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ACTIVITY FACT SHEET

EGYPTIAN-AMERICAN ENTERPRISE FUND

The Egyptian-American Enterprise Fund (EAEF) is a U.S. Government-funded private entity with a dual mission. First, it aims to stimulate growth in the Egyptian private sector by providing small- and medium-sized enterprises access to investment capital and loans, modern technologies, and best business practices. Second, the EAEF targets investments that achieve long-term sustainable economic development. The fund has made around \$220 million in investments in a business accelerator, financial inclusion companies, and a healthcare provider, among others. EAEF was established in 2013 and runs through 2028. The fund, now fully capitalized at \$300 million, is led by a board of directors that is primarily composed of Egyptian-American and Egyptian nationals and advised by Lorax Capital Partners, a financial services institution led by an experienced Egyptian management team. To learn more, visit: <https://www.eaefund.org/>

Implementing Partner: Egyptian-American Enterprise Fund; Life of Project: 2013-2028; Total Estimated Cost: up to \$300 million; Governorates: Nationwide

INVESTMENTS

2015: Invested \$20 million in electronic bill payment platform Fawry and \$56.1 million in Sarwa Capital, which provides consumer financing

2016: Invested \$1.2 million in SmartCare, a healthcare startup that utilizes technology to manage and administer customized corporate healthcare plans, and \$10 million in Algebra Ventures, a technology-oriented venture capital fund that invests in startups

2017: Invested \$10 million in Tanmiyah Capital Ventures (TCV), an investment firm focused on scaling up export-oriented SMEs, and \$0.5 million in start-up accelerator Flat6Labs. Also in 2017, EAEF acquired a 46.5% stake in Orchidia Pharmaceutical Industries, a leading Egyptian ophthalmic generic medicine manufacturer

2018: Invested \$3 million in Dawi Clinics, a chain of outpatient clinics with five locations in Cairo, which helps support the development of the Egyptian healthcare sector. Also in 2018, EAEF partially exited its Sarwa Capital investment through an initial public offering (IPO) on the Egyptian stock exchange; EAEF retained a 43% stake worth \$112 million

2019: Alongside Helios Investment Partners and the University of Texas Investment Management Company, invested \$25 million in Misr Hytech Seed International, a pioneer producer of proprietary seeds in Egypt. Also in 2019, EAEF invested \$32 million in Nermien Ismail Schools, a blended education model that emphasizes individual learning with the classroom for facilitation. EAEF also sold part of its stake in Fawry through an IPO and increased its investment in TCV by \$30 million, to \$40 million

RESULTS

OVERALL:

- Stimulated over \$500 million of investment in Egypt, with more than \$1 billion expected
- Attracted \$311 million in foreign direct investment
- Spurred 5,000 new full-time jobs
- Seeded what are now among the top private equity funds in Egypt
- Launched two successful IPOs
- Proven financially sustainable with an audited internal return rate of 17.5%

COMPANY-SPECIFIC:

Fawry is now the largest electronics payment platform in Egypt, with more than 22 million users (up from 13 million before EAEF's investment), representing around one-quarter of the population. The company has also extended microloans to 727 SMEs and its initial public offering (IPO) in August 2019 was 33 times over-subscribed.

Sarwa Capital now has over 100,000 clients, half of whom accessed financing for the first time. The company's loan portfolio grew by 85% from 2016-2018, after EAEF's investment. Sarwa Capital's November 2018 IPO attracted \$58.9 million in foreign capital.

TCV has made five investments that have supported 744 new jobs, 30% went to women.

Algebra Ventures has made 16 investments, and one-fifth are women-led companies. Of the 610 new jobs supported, 53% went to women.

Flat6Labs is recognized as the leading startup accelerator in Egypt, with 44 companies having gone through their cycles, 414 direct jobs created, and 10,000 indirect jobs created (93% youth employment).