

## PRESS RELEASE

FOR IMMEDIATE RELEASE

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### USD 80 MILLION INVESTMENT IN NIGERIAN BISCUIT COMPANY

London, UK/ Lagos, Nigeria/ Cologne, Germany: An investment consortium led by 8 Miles LLP, the pan-African Private Equity firm, and made up of 8 Miles, African Capital Alliance (ACA), a leading Sub-Saharan Africa focused Private Equity firm, and DEG – Deutsche Investitions und Entwicklungsgesellschaft mbH, the German Development Finance Institution, today announces an investment in Beloxxi Industries Limited ('Beloxxi' or 'the Company'), a market leading Nigerian biscuit manufacturing company. The consortium has invested USD 80 million for a significant minority stake to expand the capacity of Beloxxi, to address significant unmet demand and to grow its regional distribution presence. Additional details of the transaction have not been disclosed.

Nigeria's biscuit sector has seen strong growth of 10 to 15 per cent per annum, and this is expected to continue, driven by population growth, rising disposable incomes and increasing urbanisation coupled with the growing popularity of biscuits as a convenience snack. The growth in the sector is also a result of a relatively young population with 63% of the population, about 115 million people, below the age of 25 years.

Beloxxi is a market leader in Nigeria with significant market share and has one of the most popular and highest selling cream cracker brands in the market, with a reputation for high quality. It operates several production lines from its plant in Agbara, Ogun State and multiple warehouses across the country. The Company employs about 2,300 people and operates through a network of about 400 distributors. The Company has experienced growth rates in excess of 30% per annum in the last few years.

Commenting on the investment, Nathan Mintah, Co-Founder and Co-Managing Partner at 8 Miles LLP, said: "The snacks segment is a fast growing part of the consumer sector in Nigeria. Our investment will build on the Beloxxi's strong brand and help accelerate the Company's expansion in Nigeria, in the wider West Africa region and beyond. We're pleased to be partnering with Beloxxi's CEO and Founder, Obi Ezeude – an experienced entrepreneur with a strong track record in the biscuits industry to grow Beloxxi into a regional biscuits brand and create further employment."

Obi Ezeude, CEO and Founder of Beloxxi, added: "I am very excited about the quality of investors we have attracted into Beloxxi as it aligns with our commitment to be the best in class in all our endeavours by adhering to global best practice standards. Our long term focus is to be one of the leading biscuit companies in the EMEA region. The completion of this funding process is the first of the many steps in the achievement of our objectives. The investment will enable us increase our capacity significantly and grow in both our domestic and export markets. The Beloxxi story has only just begun."

Speaking on the investment Segun Adebajji, Principal & Head of FMCG at ACA, said: "We are excited to be investing in Beloxxi and collaborating with its Founder and CEO, Mr. Obi Ezeude. Beloxxi demonstrates the potential of Nigerian companies to manufacture enjoyable quality products on a large-scale while also addressing Africa's critical challenge of employing young people. Alongside the other members of the consortium, we will leverage our expertise and relationships from over 17 years of investing in West Africa to assist Beloxxi in achieving its strategic vision. We look forward to being a part of a Nigerian manufacturing champion through our investment in Beloxxi."

Gunnar Stork, head of DEG's Corporates/Funds Africa Risk Capital department commented: "This transaction represents a landmark investment for DEG into a reputable, strong company in an expanding industry." Mack Schow, Investment Manager in DEG's Regional Office – West Africa in Accra added: "With our investment, DEG hopes to help Beloxxi contribute further to the development of the Nigerian economy by increasing revenue, creating new jobs for local employees and further professionalizing management and corporate culture in terms of governance and environmental and social responsibility."

The investment consortium was advised by Linklaters, Aluko & Oyeboode, Deloitte, SLR Consulting and Infomineo. Beloxxi was advised by FROS Capital and Detail Commercial Solicitors.

8 Miles LLP is regulated by the UK Financial Conduct Authority and the Fund is only open to institutional and qualified investors.

- Ends -

For further information:

### **8 Miles LLP**

**Waughton**

**+44 7710 593668/+44 20 7796 9999**

Robin Hepburn

rhepburn@waughton.com

### **African Capital Alliance**

Oare Ehiemua

[oare.ehiemua@acagp.com](mailto:oare.ehiemua@acagp.com), +234 1 277 7000 ext 7067

### **Notes to editors**

#### **About 8 Miles LLP (www.8miles.com)**

8 Miles LLP is an independent private equity fund management business, focused exclusively on making private equity investments in Africa.

Previous 8 Miles investments include:

- Verde Beef, an Ethiopian agribusiness producing premium beef
- Orient Bank, a mid-tier commercial bank in Uganda
- Eagle Chemicals, the leading producer of resin and polymer products in Egypt
- Biyinzika Poultry International Limited, the leading poultry producer in Uganda
- Awash Wine, the leading Ethiopian winery
- eleni LLC, a developer of commodity exchanges

#### **About Africa Capital Alliance (www.acagp.com)**

African Capital Alliance (ACA) is a leading private equity firm focused on Nigeria and the Sub-Saharan African region. Since its formation in 1997, ACA has achieved over \$1 billion in aggregated capital commitments through four private equity funds and one real estate fund.

ACA has made more than 40 investments across a number of high-growth sectors, including oil and gas, power, TMT, financial services, FMCG and business services. It also has a history of successfully exiting investments and delivering strong returns to its investors.

ACA is currently investing out of its fourth private equity fund, Capital Alliance Private Equity IV Limited.

#### **About DEG (www.deginvest.de)**

DEG, a subsidiary of KfW, is a reliable partner for private companies investing in developing and emerging-market countries. For more than 50 years, we have been promoting sustainable development that creates jobs, better living conditions and new prospects.

We are committed to the long-term success of our customers: Therefore we do not only provide long-term capital, but also individual advice and support. With a portfolio of around 8 billion euros in more than 80 countries, we are one of Europe's largest development finance institutions for the private sector.

#### **About Beloxi Industries Limited**

Beloxxi Industries Limited is one of the leading cream crackers biscuit manufacturers in Nigeria. The company started operations in 1994 as a biscuit trading company and commenced its manufacturing operations in 2005 through its ultra-modern, fully integrated biscuit manufacturing plant in Ogun State, Nigeria. Beloxxi has about 2,300 employees and operates through a network of about 400 distributors across Nigeria.