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## **ADM Capital Launches New Fund Sponsored by KazAgro and Hungarian EXIM**

*CCL Kazakhstan “Silk Road” Agriculture Growth Fund*

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ADM Capital have announced the launch of the CCL Kazakhstan “Silk Road” Agriculture Growth Fund, sponsored by KazAgro National Management Holding (KazAgro) and Hungarian Export-Import Bank Plc (EXIM). The fund will be managed by ADM Capital’s European division, CEECAT Capital. Investment decisions will be taken independently by ADM Capital’s European Investment Committee.

According to Asylzhan Mamytbekov - Minister of Agriculture, the decision to establish the fund was taken during Prime Minister of Kazakhstan Karim Massimov's visit to Hungary. "Establishment of the fund is an important event for the strengthening of the Kazakh-Hungarian relations, especially in the field of agriculture," said the Minister during a press conference.

The Fund will invest in equity, quasi equity and convertible debt investments relating to agriculture and food chain companies (including production, processing, storage and logistics). The Fund will invest in the meat, dairy, grains, oilseeds, vegetables, fruits and fish food categories, in businesses that are well positioned to benefit from rapid consumption growth. Targeted companies will conduct their primary business activities predominantly in Kazakhstan.

The Fund will target investments across all four stages of the supply chain in the focus sectors, including primary inputs, production, processing and value adding, and logistics and distribution.

1. Primary inputs may include manufacturers, developers and suppliers of greenhouses, animal breeds, seeds, chemicals, fertilizers, machinery and related IT technology.
2. Production may include the primary production and growing of focus sector commodities.
3. Processing and value adding may include developers, suppliers and operators of storing, sorting, processing and packaging of focus sector commodities.
4. Logistics and distribution may include developers, suppliers and operators of warehousing, cold storage, transport and distribution of the focus sector commodities.

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The Fund has secured a first close of USD40 million, with commitments from KazAgro and EXIM each being USD20.0 million, while ADM Capital will invest one per cent of the first closing. The Fund is expecting to reach the second and final closing at up to USD80-120 million and expand its geographic focus to cover Central Asia and the Caucasus by late 2016.

Mr Orinbasar Kumatov, Partner and Head of Kazakhstan, from ADM Capital, said "ADM Capital has been present in Kazakhstan since 2010 and has built a local team of investment professionals. In combination with the international expertise of our offices in Asia, Europe and Turkey we are fully prepared to deploy capital to the benefit of the national economy. ADM Capital has been the most active Private Equity investor in Kazakhstan, having made ten investments over the last six years with USD220m in AUM giving us a unique set of skills and experience to expand into the agricultural sector in Kazakhstan. We are very excited by this new opportunity."

Mr Jason Silm, Partner and Head of Agriculture, from ADM Capital, said "Food consumption within Kazakhstan has increased at 15% compound for the past fifteen years. We have identified numerous medium sized companies who have harnessed food import replacement and export opportunities along the whole food value chain. We will invest growth capital into these proven business models to further support expansion by leveraging best in class management teams, whilst focussing on international technology transfer to drive efficiencies and sustainability."

Founded in 1998, ADM Capital has over 18 years of experience in investing in Emerging Markets across 20 countries. With over 50 people in local offices including Hong Kong, Almaty, Istanbul, London, Moscow, Kiev, Mumbai, ADM Capital's assets under management are now over USD1.2 billion. Included in this is over USD200m in food and agricultural companies with 6 agriculture investment exits realizing a gross IRR of 25%. ADM Capital's European business is operated under the CEECAT Capital umbrella.

In Kazakhstan, ADM Capital currently manages the USD100m ADM Kazakhstan Capital Restructuring Fund CV and USD80.8m Kazakhstan Growth Fund LP, each sponsored by EBRD and Kazyna Capital Management.

Should you have any questions or require further information, please contact  
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