

Lychee Secures Series A Investment backed by Beltone Venture Capital, Ushering Expansion Into the Lucrative Saudi Market

[Cairo, Date] – Lychee Egypt, the leading brand in the healthy Food and Beverage (F&B) sector, proudly announces a significant milestone in its growth journey with a strategic investment round led by Beltone Venture Capital, a subsidiary of Beltone Financial Holding, as well as Index Sports Fund and Twenty-Eight Capital limited. This development marks a pivotal step in Lychee's strategic expansion plan, signifying a shared vision and commitment to regional growth between both entities; starting with the burgeoning Saudi Arabian market, followed by the GCC at large.

In Egypt's thriving \$5 billion food and beverage (F&B) industry, Lychee has stood as one of the fastest growing local brands since its establishment in 2012. With over a decade of operations, Lychee has demonstrated sustainable growth, solidifying its position as a significant player in the market. In 2023, Lychee experienced an impressive 120% year-on-year growth, focusing on profitable growth and streamlined unit economics. Renowned for its health-conscious and affordable F&B offerings, Lychee has become a household name, prioritizing its customer-centric approach.

Ali Mokhtar, CEO of Beltone Venture Capital, commented, “Lychee’s keen understanding of market trends and changing consumer behaviors has allowed them to foresee the potential of online retail”. Today, more than 50% of their sales are derived online, showcasing their proactive approach in widening their market presence through various channels. He goes on to say “Our decision to invest in Lychee was driven by their proven track record of profitability, a solid business plan, and a dedicated team. This investment aligns with our commitment to supporting innovative, successful ventures that have a clear vision for sustained growth and market leadership”.

The capital injection from Beltone Venture Capital is being allocated by Lychee to facilitate its expansion into the Saudi Arabian market. With the Saudi Arabian food and beverage industry poised to hit \$30 billion by 2030, Lychee sees a remarkable opportunity to pioneer health-centric F&B offerings in the region. This investment will support an extensive plan aimed at securing strategic locations, establishing a strong retail presence, and further enhancing its omni-channel capabilities. Leveraging its positioning and the transformative shifts underway in Saudi Arabia's cultural and economic landscape, Lychee aims to lead the market. The company is set to roll out 30 branches in its initial phase, establishing its ambitious growth plans and unwavering commitment to this prime market. Over the past three years, Lychee Egypt has diligently expanded its factory to enhance manufacturing capabilities, enabling the brand to compete vigorously in the local market, and subsequently support its plan for an extended footprint across the region.

Mohamed Assy, founder and CEO of Lychee, shed light on Lychee’s journey, "One of the greatest challenges of being pioneers of the healthy food industry in Egypt, has been maintaining our position as market leaders". He goes on to say with regards to regional expansion, “This has been in the works for 4 years now. We saw the potential in the Saudi Arabian market then, the same way we saw it in Egypt in 2012, and knew it would be the first big leap in our regional plan. Everything our team has been doing since, has been gearing us towards that goal”. Furthermore, he remains focused and steadfast in his commitment to the local market, with no signs of slowing down, “2022 was a big turning point for Lychee, our theme as a company and as a team was transformation. Having completed this transformation phase

in 2023, we're hungry and as determined as ever to see the growth and expansion come to fruition in 2024 and beyond... in Egypt we aim to reach more than 40 branches by Q4 of next year". He emphasized that through Lychee's dedication to excellence and quality, and the communities it builds wherever a presence is established, no goal is out of reach.

About Lychee:

Founded in 2012, Lychee is a dynamic and scalable F&B company that occupies a unique position in the market. It boasts a healthy fast-food retail business along with a manufacturing arm specializing in authentic Greek yogurt, healthy packaged foods, and fresh juice production. Today, they operate 30 branches in key locations across Cairo and other governorates, with further expansion scheduled for 2024, including doubling sales in our HORECA and modern trade sectors.

Central to Lychee's business model are four interconnected sales channels: retail presence, modern & traditional trade, online, and HORECA. Each channel serves as a robust avenue for revenue generation, contributing distinct strategic objectives and partnerships that propel the brand's growth and visibility.

About Beltone Venture Capital:

Beltone Venture Capital is a subsidiary of Beltone Financial Holding, which was established during 2023 that aims at stimulating and providing sustainable funding for early-stage tech and tech-enabled startups in Egypt with regional ambitions, taking on an early leadership role along with the founders. Since its inception in 2023, Beltone Venture Capital has successfully concluded 4 transactions namely Bosta, WayUp Sports, SehaTech, ariika and Khazna.

About Beltone Financial Holding:

Beltone Financial Holding (EGX: BTFH.CA) is a leading financial services provider with a multi-decade track record of success in the MENA region. The Company offers a comprehensive and growing set of financial solutions such as brokerage, investment banking, asset management, equity research, and private equity, in addition to end-to-end non-banking financial institutions (NBFIs) including leasing, factoring, consumer finance, venture capital and microfinance. The Company is driven by a vision to redefine the financial ecosystem in the region by capitalizing on global expertise, knowledge and disruptive, value-accretive solutions that unlocks limitless opportunities for clients, to drive market value and impactful results.

For further information, please visit: www.beltoneholding.com

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