

TCV Partners announce first close of maiden mid-cap investment fund, TCV1

Anchor limited partners include the Egyptian-American Enterprise Fund and EFG Hermes; TCV1 aims to deploy EGP 250-300 million by year's end in sectors including industrial processing, alternative energy and specialized healthcare

(Cairo, 27 March 2017) Egyptian investment firm TCV announced today that it has reached first close on its first fund, TCV1, which focuses on transforming successful Egyptian midcap companies into scalable institutional platforms.

Anchor limited partners in the first close include Egyptian-American Enterprise Fund (EAEF, a leading US investment fund that identifies and addresses gaps in financing markets for entrepreneurs and small businesses) and EFG Hermes (the leading regional financial services corporation).

EAEF Executive Director Amal Enan has joined TCV's Investor Advisory Board, as has EFG Hermes Group Chief Financial Officer Mohamed Abdelkhabir.

TCV1 will invest in mid-sized Egyptian companies in industries including exporters, manufacturers of import substitutes, and other highly defensive sectors including specialized healthcare service providers and FMCG producers, among others. TCV1 invests both capital and deep operational know-how to help existing owners of companies unlock new growth opportunities.

“We are honored to have reached first close with these distinguished anchor LPs and are now working to capitalize on our first-mover advantage in the mid-cap space with the goal of deploying EGP 250-300 million in investments by the end of this year. To that end, we are now in advanced discussions with four investment targets in the industrial processing, alternative energy and specialized healthcare sectors,” said Karim Hassan, managing partner at TCV.

Commenting on EAEF's commitment to TCV1, Chairman James Harmon said: “In choosing where to commit capital, we look for strong management teams in underserved markets, with the aim of broadening the range of goods and services, improving quality of life and attracting new foreign investors to domestic markets.”

EAEF's Enan added that “TCV's team has an important first-mover advantage and both the investment and operational know how to identify the right investment opportunities and to create new value moving forward.”

“Following on our acquisition of leading microfinance house Tanmeyah in early 2016, our investment in TCV's first fund comes as part of our commitment to creating value for our

shareholders while supporting Egyptian SMEs, the sector from which the next generation of great Egyptian companies and home-grown multinationals will emerge. The companies in which TCV will invest — and others like them — are among those that will deepen tomorrow’s capital markets through initial public offerings, grow through mergers and acquisitions, and become potential targets for strategic investors. We are proud to partner with EAEF in supporting the TCV management team by seeding this exciting venture,” said EFG Hermes Group Chief Executive Officer Karim Awad.

TCV also disclosed today external appointees to its investment committee, including the high-profile entrepreneur Christopher Khalifa (founder of the Zooba casual dining chain) and Gihan Fathy, a 17-year veteran in the private equity space, who will serve alongside the executive team on the investment committee.

—Ends—

Notes for Editors:

TCV is an Egyptian investment firm managing TCV1, which focuses on transforming successful Egyptian midcap companies into scalable institutional platforms. TCV’s founding partners Ahmed El Guindy, Karim Hassan, Youssef Ayoub and Omar Ekram deploy a unique mix of investment and operational experience to identify high-potential investment targets and to then work with existing owner-operators to catalyze new growth. The firm’s target industries include exporters, manufacturers of import substitutes, other highly defensive sectors such as specialized healthcare and producers of fast-moving consumer goods. For more information please visit tanmiyaventures.com.

The Egyptian-American Enterprise Fund (“EAEF”) is a private entity inspired by the Enterprise Fund model successfully developed in Central and Eastern Europe in the 1990s. Since the inception of the Enterprise Fund Program, over USD 1.1 billion has been invested directly alongside USD 6.9 billion invested by private parallel funds. EAEF is committed to promoting financial inclusion, job creation and encouraging foreign and domestic investment in Egypt, to support long term sustainable economic development. EAEF’s primary mission is to stimulate the Egyptian private sector by providing access to investment and human capital, modern technologies as well as best business practices, while achieving financial profitability. The fund is led by a board of directors that is primarily comprised of American and Egyptian nationals. Further details on the Egyptian-American Enterprise Fund can be found eaefund.org.

About EFG Hermes

With a current footprint spanning seven countries in the Middle East, North Africa and Pakistan (MENAP Region), EFG Hermes started in Egypt and has grown over 30 years of success to become a leading financial services corporation with access to emerging and frontier markets. Drawing on our proven track-record & a team of more than 870 talented employees, we provide a wide spectrum of financial services that include investment banking, asset management, securities brokerage, research and private equity to the entire region.

In 2016, EFG Hermes announced the launch of a new platform EFG Hermes Finance, which will overlook activities in the non-banking finance field through EFG Hermes Leasing and Tanmeyah Microfinance. This comes in light of the Firm’s strategy to focus on two main pillars: product diversification and geographic expansion into frontier markets — which has seen the firm establish a physical presence in Pakistan.

Combining our strengths & expertise in the region, we offer our clients best-in-class products and services that are tailored to their needs to maximize their investment goals in a rapidly changing environment.



News Release

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