



PRESS RELEASE

FOR IMMEDIATE RELEASE

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THE EGYPTIAN AMERICAN ENTERPRISE FUND ANNOUNCES \$50 MILLION INVESTMENT IN LORAX CAPITAL PARTNERS FUND II

NEW YORK, NY, October 2, 2020—The [Egyptian American Enterprise Fund](#) (“EAEF”) announced today a \$50 million investment in Lorax Capital Partners (“LCP”) Fund II. LCP, EAEF’s long-term partner on the ground, has raised \$142 million for their first, independent private equity fund.

LCP Fund II aims to raise up to USD 250 million to invest primarily in growing companies in Egypt. EAEF is joined by the European Bank for Reconstruction and Development (“EBRD”), the International Finance Corporation (“IFC”), the European Investment Bank (“EIB”) and Proparco as investors in LCP Fund II.

History of EAEF and LCP Partnership

In 2015, EAEF appointed LCP as its asset manager and investment advisor in Egypt. In five years, LCP has become one of Egypt’s leading private equity funds with support from a talented staff of Egyptian investment professionals.

LCP has invested in five companies on behalf of EAEF, which include Fawry, Egypt’s largest electronic payments platform and Sarwa Capital, the country’s leading consumer finance company. Both these companies held successful IPOs within four years of our investment. In August, Fawry became Egypt’s first unicorn company after achieving a market capitalization of \$1 billion. These investments would not have been possible without the support of the LCP team.

The decision to seed and appoint LCP as its asset manager and investment advisor was the first and most important step made by EAEF in its early years. Our partners at LCP share EAEF’s goal of making investments that contribute to Egypt’s growth and have a positive impact on local

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communities. EAEF's model of empowering local fund managers has been key to its success to date and catalyzing the growth of Egypt's private equity and venture capital markets. Nowhere is this more apparent than in EAEF's successful partnership with LCP.

James Harmon, EAEF's Chairman, added: "Lorax has been instrumental to EAEF's success and advancing our goal of developing Egypt's private sector. I believe Lorax is Egypt's most successful private equity firm today. Lorax's success is a testament to the outstanding team that was built over the last five years. In the coming years, I believe Lorax will be the leading private equity firm in the Middle East and North Africa region. Very few if any funds have closed in the region in recent years. It is a tribute to the Lorax team that they could close in today's difficult environment. EAEF is proud to have seeded Lorax and looks forward to its future growth."

Ashraf Zaki, LCP's Managing Partner, commented: "LCP would not be here today without the support of EAEF, which provided the capital that helped establish LCP and led to its first, independent private equity fund. The trust and support placed in LCP by Jim and EAEF's board allowed LCP to make investments that have not only generated considerable returns but contributed to Egypt's socioeconomic growth. We are appreciative of EAEF's support over the years and look forward to working together into the future."

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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 original authorized capital from the U.S. Congress of \$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 composed of Egyptians, Americans and Egyptian-Americans. The U.S. Agency for International Development (USAID) administers the U.S. foreign assistance program, providing economic and humanitarian assistance in more than 80



countries worldwide. This press release report is made possible by the generous support of the American people through the USAID.

The contents are the responsibility of the Egyptian-American Enterprise Fund and do not necessarily reflect the views of USAID or the United States Government. 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 managing the 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; 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, and Misr Hytech, a leading breeder and producer of proprietary agricultural seeds in Egypt, and one of the Middle East and Africa's largest independent seed companies. 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 has an unmatched track record in sourcing, executing, and managing transactions in Egypt with combined transaction execution value of over USD 46 billion.

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