Brands sought to add to its reputation and rebuild its reach with a different take and new goals in mind. The group has since repositioned itself as a chief luxury retail platform in Lebanon.

Since then, Pearl Brands has added leading international brands and expanded its presence with a number of mono and multi-brands concepts in fashion, apparel, jewellery, and gifts and remains committed to delivering an unparalleled shopping experience with a superior customer service.

www.pearlbrands.co