

### MANAGING DIRECTOR OF AL SAEEDI GROUP

Let us begin by asking you how you got into the tire business in the first place. Did you start out in the family business or did you work for other companies before taking on your current role in the Al Saeedi Group?

My father established Al Saeedi in the year 1988. Though I was young at that point, I do have many fond memories of accompanying him to the office and service center and my interest in tires grew ever since. Once I completed my higher studies, I actually asked if I could join him and he was more than happy to see me return to help him out in the business.

Though I had no work experience prior to joining the family business, I considered my father to be the best mentor in understanding the trade and more importantly in understanding the company and values instilled within in his staff.

I did however do extensive research on tire recycling and this got me involved with a leading tire retreading company in the UK named Bulldog Remoulds which was later acquired by Bridgestone. During my interaction with them, I got to survey their tire depots throughout the UK and learn more about the retreading and recycling model which is quite well established in the UK. My project involved a study of how we could replicate that model in the GCC.

## How has your educational background and your previous experience helped you to tackle your current role?

I hold a Master's Degree in Mechanical and Automotive Engineering and another Master's Degree in International Business. I wouldn't say my engineering degree has much of a role in what I do today but my experiences from the project work I did for both degrees taught me a lot in terms of setting goals for myself, understanding team work and how hard work is mandatory to achieve success in whatever I do. In today's challenging scenario, such instincts are needed if you are to be successful and I am glad that each day I get to learn more from my family, staff and friends on overcoming everyday challenges.

### Can you please give us a brief overview of the Al Saeedi Group? What are the major factors that drive the growth of the company?

The Al Saeedi Group is a Tire Distributor and a Tire Service Provider, which has been based in the UAE for the last three decades. We distribute tires related to construction equipment, forklift, truck and bus, passenger car vehicles and we also sell rubber tracks. We represent many leading tire brands in the market and have a strong retail network in UAE offering tire related services for cars, bus, truck and forklifts. We also offer Mobile tire service solutions for companies and customers requiring on site assistance.

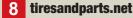
Experience, strong partners and professional services are the key factors that drives the company in achieving set goals.

#### In what way is the UAE tire market different from that in other countries?

UAE is one of the leading countries for re-export business of tires and batteries to other export markets. The flexibility in doing business and well established ports within the country helped in building this platform which is now home to many traders based in UAE.

We cannot ignore the local market as there are many industries, logistic hubs and fleets that also service the business requirement within the country as we can see a fairly large amount of commercial vehicles that operate within UAE and also cross country.

So, in a nutshell there is a vibrant vehicle population which is increasing locally in business and personal use over the last decade and this along with export trade makes it one of the flexible countries to do tire business.



You recently announced an exclusive partnership with the Korean tire manufacturer, Nexen Tire. Can you tell us more about your partnership with Nexen and your other partners?

Al Saeedi started importing tires from Nexen Tire in 2013. Since then we were one of the two authorized importers for the brand in the UAE. We successfully converted many of our existing fleet customers to using Nexen Tire and hence were able to drive much stronger demand for Nexen tires in the market. Along with our retail centers, we were able to strongly promote our brand in B2B and B2C segments thereby creating a reasonable market share for Nexen tires in the UAE. Apart from these channels, we are also using our dealer network to promote Nexen tires through their counters. From January 2018, Al Saeedi became the exclusive distributor for Nexen Tire in UAE.

Al Saeedi is also the sole distributor of CAMSO (Formerly known as Camoplast Solideal). Our relation with Solideal is also over three decades old and we command a strong market share for their product in the material handling segment.

We are also the distributor for Triangle Tires, one of the leading tire brands from China and represent their entire tire range from passenger car, truck and bus tires and off the road tires.

Al Saeedi also has exclusive partnership for Nankang Tyres from Taiwan, Sayan Truck Radials from China, Schrader Tyre Repair Products from France, Rader Vogel Wheels from Germany, Hifly Passenger and Truck Radials from China.

#### When it comes to your sales of different types of tires, what is the split between passenger car tires truck and commercial tires? How important is the commercial tire business for you?

Commercial tires are one of our strengths as we have dedicated truck centers in multiple locations in UAE. We also have truck alignment facilities and truck balancing in our retail services which is not common in many service centres in UAE. Another service that the company offers is mobile truck alignment for fleets that are unable to come to our centres. This shows our service commitment in providing the best solution for commercial fleets.

Our focus is on every segment of tires for the market. Tires for passenger cars contribute to about 45 percent of our business and commercial tires contribute to about 40 percent of our business.

#### How has the commercial tire sector changed during recent years and where do you think it is going in the coming decade?

We see a lot of economical brands that had entered the market over the last decade. Some of these brands today include one of the leading brands from China which is now promoting quality tires and patterns as they have established R&D centers to improve the overall tire performance. This kind of investment from such companies has helped in offering economical solutions to the market where price is now a major factor for many fleet operators.

Over the years, we have seen the share of premium brands dropping as fleet operators are looking for variable solutions to counter their operating costs.



Anish Malattiri – Managing Director of Al Saeedi Group Kuttan Malattiri – Founder & Chairman of Al Saeedi Group

### How important is customer service in the tire business? How is your aftersales service different for retail customers and commercial customers?

Our company is built on our service efforts to take care of all kinds of tire customers. On the retail front, we have a dedicated team to follow up with B2C clients. Our customer service ensures timely reminders are sent to consumers for tire rotation and alignment so that they get most of their tires fitted at our centers.

For commercial clients, we have a dedicated sales team and service engineers who follow up with their day to day requirements and also do spot pressure check for fleets at their yard. Timely reports and feedback are shared with customers as we believe in delivering our best service leading to customer satisfaction.

# The tire labelling standards and regulatory standards have become increasingly strict in the recent past in the UAE, and in fact in the entire region. What kind of impact has it had on your business?

As a tire distributor, we welcome the mandatory standards set by the government to ensure that the consumers are protected. We still encounter tires which are available in the market without the RFID labels. Hence, stricter inspection from the authorities would be required so that the authorized tire brand distributors are also protected from the grey market. This will help in passing the right kind of information about the brand, manufacturer warranty and after sales activity towards building the brand value to the consumers.

### There was a recent controversy about tire manufacturing dates for the tires that are sold in the UAE. What is your opinion about this issue?

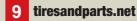
Manufacturing Date on a tire is always a hot debate in this part of the world and it is a real challenge for an importer to bring in stock during the last quarter of the year.

Anyone in the tire industry in the UAE will agree that the headline was completely misleading which can actually lead to wrong interpretation and a negative impact on the consumers buying tires in the UAE.

First of all, the statement was not backed by any proof of a local regulation. The article was very unprofessional in terms of referencing as well.

Motorists in UAE can change tires less than a year or maybe between 1-3 years depending upon their driving behaviors and the number of kilometers driven each month.

It has now become very important to educate the public that tires with specific month and year can still be bought without fearing that those tires will be failed during the vehicle passing.





For, example: If a consumer clocks a lot of kms each month and changes tires every 1.5 years, today I should be able to offer him tires with DOT 2016,2017, 2018. Tires are all the same, it depends on how well we store them. Physical combination or material does not degrade with the change of a year, it is unfortunate that the perception of the consumers as been modified in such a way that they look out for "fresh" tires and expect to see it in the market during the first month of each year. Every tire is made with the same manufacturing process and quality checks before it rolls out from the factory, so how does DOT matter on a tire and how it leads to sudden value drop still boggles me and I am sure other tire importers also feel the same.

Consumers need to become more aware of which tire manufacturing DOT can still be purchased for their vehicles, tires with RFID Tags implemented by ESMA and why RFID tags are mandatory, the need for proper monthly tire pressure checks to ensure the road safety of motorists, rotating tires every 10K-15K and getting the most out of their tires. These are the topics which should be highlighted repeatedly to the public so that they buy tires from genuine tire service providers and also keep improving their tire maintenance habits.

### The UAE in general is seen as a key logistics hub for import and re-export. How important is the re-export trade to Al-Saeedi?

In the past, it was difficult to get a tire brand for UAE market as there was always a distributor for the brand but we would never see it in local market as they are all exported. So the flexibility to have your office based in Dubai and to have the tires shipped in and out with ease made UAE home for many traders to operate with their customers in GCC and Africa.

Al Saeedi's focus has always been on establishing the local market and this in turn helped us become one of the leading tire companies in UAE with professional service solutions for the customers. We believe in being present physically in the market with our own team and we look to build our customer and service network with the same business model used in UAE with all our overseas branches.



#### Are there any new products or new partnerships in the works? How big is your dealer network and what kind of support do you give to your dealers?

We are constantly looking to improve our product and service offering to our customers and that helps us to stand out as a company. We cater to all the emirates in the UAE with a central logistics hub based in Dubai.

#### How do you expect the advent of electric cars, like the Tesla Model S in the UAE to affect the tire market in the UAE? Do you expect this to result in greater demand for environmentally friendly tires? How is the tire trade here adapting to this change?

Every tire manufacturer is bringing out concept models that probably would be a part of their future product range. Tires which are environment friendly are already a part of the product range of many leading brands as manufacturers have taken the conscious step in having green systems and technology in place for tire production and tyre performance.

With the entry of electric vehicles into the market we see technological improvements in tires which are ongoing in many tire R&D Centers in delivering products that protects the environment.

### How important is customer service in the tire trade?

Customer service is important in any business type. Today we have a lot of brands and service outlets in our industry and delivering a good service and follow up will only help in creating a loyal customer base

#### Al Saeedi has a number of service centers which offer tire fitting, tire balancing and a whole range of tire and wheel related services. What are your future plans for this network of service centers?

We are constantly looking to improve our retail footprint under our retail brand name Saeedipro. Currently, we have nine service centres and the tenth one will be opening shortly. We are also improving our service capacity in all our centers to enhance customer experience. Saeedipro caters to Tires, Batteries, Oil & Lubes, A/C maintenance, Brake repairs & Auto care products.

### How would you advise our readers to prepare for the summer with regard to their tires?

Since summer is already here, please take care of your tires! Regular pressure checks will make sure tires are properly inflated and lessen the chances of driving under low tire pressure. Also, if you have been using the tires for some time it would be good to bring to any of our tire centres for physical check and to probably rotate the tire so that you get equal wear in all tires. Wheel alignment and wheel balancing is also recommended to keep your vehicle in good condition at all times.

Having your tires filled with Nitrogen will also benefit as the properties of nitrogen will enable for lesser pressure leaks and also cools the tire which is a bonus in this harsh summer conditions.

#### If you could sum up everything about the Al Saeedi Group in one sentence, what would that be?

A one stop solution for all your tire requirements!