



## PRESS RELEASE

### **Helios Investment Partners and Egyptian-American Enterprise Fund acquire majority stake in Misr Hytech**

**LONDON, UK, 3<sup>rd</sup> June 2019.** Helios Investment Partners (“Helios”), the leading Africa-focused private investment firm, and the Egyptian-American Enterprise Fund (“EAEF”) through their investment manager Lorax Capital Partners (“LCP”) have announced today the acquisition of 96.7% of Misr Hytech Seed International (“Misr Hytech” or the “Company”), a leading breeder and producer of proprietary agricultural seeds in Egypt, and one of the Middle East and Africa’s largest independent seed companies.

Founded in 1993, Misr Hytech develops and produces hybrid seeds of white corn, yellow corn, grain and fodder sorghum, sweet corn, and vegetables in Egypt. The Company provides farmers with high-performing seeds that are adapted to the Egyptian market, leveraging its well-known brand, “Hytech”. Misr Hytech’s products contribute to addressing Egypt’s fast-growing demand for food and animal feed, whilst improving food security by enhancing domestic farming productivity. The Company is headquartered in Cairo, with local R&D and state-of-the-art seed cleaning and processing facilities.

Misr Hytech has a strong portfolio of proprietary germplasm across key crops in Africa and the Middle East, which will be used to support the Company’s expansion across the continent. Corn is a core crop in Egypt and one of the most widely consumed across Africa, used for both animal feed and human consumption. White corn is uniquely prominent in Africa, Mexico, and Central America with few companies owning strong white corn breeding materials. Sorghum is also a strategic crop in Africa and an increasingly important crop in the Middle East and Asian markets such as India; its resilience and drought-tolerant properties enable the grain to grow in difficult environments, making it an important crop for use in the food, fodder, and brewing industries.

Alykhan Nathoo, Partner at Helios, commented: “Misr Hytech’s management team has built an outstanding seeds business with a long track record and a market-leading position in Egypt. Misr Hytech is a scarce asset in Africa with growing end markets and strong structural tailwinds. We are very excited to partner with, and back, what we believe is a first-rate management team to achieve the next phase of growth for the Company in Egypt and other markets in Africa and the Middle East.”

James Harmon, Chairman of EAEF, added: “We are very excited about the great potential of this investment in contributing to the betterment of the Egyptian agricultural landscape. The achievement of the previous shareholders and excellent management team has strategically positioned Misr Hytech as a leader and pioneer in the Egyptian corn and sorghum market. We are very optimistic about the next growth stage both locally and regionally and are very much looking forward to continuing the Company’s success.”

Dr. Suri Sehgal, founder of Misr Hytech, added: “Misr Hytech, with its strong base in Egypt, is uniquely positioned to establish itself as a leading seed company in the emerging seed markets of Africa. It has the germplasm, the trained people, and contacts of Helios to expand on the African continent.”

Raman Sehgal, Chief Executive Officer and shareholder of Misr Hytech, added: “Hytech has built a strong track record as a consistent quality seed company in Egypt, and the team is looking forward to repeat success in the region by leveraging the synergetic opportunity that has become available with new investors opening many avenues to expand the business in the near future. Team Hytech is committed to deliver its best products to farmers to uplift their livelihood.”

Norton Rose Fulbright and Matouk Bassiouny acted as primary legal advisors to Helios and EAEF, and DLA Piper acted as Helios and EAEF’s intellectual property legal advisor.

Nyemaster Law Firm and Al Tamimi & Company acted as legal advisors to the selling shareholders, and Gulfstone Capital acted as financial advisor to the selling shareholders.

**- ENDS -**

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**Notes to Editors**

**About Helios Investment Partners**

Established in 2004, Helios Investment Partners is the leading Africa-focused private investment firm, led and managed by a predominantly African team and based in London, Lagos and Nairobi. Managing funds totaling \$3.6 billion, the firm's portfolio companies operate in over 40 countries in all regions of the continent. Helios has built a record that spans creating start-ups to providing expanding companies with growth capital and expertise, building African market leaders in core economic sectors and driving strong returns via portfolio operations. The firm's unique combination of deep knowledge of the African operating environment, a singular commitment to the continent and a proven capability to manage complexity, is reflected in its position as a partner of choice.

**About the Egyptian-American Enterprise Fund**

The Egyptian-American Enterprise Fund is a United States government-funded private entity. Since the inception of the Enterprise Fund Program, over US\$ 1.1 billion has been invested directly alongside US\$6.9 billion invested by private parallel funds.

With a capital of US\$300 million, EAEF is committed to promoting financial inclusion, job creation, and increasing foreign and domestic investment in Egypt for long-term sustainable economic development. EAEF's primary mission is to stimulate the Egyptian private sector by providing access to finance, human capital, modern technologies as well as best business practices, while achieving financial profitability.

The fund is led by a board of directors that is primarily comprised of American, Egyptian-American and Egyptian nationals.

The U.S. Agency for International Development administers the U.S. foreign assistance program, providing economic and humanitarian assistance in more than 80 countries worldwide.

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Further details on EAEF can be found at <http://www.eaefund.org>.

### **About Lorax Capital Partners**

Incorporated in 2015, Lorax Capital Partners (LCP) is an Egypt-focused private equity firm currently managing EAEF's funds and was responsible for its investments in: Fawry for Banking and Payment Technology Services, the leading electronic payments platform in Egypt; Sarwa Capital, a pioneer in consumer finance, leasing and securitization in Egypt; Orchidia Pharmaceutical Industries, the leading Egyptian ophthalmic generic medicine manufacturer and Advanced Education for the Establishment, Management, and Ownership of Educational Facilities S.A.E. "NIS Schools" is one of the largest blended learning and technology-focused private school platforms in Egypt. LCP is very well positioned to serve as a 'bridge' between Egypt, on the one hand, and global investors who are looking to generate attractive risk-adjusted returns while contributing to the economic development of the country.

LCP's management team led by Mr. Ashraf Zaki has an unmatched track record in sourcing, executing, and managing transactions in Egypt with combined value of over USD 46 billion.

Further details on LCP can be found at <http://www.loraxcapitalpartners.com>.