



**A statement to refute the false accusations against HOLDAL Group  
concerning NOVALAC Baby Milk Formula**

Beirut, 01/29/2021:

Information has been circulating via multiple media and online platforms that HOLDAL Group is monopolizing infant milk formula (12 months and above). In this context, we intend to explain to the public opinion the reality of the recent shortages in some types of infant formula on the market.

Despite the series of crises Lebanon has been going through, HOLDAL Group has never halted the selling of infant formula. In fact, in the past three months, the Group has sold 24% more units than the same period last year to respond to the increase in demand, while preserving the old prices in solidarity with fellow Lebanese citizens.

The quantities currently present in our warehouses represent a 2 months coverage of all milk categories. Although limited in quantities, and in spite of all the obstacles, these items are still being delivered to pharmacies in an uninterrupted manner.

Moreover, the reason our warehouses are out of stock of baby milk for the age of 3 and above is due to the delays incurred at the port, which had blocked the shipment for 49 days. The shipment was pending the approval of the Ministry of Economy and Trade.

Furthermore, it is crucial to note that all distributors, including HOLDAL Group, face a fundamental problem that lies in their inability to pay their dues to the foreign suppliers on the agreed dates. This is due to the numerous requirements from the relevant ministries for subsidized goods, as well as the procedures of commercial banks and the Central Bank's restrictions on transfers abroad. Consequently, this delay of more than four months has a direct impact on the delivery of the product to the market. It also increases the risk that the supplier will stop delivering their products.

Based on the above, HOLDAL Group reaffirms that the practice of monopolization is neither part of its core values nor its business ethics, and we will take the necessary actions to refute these accusations. The group asserts that it will remain one of the leading private sector companies to stand side by side with the Lebanese citizens, securing their needs for infant formula milk or other essential goods, in the ultimate objective of preserving our economy despite the challenges being faced.