THE ABRAAJ GROUP

RESILIENCE AMID CHANGE
OUR ENGAGEMENT IN NORTH AFRICA

THE ABRAAJ GROUP

The Abraaj Group is a leading private equity investor operating in the growth markets of Africa, Latin America, the Middle East, South Asia, South East Asia, Turkey and Central Asia.

We employ more than 300 people in over 25 offices spread across our six regional hubs in Dubai, Istanbul, Mexico City, Mumbai, Nairobi and Singapore. This local presence gives us distinctive expertise, privileged transactional access and the ability to grow partner businesses across borders.

25+ offices

6 hubs

300+ employees

140+ partner companies

US$4.2bn returned to investors

Industry-leading returns

We currently manage US$ 7.5 billion* across 20+ sector- and country-specific Funds, encompassing private equity (with ticket sizes of US$ 10 million to US$ 100 million) and real-estate (primarily yield-generating) investments.

We have set the standard for private equity investing in growth markets, returning c. US$ 4.2 billion to investors and providing industry-leading returns across companies that have emerged as today's regional champions and tomorrow's global challengers.

The Funds we manage have holdings in over 140 partner companies (ParCos). These collectively employ over 200,000 people worldwide. In North Africa we have invested in 16 companies equating to 10,635 employees across the region.

*as of 31st December, 2012.

A focus on sustainability

We are committed to high standards of health and safety, labor rights, human rights, corporate governance, the environment, and stakeholder engagement. Sustainable capitalism results from investors and entrepreneurs, as critical components of the economic ecosystem, taking full responsibility for their net impact on society. As a signatory to the UN-backed Principles for Responsible Investment, we work with our ParCos to build businesses which are truly sustainable, commercial and impactful in their economies.

In 2013, our founder, Arif Naqvi, was awarded the Oslo Business for Peace Award, one of the highest forms of recognition given to global business leaders for fostering peace and stability through creating shared values between business and society. What's more, through our social investing program we support organizations that are focused on entrepreneurship and job creation, healthcare, education and community engagement, aiming to have a deep-rooted and sustainable impact on our economic landscape.

Contents

Impact of Our Partner Companies

US$ 91 million

Cumulative tax contribution from North African ParCos between 2008 and 2013

US$ 24 million

Spend on healthcare technology by Tunisia's Unimed over the past two years

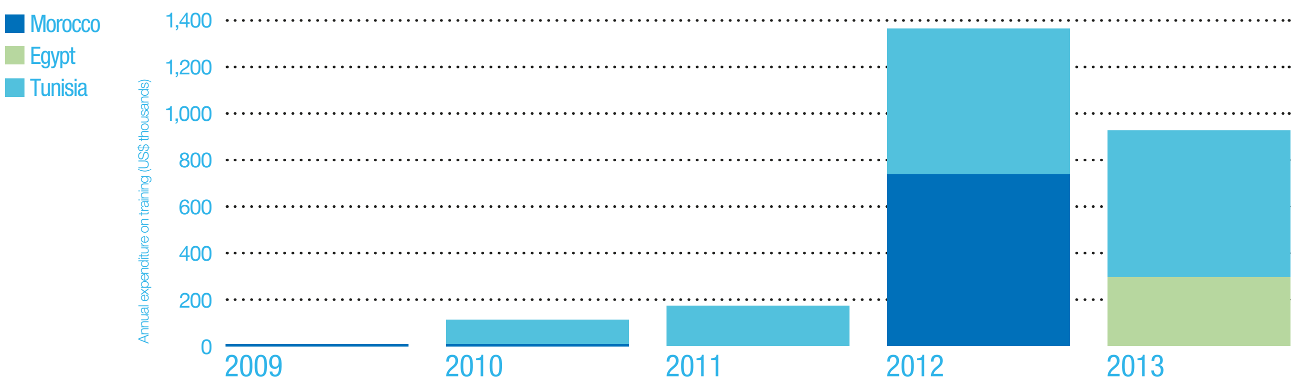
97%
of ParCo staff are full-time employees

3.4x
ParCos: organic increase in revenues

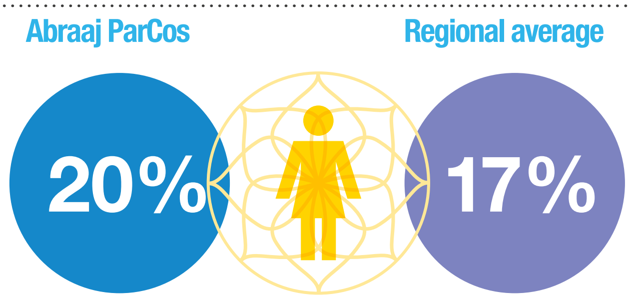
72%
of ParCos are committed to exceeding the minimum wage

20%
Increase in foreign exchange generated by our ParCos, led by the outward-facing sales strategies of Tunisia's Opalia

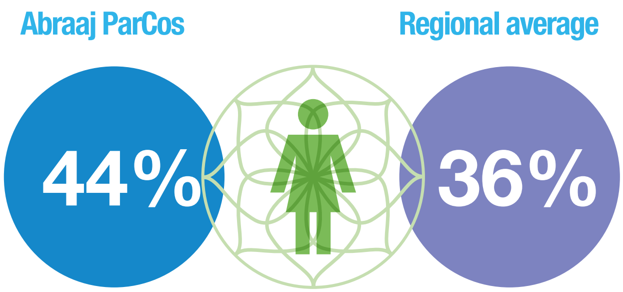
ParCo training and development takes off

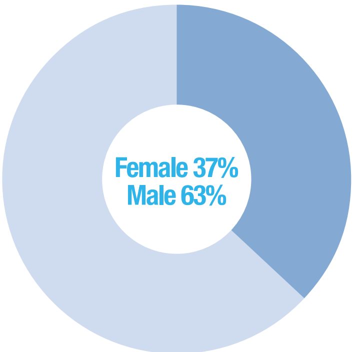


More female business owners

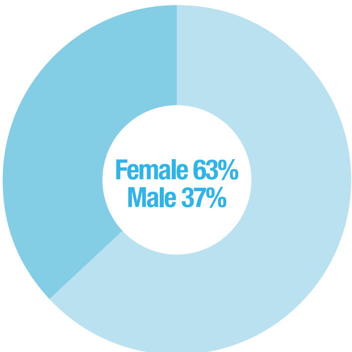


Growing the female workforce

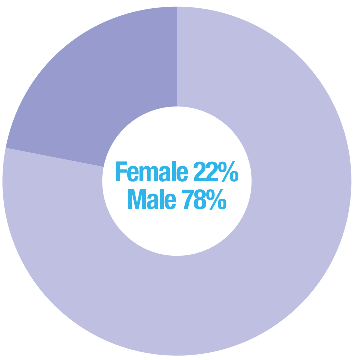




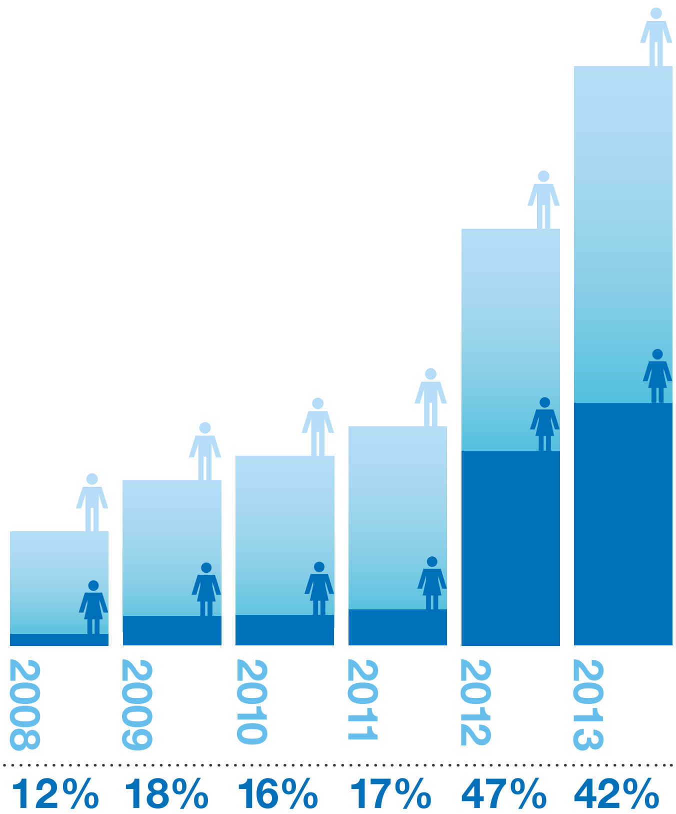
Moroccan ParCos in 2013



Tunisian ParCos in 2013



Egyptian ParCos in 2013



Female employees have increased as a % of the workforce

Strong Fundamentals, Shifting Sands

Three years on, the Arab Spring and its aftermath continue to unfold across North Africa. The social, economic and political sands are shifting across our core markets of Egypt, Tunisia, Morocco and Algeria. In Egypt and Tunisia, political change is ongoing. Morocco and Algeria are managing to sidestep the turmoil through a combination of pre-emptive pro-democracy measures in the former and strong economic fundamentals that are driving government spending in the latter.

"Our strategy has been one of investing for long-term sustainable growth. Revenue growth has been strong, growing at 18% year-on-year. Across the portfolio, total turnover and employment reached US$ 887 million and 10,635 employees respectively in 2013."

Recent political developments in Egypt have been largely welcomed by the vast majority of the Egyptian population, especially the business community, following the exits of President Morsi and the Muslim Brotherhood. The military-backed transitional government has subsequently put in place a series of much-needed economic and social-reform measures. Along with these reforms, a new and inclusive constitution has been voted in through a national referendum as part of the country's continuing and evolving march towards democracy. Gulf economic backing of US$ 12 billion has been key in stabilizing foreign reserves at the Central Bank. Currency concerns have somewhat abated and the stock exchange, which is often viewed as a leading indicator of economic sentiment, has risen by more than 10% in the year to date. However, a sustained period of stability is required for the economic growth engine to start humming and deliver more than the 2% GDP growth forecast for this year[1].

Our experience in North Africa has shown that a two-tiered, nuanced approach is required to invest effectively in the region. While the region shares a number of important similarities, especially around demographics, under-penetration of goods and services, aspirational populations, and strong growth potential, there are distinct attributes and challenges on a country basis. The dichotomy of outcomes post Arab Spring in Algeria and Morocco versus Egypt and Tunisia bears testament to these nuances.

A review of our ParCos in the region shows that it is vital to identify well-managed companies in the right sectors, as these are the ones which, in spite of the challenging environment, will continue to grow. For strong businesses in defensive sectors like health, exit opportunities exist for the right assets. Our recent successful exit from our Tunisian ParCo Opalia Pharma attests to the viability of exits. It attracted a European strategic buyer looking beyond the

[1]United Nations Economic Commission for Africa

headlines that was seeking exposure to the fast-growing pharmaceutical sector and, more specifically, access to the region via a tested business.

Our strategy has been one of investing for long-term sustainable growth. This strategy has been consistently executed and has driven the results we have seen. Revenue growth has been strong, growing at 18% year-on-year. Across the portfolio, total turnover and employment reached US$ 887 million and 10,635 employees respectively in 2013.

A common challenge faced by companies in North Africa is access to capital, especially to fund their rapid expansion. In some markets there is some availability of capital from the traditional providers such as commercial banks and capital markets. However, across the region, the market penetration of alternative sources of capital such as private equity remains low. Funding is only one of the challenges faced by companies. Scarcity of qualified human capital, poor infrastructure, and inability to effectively scale-up in neighboring markets are additional challenges they face. As private equity investors, we are positioned to go beyond simple provision of capital to help growing businesses efficiently and effectively expand their operations. In doing so, we bring the collective networks and capabilities of the whole group to bear.

Despite near-term challenges caused by the aftermath of the Arab Spring, the long-term outlook remains robust beneath the headlines. This is underpinned by four strong economic fundamentals including attractive demographics, with a population of 164.5 million people and an average age of 28 ensuring a low dependency ratio for decades to come[2]. North Africa is the richest region in Africa, with income levels projected to continue rising and a middle class that is expected to double in size. The region is also expected to triple its consumption over the next decade[3], fueling a pent-up demand for products and services.

In addition, the consumer story in North Africa is one that is becoming more inclusive, as low-income families are expected to see rising income levels. This creates opportunities for businesses to have multi-tiered product differentiation and to provide goods and services which cater to a variety of price points for defined low- and middle-income consumers. The consumer story is complemented by an export-led growth story, given the region's geographic proximity to Europe, the Middle East and Sub-Saharan Africa (SSA). There is skilled-labor availability and competitiveness that is driving exports to Europe. We are seeing trade between SSA and North Africa rising rapidly, especially with the Maghreb region of Morocco, Algeria and Tunisia. The increasing view that North Africa is a gateway to access the African continent is being borne out in the opportunities being seen in our ParCos.

Those fundamentals are collectively creating opportunities across various sectors such as educational services, healthcare service provision, transportation, logistics, food manufacturing and business services, which have the potential to scale-up into regional platforms. We have been privileged to partner with fine entrepreneurs and strong teams to grow truly regional North African businesses, which themselves form part of the economies driving the fundamentals mentioned above. The collective benefits are clear: contribution to economic growth, increased provision of goods and services to a local population of varying income levels, and job creation.

There is a seismic shift under way in North Africa, and the view forward is one where we see resilience of businesses and growth, even while the social, political and economic landscapes evolve. North Africa is well on its way to becoming a trillion dollar economy by 2017[4], up from US$ 606 billion in 2012 (GDP CAGR of 8.7%). We are looking forward to this next phase of investing in companies that are well positioned to contribute to and reap the benefits of this seismic shift.

"Despite near-term challenges caused by the aftermath of the Arab Spring, the long-term outlook remains robust beneath the headlines."

[2]Economist Intelligence Unit
[3]Brookings Institute
[4]Economist Intelligence Unit

"There is a seismic shift under way in North Africa, and the view forward is one where we see resilience of businesses and growth, even while the social, political and economic landscapes evolve."

Strong fundamentals

Over the next five years, the North African economy is expected to grow by 4.2% — **4.2%**

The region's young population will allow for the labor force to increase at 1.5x the rate in developed markets — **1.5x**

The average age in North Africa is 28, ensuring a low dependency rate for decades to come — **28yrs**

Developed economies' average age is 40, which places a disproportionate strain on scarce government finances — **40yrs**

The region is expected to triple its consumption over the next decade, fueling a pent-up demand for products and services, including: — **3x**

- IT services
- Healthcare
- Financials
- Utilities
- Consumer staples

Ahmed Badreldin
Partner, Head of Middle East and North Africa (MENA)
The Abraaj Group

17 years' experience

Our Team and Investments in North Africa

Regional Head

Ahmed Badreldin
Partner, Head of MENA
17 years of experience

Regional Value Creation & Execution Resources

Tarek Kabil
Partner (Abraaj Performance Acceleration Group)
33 years of experience

Hisham Moussa
Director
13 years of experience

Smiyet Belrhiti
Associate Director
11 years of experience

Algeria

Alexandre Hamadouche
Director
12 years of experience

Morocco

Anas Guennoun
Director
13 years of experience

Emteyco
Utilities
Investment: Sep 2008
Exit: Jan 2014

Saham Finance
Financials
Investment: Jun 2012

Oksa
Utilities
Investment: Jan 2009

Steripharma
Healthcare
Investment: Jul 2013

Tunisia

Adel Goucha
Director
18 years of experience

Amine Allam
Associate Director
5 years of experience

Unimed
Healthcare
Investment: Apr 2011

Gallus
Consumer staples
Investment: Dec 2009

Moulin d'Or
Consumer staples
Investment: Nov 2012

Opalia
Healthcare
Investment: Apr 2009
Exit: Oct 2013

PEC
Consumer discretionary
Investment: Jul 2012

Egypt

Amr Helal
Managing Director
15 years of experience

Walid Bakr
Director
18 years of experience

Angie Helmi
Director
16 years of experience

Omar Ezz Al-Arab
Associate Director
7 years of experience

ECCO
Information technology
Investment: Apr 2013

IDH
(Previously Al Borg)
Healthcare
Investment: May 2008

OMS
Information technology
Investment: Apr 2013

16 investments

13 on-the-ground investment professionals, all local to their markets and bringing deep access and connectivity

6 nationalities, speaking the 3 languages prevalent in the region

Additional value creation and execution resources at the regional level

The Rise of the Agile Business

North Africa is a region with more than 164.5 million inhabitants and a total workforce of over 60 million. Sitting between Europe to the north and Sub-Saharan Africa to the south, its growing multi-linguistic, skilled workforce is uniquely positioned to serve both markets, benefiting from the lower cost of labor versus Europe and a higher productivity than neighboring African countries, a trend that is supported by a number of economic zones and bilateral free-trade agreements within the region and with the rest of the world. In 2012, the region's exports crossed the US$ 200 billion mark, over 60% of which found its way to Europe[5].

Similarities between the four core countries in North Africa are obvious: a well-educated young population speaking the same language, aspiring to move up the income ladder and demanding their rights for economic and political democracy. A large pent-up demand compared with other markets with similar income levels, and growing disposable income, are expected to drive the region's gross domestic production to cross the trillion dollar mark by 2017[6]. The middle class is expected to double in size and triple its consumption over the next decade[7].

But differences cannot be ignored. The economies of the four countries have reacted differently to the aftermath of the Arab Spring. Resource-rich Algeria has been directing a larger portion of its sustained high oil revenues inwards, while the Moroccan government has continued to push for better quality, and more affordable social services, directed at the mass population. Both countries have seen their economic growth accelerating and unemployment rates falling over the past two years. On the other hand, ailing domestic consumption in Egypt and Tunisia as they progress through their political transitions took its toll on their economic growth trajectory, foreign reserve levels and new job creation. Despite multi-billion-dollar aid packages, both the Egyptian pound and the Tunisian dinar have depreciated by more than 15% since 2011.

As a result, we are seeing opportunities in export-oriented businesses, benefiting from differential cost advantages versus trade partners and the gradual recovery in European economies. Our plastics-molding business in Tunisia, PEC, is one example of a business that benefited significantly from this trend. A shift in consumption towards lower-cost substitutes is also benefiting market participants with efficient production and distribution processes. Moulin d'Or, our cake-manufacturing business in Tunisia catering to the needs of low- and middle-income groups, managed to increase its market share by 10% between 2010 and 2012. Defensive sectors such as FMCG, healthcare and education continue to benefit from the demographic dividend within the region, as evidenced by the average 15% annual growth in revenue seen across our five healthcare investments across North Africa in 2012.

Beyond the macroeconomic opportunity, a number of micro drivers are in play. The political transition created an inevitable drive towards institutionalization of medium and large businesses. The need for professional, highly qualified management teams is now recognized more than ever. Family businesses, wanting to ensure the sustainability of their operations, are seeking partnerships with institutional investors who can provide more than capital. Ability to accelerate their growth agenda, access to talented management pool, and driving

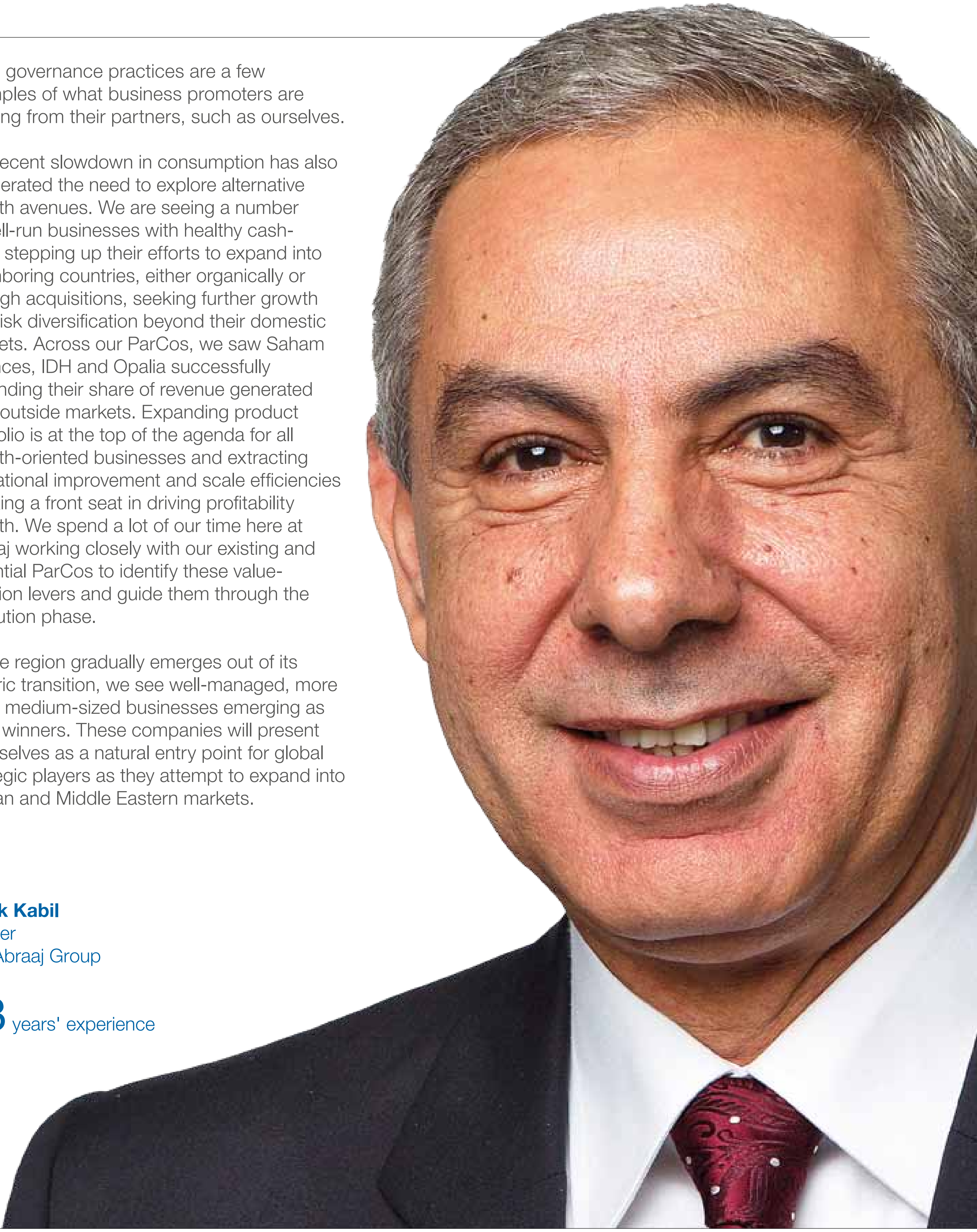
"As the region gradually emerges out of its historic transition, we see well-managed, more agile, medium-sized businesses emerging as clear winners."

[5] Trade Map
[6] Economist Intelligence Unit
[7] Brookings Institute

good governance practices are a few examples of what business promoters are seeking from their partners, such as ourselves.

The recent slowdown in consumption has also accelerated the need to explore alternative growth avenues. We are seeing a number of well-run businesses with healthy cash-flows stepping up their efforts to expand into neighboring countries, either organically or through acquisitions, seeking further growth and risk diversification beyond their domestic markets. Across our ParCos, we saw Saham Finances, IDH and Opalia successfully expanding their share of revenue generated from outside markets. Expanding product portfolio is at the top of the agenda for all growth-oriented businesses and extracting operational improvement and scale efficiencies is taking a front seat in driving profitability growth. We spend a lot of our time here at Abraaj working closely with our existing and potential ParCos to identify these value-creation levers and guide them through the execution phase.

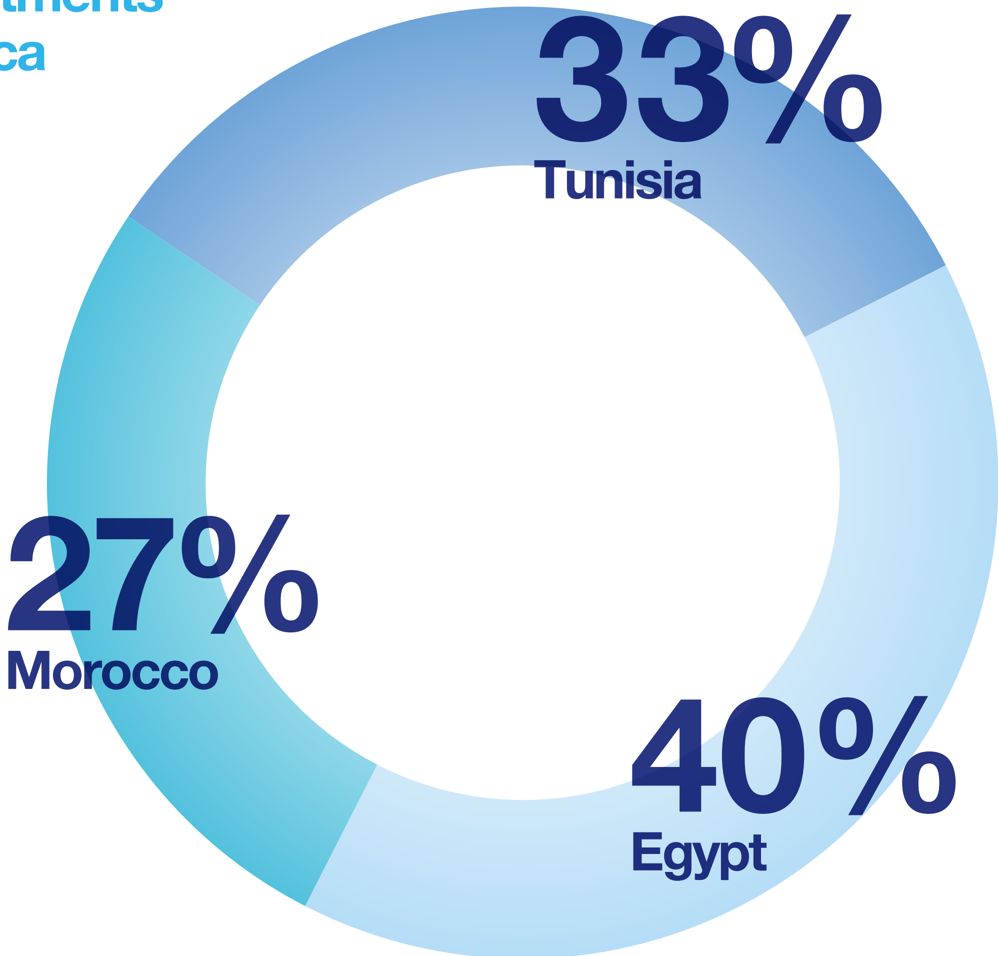
As the region gradually emerges out of its historic transition, we see well-managed, more agile, medium-sized businesses emerging as clear winners. These companies will present themselves as a natural entry point for global strategic players as they attempt to expand into African and Middle Eastern markets.



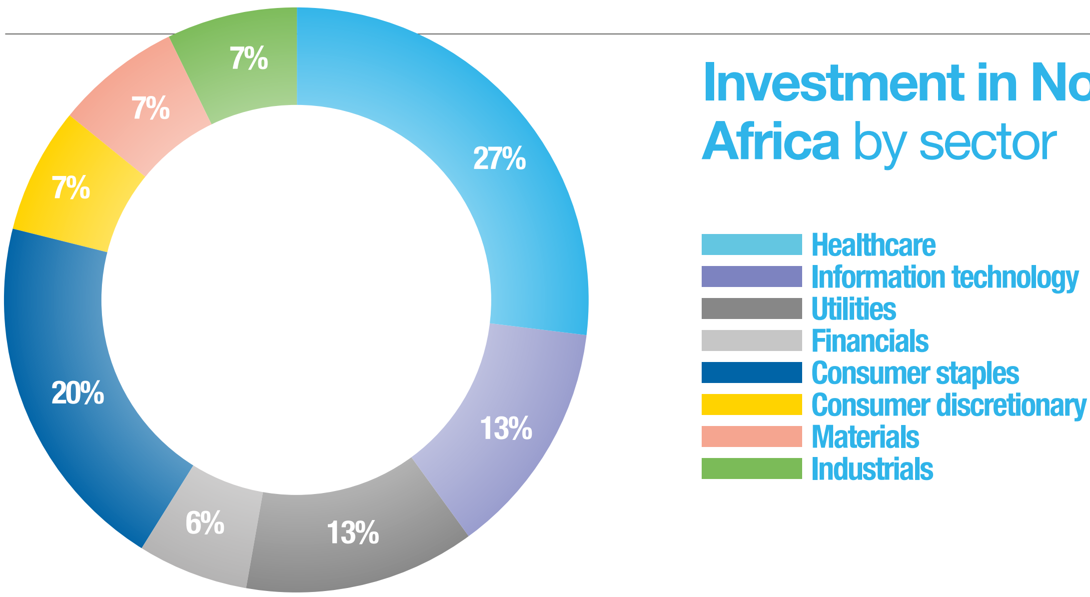
Tarek Kabil
Partner
The Abraaj Group

33 years' experience

Abraaj Investments in North Africa by country



Investment in North Africa by sector



Adding Value: The Abraaj Performance Acceleration Group

We believe resilient, long-term financial value can be attained not only through governance and reduced environmental impact, but also through positive social change and inclusive business models. We have embedded our values into the business principles upheld within the Group, and look to partner with owners of businesses that share our values.

Abraaj has in-house operational value-creation capabilities that we believe are a true differentiator in the markets where the Firm invests. The Group insists on the ability to drive the growth agenda of each business in which it invests. An emphasis on strategic and operational value-addition pervades the Group's investment approach, from due diligence to exit.

Abraaj's dedicated operational resources form a part of APAG, the dedicated portfolio-management team, which works alongside the investment teams who retain ultimate responsibility for the investments they manage. APAG resources are based regionally in the Group's six hubs with centers of excellence in key areas such as marketing and ESG. Every investment involves a detailed Value Creation Plan (VCP) whose execution is monitored by a Portfolio Review Committee (PRC) that meets quarterly.

"You cannot separate ESG from value creation in North African high-growth markets. It is not discretionary, rather it is integral to the long-term sustainability of the private sector as it contributes to the development of economies."
Wahid Hamid, Partner

APAG is at the heart of Abraaj's value-creation thesis, and its involvement is an embedded part of the investment process. APAG is formally involved in the investment process from the moment the transaction is identified to the point of exit, applying tools, processes, benchmarks and its internal and external expertise.

The APAG mandate covers the following:

> Support deal teams and ParCos with strategic and operational best practices and tools, through the central APAG team (comprised of functional/sector experts), centers of excellence and regional deployment models (i.e. local APAG resources on the ground in each region)
> Explicit involvement in the due diligence process, with a focus on the strategic commercial operational (SCO) and ESG due diligence
> Help assess target ParCo management's strategic, competitive and commercial capabilities, including areas around unforeseen or disruptive business risks and identification of strategic or synergistic value-add from the wider Abraaj network
> Build, ensure alignment on, and roll-out of the VCP and 100-Day Plan with operating KPIs to take the business to its full potential
> Participation in VCP and 100-Day planning workshops
> Selective resource deployment through the APAG direct-engagement model with ParCos on key strategic and operating initiatives, in partnership with deal teams
> Leading the ParCo Review Committee process at global and regional level
> Board-level engagement through the well-defined Abraaj ParCo Governance Framework
> Global and regional ParCo capacity-building through workshops and other skills-building programs, overseen and channeled through APAG, other than individual company-specific efforts
> Synergy extraction through the PRC process and through content and collaboration tools developed by ESG is firmly embedded throughout the Group's investment process from deal identification to active portfolio management to exit.

We believe that through our sustainable investment strategy we preserve long-term shareholder value by balancing rigorous financial analysis with ESG best-practices. The Group's investment and operational staff receive annual ESG training to ensure that the entire Group has a strong foundation of ESG practices.

APAG in partnership with the deal teams and ParCos continue to commercially apply ESG tools to preserve and create long-term value. Attribution analysis conducted by the IFC shows that due consideration of ESG can positively impact returns by as much as 13%.

The Abraaj Sustainability Index

We work in partnership with the businesses in which we invest to realize mutual and inextricably linked goals of being commercially successful and sustainable.

We seek to transform our ParCos in MENA into inclusive businesses. These businesses function with sound corporate governance, uphold the international labor convention, train and incentivize employees and are cognizant of global environmental challenges.

The management teams realize the very real implications of these challenges to their businesses. And there are many of our ParCos who seek to go further, turning these challenges into opportunities through value creation. Such businesses we find yield direct benefits to their economies and give rise to positive externalities.

Most of our ParCos, through our efforts and impetus, have integrated ESG decisions into their businesses. They have done so through inclusive supply chains, inviting labor unions to set up offices on their premises, and engaging in collective procurement negotiations with formal and informal stakeholders.

Private sector engagement

As a member of the private sector, we actively participate in the dialogue around sustainability. We hold a unique position as a Group, with a long history of investing in over 200 businesses in highly diverse growth markets. Our perspective on sustainability is informed by this depth of investing experience when we participate as members of the Principles for Responsible Investment (PRI) Private Equity Committee, on the Global Impact Investing Network's Investors' Council, on the United Nations Global Compact Board, and as a Strategic Partner of the World Economic Forum.

The private sector is essential to the development of sustainable economies and capable of generating outputs to sustain the needs and potential of a rapidly growing population. In this ecosystem, our ability to maintain high sustainability standards across multiple sectors and geographies allows for a rapid and consistent spread of best practice.

To accomplish ESG at scale, we have over time developed and refined ESG tools that reflect value-enhancement principles aimed at creating tangible outputs in our ParCos that ultimately strengthen the value of the investment. We further embed sustainability in the heart of our own business – and have done so since inception – thereby making the practice of ESG formally a part of each deal team.

Measuring sustainability impact is not simple and measures are not always immediate or visible. To ensure that we can effectively track the sustainability progress in our ParCos, we work with our bespoke proprietary development index, the Abraaj Sustainability Index (ASI), to measure over 70 quantitative and qualitative indicators.

The Abraaj Sustainability Index (ASI) allows us to capture the sustainability impact in our ParCos. It gives us the discipline to manage our engagement with them, firstly by benchmarking them to themselves and secondly by seeing how they perform over time as compared with their sector peers elsewhere.

This has been a unique approach in our industry, where there is a strong practice of rigorous financial valuation but not much by way of looking at valuing sustainability. The ASI has aided us by giving us a framework with which to help our ParCos and monitor their success. It further demonstrates our dedication to the space and our ability to truly add a multi-dimensional positive impact to growth-market businesses.

Since inception, we have focused on consistency of approach to embed core values in our business and in our ParCos. Justly so, our focus on ESG as being value accretive has been a guiding framework since inception and we will continue to identify and develop new quantifiable ESG value-added opportunities with our ParCos going forward.

As a private equity firm, the Abraaj Group is well placed to play a key role in North Africa by:

1. Helping Enterprises Grow

We have observed a number of important similarities in North Africa, especially around demographics, under-penetration of goods and services, aspirational populations, and strong growth potential. There are, however, distinct attributes and challenges on a country-by-country basis. There is room for small and mid-cap businesses to navigate through national and regional matters in order to commercially grow while meeting a market need.

A closer look at our North African ParCos paints a strong picture. For example, the total turnover for our North African portfolio has increased 3.4x since our first investment in 2008 to US$ 887 million in 2013. Exit opportunities remain a challenge, however, good exits can be achieved for the right assets as such as ANAF I's recent exit of the Tunisian pharmaceutical company Opalia to Milan-listed international pharmaceutical group Recordati S.p.A. (Recordati). During the Abraaj holding of the business, sales increased 2.5x with expansion into the region, while increasing its portfolio of affordable generic drugs available. At the time of investment, the business employed 233 staff (of which 64% were women) and, at exit, the business employed 370 people (of which 60% were women), having created 137 new jobs (a 59% uplift). The founder and entrepreneur Alya El Hedda was a pioneer in the Tunisian market, and she has remained CEO of the business following the exit.

Furthermore, the taxes of the growing businesses' create economic linkages that can benefit the country through public expenditure. Since 2008, the taxes paid by the North African ParCos have increased by over 8x to reach US$ 32.07 million from the 2008 level of US$ 3.42 million. The growing businesses also create economic linkages through their expenditures on local services and utilities. In 2013 our 12 ParCos increased their expenditures on local services and utilities from US$ 1.13 million to US$ 15.09 million, with Gallus increasing its expenditure by over US$ 2 million.

2. Increasing Employment

Employment continues to be a concern for North Africa, with its high and fluctuating unemployment figures that fell from 13.2% in 2000 to 8.9% in 2010 before increasing to 10% in 2012. In particular, women and youth face consistently higher unemployment compared with adult males. The International Labor Organization calculated that, in 2012, male youth were faced with an unemployment rate of 18.5%, 3x the male adult rate of 5.7%. Similarly, while adult women faced an unemployment rate of 11.7%, more than twice that of adult males, female youth faced a staggering 37%[8] (6x more than the adult male unemployment rate)[9].

Within this context, the Group's North African ParCos have created over 8,000 jobs through organic growth. Our regional impact through employment has grown 4x over the past six years from 2,066 (2008) to 10,635 (2013) jobs, as we made investments and grew the ParCos. More impressively, the number of women hired by our ParCos has increased from 12% of the workforce (2008: 248 women/two ParCos) to 42% of the workforce (2013: 4,483 women/12 ParCos). Of the new jobs created, 33% have been filled by women.

Job creation in larger companies tends to be greater than in more rapidly growing small to mid-cap businesses, as stated by the IFC in 2013. The Abraaj Group recognizes the need to finance and grow the mid-cap businesses of today into the large companies that can significantly impact job creation. The economic ecosystem in the growth markets of North Africa need both the diversity of enterprise and the scale of businesses to build resilience and accommodate the youthful demographics of the region.

[8] African Development Bank Group
[9] Economist Intelligence Unit, Abraaj Analysis

3. Improving Corporate Governance

A significant impact achieved by investing in small and mid-cap businesses through our investments In North Africa has been the enhancement of corporate governance in these businesses. Given the rapid growth many of these businesses are experiencing, the establishment of corporate governance structures is vital to their sustainability. ParCo achievements to date include:

ECCO

> Improved the structure of the Board to create an empowered Board of Directors, backed up by an authority matrix, with quarterly Board meetings to approve key action items and assess operational and financial performance

> Established a risk committee reporting directly to the Board

> Developed a template for monthly financial and KPI reporting to shareholders and the Board.

Unimed

> Introduced for the first time non-family directors to the Board and increased frequency of Board meetings

> Appointed Big Four accounting firm as an auditor

> Improved financial and ESG reporting by establishing monthly reporting done through the Abraaj online reporting platform

> Improved the quality of information available to the Board by developing a comprehensive Board pack containing financial, strategic, operational and HR information

> Working with the management team, over time improved the quality of information sent on a timely fashion to Board members ahead of Board meetings

> Developed an employee stock ownership plan for senior management (some of which are not shareholders) in order to align their interest to the long-term success of the business.

Opalia

> Improved financial and ESG reporting by establishing monthly reporting done through the Abraaj online reporting platform

> Improved the quality of information available to the Board by developing a comprehensive Board pack containing financial, strategic, operational and HR information

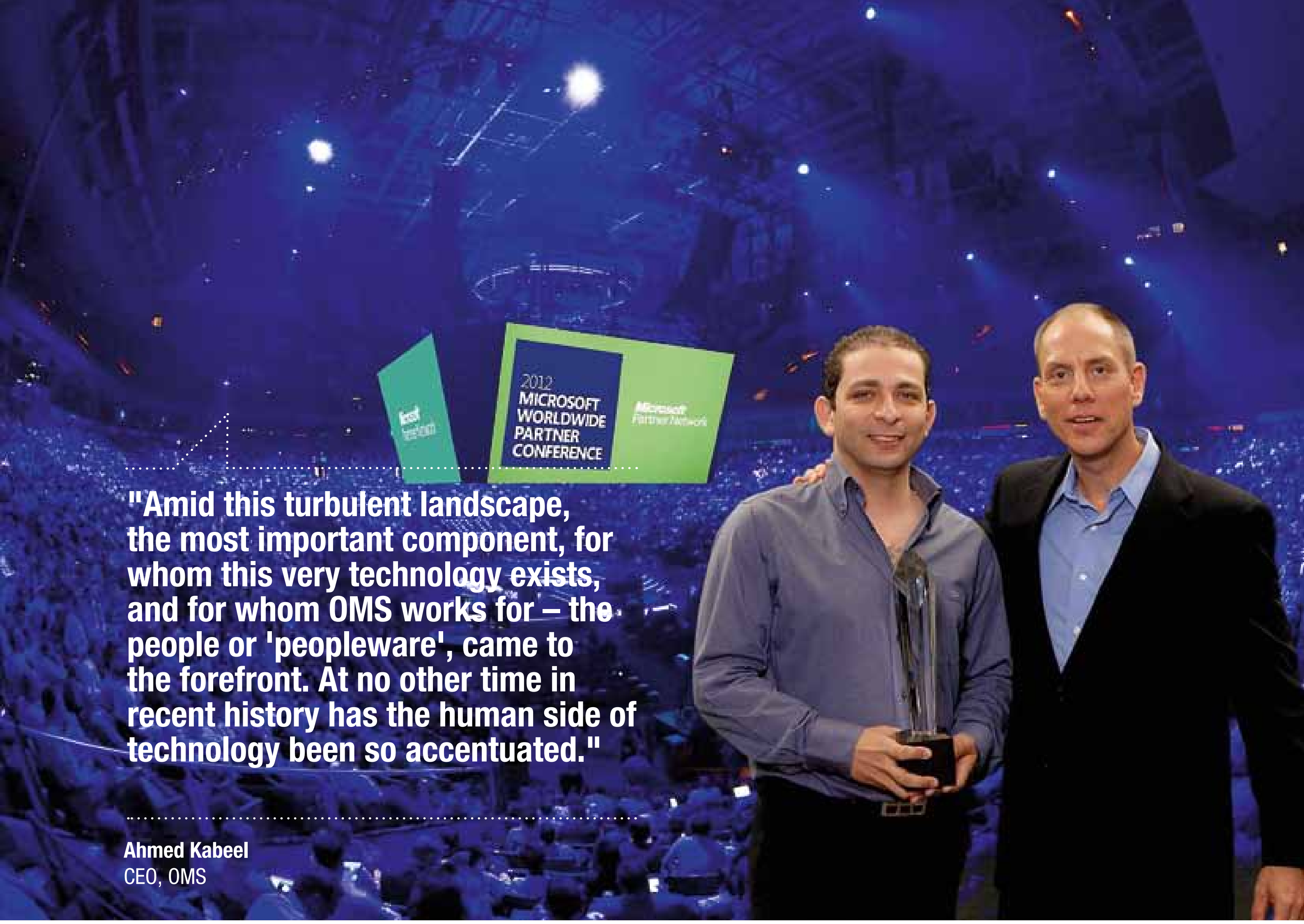
> Working with the management team, over time improved the quality of information sent on a timely fashion to Board members ahead of Board meetings

> Improved the effectiveness of the Board, which started making capital budgeting decisions and evaluating every investment project, whereas such decisions were made by management in the past with a passive Board.

OMS

> Established a remuneration committee that meets on an annual basis in order to determine salary increases/bonuses for current employees and budget for new employees

> Developed C-level management (COO, Head of Sales) in order to move from an owner-led organization to a more institutionalized company.



"Amid this turbulent landscape, the most important component, for whom this very technology exists, and for whom OMS works for – the people or 'peopleware', came to the forefront. At no other time in recent history has the human side of technology been so accentuated."

Ahmed Kabeel
CEO, OMS

Case in Point: Helping Enterprises Grow Creating Synergies in an Egyptian Partnership

ECCO is a leading Egyptian call-center outsourcing and business process outsourcing (BPO) services company. OMS, founded in 2002, is a regional IT consulting and services company also based in Egypt. Both companies have received investment from North Africa. When Abraaj first came into contact with OMS, the company was seeking to empower its IT solutions value proposition through moving up the value chain and expanding into the IT outsourcing (ITO) segment. One of Abraaj's value-creation strategies is to leverage its expansive and wide regional and global portfolio to drive value through synergies and collaboration among the ParCos. The Group recognized how it could facilitate collaboration between OMS and ECCO as OMS's strategy was aligned with ECCO's, which was seeking to augment its value proposition through the introduction of an array of IT services.

In addition to the obvious synergies of both companies' growth trajectories, Abraaj recognized the value in capitalizing on the respective strengths of each organization to deliver on the proposed strategy – ECCO with its BPO operations know-how, platform, and infrastructure, and OMS with its deep IT expertise, knowledge, and references. Abraaj introduced the two companies to each other and facilitated a dialog in mid-2013. The respective CEOs immediately realized they had a long-term strategic alignment and several immediate opportunities to work together.

As a result, OMS is currently working on an offshore outsourcing proposal with a global software firm that will see the development of an Egyptian on-shore ITO excellence center supporting global clients; this center will be staffed by OMS staff, hosted on ECCO's platform and state-of-the-art facilities and supported by ECCO's operations team. ECCO is developing its ITO propositions in Saudi Arabia and other markets, including its existing client base, and capitalizing on OMS's expertise as a technology partner to support the delivery in its domain of expertise (including IT infrastructure, cloud computing).

Further, the companies have started exploring cross-selling/sales-support opportunities. While still in its early stages, the collaboration is helping endorse the respective companies' complementary commercial propositions and have allowed two companies to transcend limitations posed by their size as small and mid-cap businesses.

4. Bridging the Gender Gap

Bridging the gender gap is smart economics. We believe that the empowerment of women is good for businesses and can advance innovation, create positive consumer recognition for ParCos and increase productivity.

The region's female unemployment rate is 36%[10], twice the male unemployment rate. According to the United Nations, the share of women employed outside of agriculture has increased to 40% globally, but to only 20% in North Africa[11]. Further, only 17%[12] of the firms in North Africa (and the Middle East) are owned by women, compared with a global average of 35%[13]. And yet the CEO of Integrated Diagnostics Holdings (IDH) is female, as is the founder of Opalia, the Tunisian pharmaceutical ParCo that we successfully exited to the Italian pharmaceutical firm Recordati in 2013.

As of 2012, the percentage of females aged between 18 and 64 years who are either nascent entrepreneurs or owner-managers of new businesses in North Africa stood at as low as 3.6%[14]. The low number will likely grow in the near future led by the combined efforts of various private players, the national governments, and external agencies.

Our strong beliefs, combined with our consistent efforts to tap the vast potential held by North Africa's substantial female population of 81 million[15], have translated into remarkable outcomes. By investing in female owned and managed businesses such as Opalia and IDH, we have been able to help women gain access to capital, networks and expertise that has ultimately strengthened the fundamentals of their companies.

The benefits of integrating women into the economic sphere are well established. Reiterating this idea, a recent study by the World Bank on women entrepreneurs in MENA revealed that female-owned businesses in the region are fast growing, technologically savvy and as connected to global markets as male-owned companies. The study further revealed that female-owned businesses, on average, created more jobs than male-owned businesses and employed a higher share of skilled, professional and female employees in managerial positions.

15.5%

Females in the full-time workforce (regional average)

42%

Females in the full-time workforce in Abraaj's North Africa Portfolio

According to another study by Booz & Co, achievement of equal male and female economic participation in Egypt would boost the country's GDP growth by as much as 34%.

Female-owned firms also have a larger share in the total number of firms exporting to other countries, signifying higher growth associated with firms owned by women. For example, in Egypt, more than 30% of the total female-owned firms engage in exports, compared with only 20% of male-owned firms. Similar trends can be observed in Morocco, where 65%of the total female-owned firms export their products/services, compared with 50% of the total male-owned firms[16].

While policy-makers, governments, and donors have paid much attention to promoting female entrepreneurs in the region, little has been done by the private sector. However, over the past decade, the region has achieved substantial success in gender gap reduction in the education sector: the gender gap in the literacy rate for the 15–24 age-group population declined from 12% in 2000 to 7% in 2011[17]. This decline has enabled the government as well as the private sector to promote frameworks and policies that would allow them to increase the overall entrepreneurial activity.

[10]World Bank Database
[11]United Nations
[12-13]World Bank
[14]GEM Consortium
[15]World Bank Database
[16]World Bank
[17]World Bank Database

Cairo, Egypt

Entrepreneur Profile:
Dr Alya El Hedda

Opalia Pharma (Opalia) is a Tunisian pharmaceutical company started in 1988 by a remarkable entrepreneur, Dr Alya El Hedda.

Dr El Hedda has always had a passion for healthcare, and this placed her on the path to receiving a PhD in Pharmacy with a concentration in industrial pharmacy from the University of Chatenay-Malabry in France. Upon completion of her degree, she returned to Tunisia to join the Central Pharmaceutical Department within the Ministry of Health.

There, she saw first-hand the significant unmet medicinal needs of the Tunisian people, given their lack of access to affordable medicines. During the deregulation of the pharmaceutical sector in the 1980s, Dr El Hedda identified an opportunity in the market. However, as a young entrepreneur she was faced with numerous challenges, ranging from prejudices to barriers to accessing financing – despite the increasing governmental support for the production of generic drugs to bolster the underserved pharmaceutical market in Tunisia.

Despite these challenges, in 1988 she founded Opalia Pharma with the help of Italian entrepreneur Marco Montanari.

The growth of Opalia

Dr El Hedda has grown Opalia diligently in stages over the past two decades. In the 1990s, she focused on nurturing Opalia's research and development department to develop new drugs for registration. During the 2000s, she focused on maturing the company and increasing Opalia's generic drug production. By 2007, she had consolidated the local position of Opalia through the expansion of its drug offerings, which had exceeded 150, and a new state-of-the-art facility 40 minutes outside Tunis. Following the opening of the new facility, Opalia has been experiencing double-digit growth, making it one of the top-three generic producers in Tunisia.

In 2009, Dr El Hedda realized she would need a growth partner in order to become a regional player. Abraaj, which had monitored Opalia's rapid expansion and has a record of encouraging the empowerment of women, seized the opportunity to support a thriving pharmaceutical company with a woman at the helm.

Working together, Opalia's footprint across Francophone Africa has expanded to include 10 countries with nearly the equal number of registered drugs in these countries as in Tunisia. While doing this, Dr El Hedda has also placed an emphasis on empowering women and, as a result, 60% of Opalia's staff is female.

Through Dr El Hedda's skilful management, this ethical business has been and continues to be profitable, with those on low incomes now able to access quality medication at an affordable price, from Libya to the Atlantic. In order for the company to continue growing over the next 20 years and become a strategic international player, Abraaj exited Opalia through a sale to Milan-based Recordati, with Dr El Hedda staying on as CEO.

Opalia's portfolio of pharmaceutical products grew in line with its 1.5x increase in market authorizations

111 — 2008 → **1.5x** → **170** — 2013

"Despite recession, political unrest, and general uncertainty, we stayed focused and saw these obstacles as an opportunity. It was an opportunity to reassess our future and not lose our singular focus on the only thing that matters – the people – be they our customers, our community, fellow citizens, partners, investors or our team."

Dr Alya El Hedda
CEO, Opalia Pharma

Our Impact in North Africa

We are long-term investors in North Africa, having invested in the region for more than a decade. With locally embedded teams in four offices across the region, we have deployed more than US$ 1.8 billion to 16 companies in sectors as diverse as healthcare, retail, utilities and consumer goods. Moreover, through a robust value-creation process that has been executed by our investment and operating professionals, we have focused on achieving long-term and sustainable impact in the markets and communities in which we are present. In the case of North Africa, this has been demonstrated through our support of mid-market companies, facilitating the growth of local businesses into regional champions, and creating the infrastructure for healthcare services to thrive in an environment that focuses on high-quality, relentless delivery and broad levels of accessibility.

1. Supporting Mid-Market Companies in North Africa

Mid-market enterprises (MMEs) play an important role within any economy, as they contribute significantly to GDP and employment generation – especially in growth markets. The contribution of MMEs to economic growth intersects with a broader social change, making it an indispensable tool for development in emerging markets such as North Africa. According to a World Bank study, formal MMEs with small enterprises contribute up to 45% of employment and up to 33% of GDP in developing economies[18].

MMEs often create economic benefits by associating with and assisting larger firms, by catering to niche markets and by building productive capacity through the development of skilled and semi-skilled workers. At the same time, MMEs foster inclusive growth by reducing economic inequality and income gaps through:

> Their innovative and adaptive business models which make them more flexible and responsive to changing market demand and supply conditions. In addition, these firms are quicker in delivering services locally, which saves on costs and makes them more efficient

> Their knowledge of local markets, which has proven to be extremely valuable for bigger corporations trying to enter new markets which have either established joint ventures or entered into mergers and acquisitions with these local firms to leverage their knowledge

> Their ability to create more equitable income distribution; evidence suggests that economies with higher income per capita tend to have high micro, small and medium enterprise (MSME) density[19].

For example, MMEs in Morocco account for approximately 50% of private sector employment and while accounting for 4% of total employment across the North African region. The majority of enterprises in North Africa are MSMEs, which are estimated to be 19–23 million (formal and informal) in number and comprise 80–90% of all private enterprises in most countries, employing more than 4.8 million of the total population in North Africa[20].

However, despite the widespread acceptance of the view that these enterprises are critical to economic development, North African countries remain among the least effective at cultivating a MME-friendly business environment:

> Access to finance is one of the main challenges faced by these enterprises across the globe, and particularly in North Africa, where nearly 36% of MMEs

"At The Abraaj Group, we believe that three barriers are faced by entrepreneurs: access to talent, formalized and specialized best practices and access to markets."

[18-20] IFC

identified access to finance as a major constraint, according to the World Bank Enterprise Survey

> There is variation in credit/loan uptake across countries within North Africa; for example, the percentage of firms with a bank loan/line of credit in Algeria is as high as 44%, while in Egypt it stands at nearly 14%[21]

> As well as limited access to finance, MMEs face several other barriers to growth, such as unfavorable regulatory environments, a lack of business management skills and market linkages needed to grow and succeed.

The significance of MMEs in the North African region should not be minimized, especially given the serious socio-economic challenges faced by the region, such as high population growth, poverty, a high unemployment rate and a decline in the public sector's capacity as a viable employer. According to World Bank data, unemployment in North Africa stood at 10.3% in 2010 – twice the global average of 5.9%[22]. Globally, there is a growing realization that the flaws of the existing system must be addressed to help entrepreneurship and these MMEs to flourish, and countries within the North African region are exploring ways to address these challenges.

Private players, especially private equity investors, are in a position to play a critical role by deploying patient capital, and therefore to assist MMEs in overcoming significant barriers and helping them mature. Private equity firms can deploy growth capital and work with partner companies to help them develop into enduring regional businesses that achieve high returns while positively impacting local communities, employees and their various stakeholders.

At Abraaj, we believe that the MME sector provides an opportunity to create successful entrepreneurial businesses that can fuel innovation, job creation and economic diversification. The Abraaj Group is not merely a supporter of entrepreneurialism; its professionals think and act like entrepreneurs first and foremost, having experienced the highs and lows of growing businesses. We focus on long-term, sustained growth investment opportunities that can have a substantial socioeconomic impact on a region's economy. Abraaj's investment professionals adopt a pragmatic approach to building the capacity required to scale up the operations of an MME, which they combine with a local understanding of industries, markets and cultural dynamics acquired through their local presence in each of the markets where they are present.

2. Regional Integration and Expansion

Regional integration is still in its infancy in North Africa. With intra-regional trade accounting for less than 4% of total trade, the region is one of the least economically integrated in the world, and below the average of other parts of the continent. Political differences, diversity in economic performance, and overlapping trade agreements have hindered regional integration efforts. According to the African Development Bank (AfDB), greater regional integration would add more than 2% to annual GDP growth.

Historically, integration among North African countries has been limited by opposing political ideologies combined with strong bilateral interests in integrating with Europe and, more recently, a drive towards SSA. North Africa's exports to Europe (the largest trading partner for North African countries) and SSA are 61% and 2% of the total exports respectively. While coming from a low base, North African exports to SSA have increased by 23% CAGR in the past decade to US$ 4.1 billion, with Egyptian exports growing particularly rapidly at 49% annually[23].

Moreover, intra-regional trade is increasing between specific countries. For example, exports between Tunisia and Algeria grew at an annual rate of 20%

and at 35% between Egypt and Libya during the past decade. Businesses in North Africa – particularly in Egypt and Morocco – are well poised for regional expansion into SSA. The Abraaj Group has invested in a number of businesses undertaking such expansion.

The trend of continued regional integration is expected to continue. Most recently, Egypt, Morocco, and Tunisia have signed agreements under the European Neighborhood Policy that include the adoption of international (EU-compatible) standards in many areas. The progressive adoption by individual countries of EU regulations, if extended to all countries in the region, will lead to the harmonization of rules across the North African countries, which would create increased opportunities for deeper economic integration. Free trade areas in the region will increase the opportunities for cross-border expansion.

At Abraaj we believe that market forces operating through the private sector will continue to play an important role in driving increased integration in the region. We are increasingly seeing foreign companies using North Africa as a base for further expansion. Central to the Group's investment strategy in North Africa is to partner with mid-sized businesses with proven business models and the ability to grow into regional platforms. In particular, those that have the capability to create value through a combination of organic expansion, add-on acquisitions, strategic repositioning and consolidation strategies, therefore becoming "regional champions." Evidence of this strategy in action can be seen in The Abraaj Group's experience with ParCos in the region.

[21] World Bank Enterprise Survey
[22] World Bank Database
[23] Trade Map

Entrepreneur Profile: **Dr Hend El Sherbini**

Dr El Sherbini brought together the initial IDH team, with the merger representing a milestone in the development of the regional healthcare sector. As a result of the merger, IDH was positioned to realize its vision to become one of the largest pure growth market diagnostic groups.

Dr El Sherbini was formerly President and CEO of Al Mokhtabar Medical Laboratories, a privately held medical tests and diagnostic company working to improve patient care by providing rapid and reliable point-of-care medical test information. Under her leadership, Al Mokhtabar evolved into one of the most respected laboratory chains in the region, with a presence in Egypt, Sudan and Saudi Arabia.

"By leveraging our combined resources and specialist capabilities, we have created the largest medical diagnostics firm in the Middle East and South Asia. Together, we will continue to provide international best-practice services, invest in innovation and focus on meeting the needs of all the communities that we serve."

Case study: IDH

Summary

Integrated Diagnostics Holdings Limited (IDH) was created in 2008 following Abraaj's acquisition of Al Borg Laboratories (Al Borg) in a public tender offer on the Egyptian Stock Exchange. Al Borg was established in 1991 by a group of doctors who sought to build a modern, unified network of medical diagnostic laboratories and bring Egypt's chronically fragmented healthcare network up to par with its regional peers. It is currently one of the largest private medical laboratory chains in North Africa with a 25% share of the Egyptian private laboratory testing market. Al Borg was the first Egyptian laboratory to receive international accreditation from the Swedish Board for Accreditation and Conformity Assessment (SWEDAC).

The IDH story

IDH illustrates the role Abraaj has played in taking a dominant local player and creating a regional champion in North Africa. The Al Borg investment was part of Abraaj's efforts to move into the MENASA region's healthcare sector, which the firm expected to remain in a secular growth trend, particularly in Egypt – a nation of 80 million people. Abraaj's research revealed that less than three laboratory tests per capita were performed annually in Egypt in 2008, well below the prevailing rates in peer states. The figure for most developed nations was in the double digits. The burden of lifestyle diseases was expected to grow in Egypt, where the prevalence of viral hepatitis B and C was already high. At the time of Al Borg's founding, most companies were single-lab operations and many doctors were still performing tests manually in their own facilities. Al Borg became one of very few well-organized diagnostic laborat ory chains in Egypt, with 63 laboratories nationwide, international certifications and was the first company in the region to adopt the innovative hub-and-spoke model. As the Egyptian market leader, it had clear potential to evolve into a regional powerhouse.

In July 2012, Al Borg merged with Al Mokhtabar Medical Laboratories, to create IDH. Abraaj guided the company through this delicate merger with its leading Egyptian competitor.

When the merger was completed, IDH operated seven brands, 232 branches and four central labs. The company has achieved continuous growth by adopting an organized, international-style approach to lab diagnostics, with a focus on automation, quality control and the "hub-and-spoke" business model, that enables them to benefit from economies of scale, thus reducing costs for clients and, ultimately, patients.

3,275
Employees (2013)

263
Branches (2013)

[24-25]IMS Institute for Healthcare Informatics

3. Supporting the Growth of Healthcare Services in North Africa

Healthcare is a critical service and the changing healthcare landscape of North Africa has created an ever-widening gap between availability of services and medications and the accessibility and affordability of them over recent years.

In North Africa, the demographic transition from youth to middle age has started the transformation of healthcare costs. During the youth bulge, healthcare costs were kept down; however, as the young get older, they are faced with lifestyle diseases, such as obesity and diabetics, which increases their health risk factors. These increases in lifestyle diseases predispose them to chronic diseases that will likely manifest as they approach their middle age, sending the demand for healthcare and its related costs shooting skywards. Between 2002 and 2011, Algeria alone has seen its chronic to essential medicine ratio increase by 72%[24].

Additionally, rapid increases in healthcare spending are anticipated in the medium term as a result of these chronic diseases. Despite the availability of nominal subsidization of healthcare by governments, most patients pay out-of-pocket for services and medication, which accounts for more than half of total health spending by households. With the government focused on budgets rather than incentivizing government-owned healthcare services, there is little inducement for them to improve quality or productivity. As the countries within this region race towards non-communicable diseases and injury-related care needs, they will see their overall disease burden rise. Therefore, there exists a growing role for the private sector, within the healthcare sphere, which through increased productivity can provide quality goods and services at affordable prices.

The Abraaj Group believes that the widening gap between supply and demand of services and medication in North Africa provides us with a unique and solid commercial opportunity to positively impact the quality of life of hundreds of thousands of individuals through employment and consumption. As a result, following the closing of its Infrastructure & Growth Capital Fund in 2007, Abraaj started actively seeking healthcare companies to add to its portfolio.

Abraaj has looked to also address the issue of medication. Generic drugs are one way in which these needs can be addressed. In Morocco, patented drugs cost locals significantly more than in Tunisia with even France reports patent drug prices 70% lower than Morocco's[25]. Despite these prices, the growing middle class is expected to fund the growth in drug spending. Generic drugs, which use the same active pharmaceutical ingredients (APIs) as patented drugs, are cheaper versions that are equally effective. These drugs have the ability to reach substantially more patients as a result of its cheaper price.

Furthermore, these pharmaceutical companies have the opportunity to not only benefit North Africans, but Sub-Saharan Africans as well. The pharmaceutical spending in Africa is expected to reach US$ 30 billion by 2016, driven by a CAGR of 10.6% according to a report by IMS Health. Similar to North Africa, demographic changes, increased wealth and rising demand for drugs to treat chronic diseases are expected to support this increase in demand as a result of a double disease burden. However, the SSA healthcare networks are currently ill-equipped to handle these rising burdens.

Over the years, Abraaj's belief in the potential of pharmaceutical companies to produce commercial returns while providing a social good has resulted in the Group adding two pharmaceutical companies to its portfolio. The latest of this, with established intra-African trade, is Steripharma.

Africa Health Fund

Backed by the Bill and Melinda Gates Foundation and the IFC, the Africa Health Fund (AHF) has a unique mandate: to invest in healthcare businesses across Africa with a view to improving and increasing access to the economically disadvantaged, reflecting the belief that a commercially driven investment fund could drive sustainable improvement in healthcare in one of the most impoverished regions of the world. To date, the AHF has deployed approximately US$ 30 million in nine transactions in SSA and North Africa.

Case Study: Steripharma

Summary

Headquartered in Casablanca, Steripharma is a manufacturer of pharmaceutical products and was created in 1999 following the acquisition of Pharmadent.

Over the past decade, Steripharma has used the knowledge it has acquired working with international companies to develop its own generics to meet local unmet demand. It has also sought to competitively price its products to be more accessible without compromising on quality – two of the key mandates of the AHF. Steripharma has been able to do this through its state-of-the-art facilities and its production process, which complies with Moroccan standards and aligns with the European Good Manufacturing Process.

The Steripharma story

Steripharma is a young company with a high growth potential due to the expected growth of medical expenses as a result of the aging population in the region.

Over the past few years, Steripharma has been increasing its share of the Moroccan pharmaceutical market over, while pursuing a balanced business model built with a unique and diversified portfolio of drugs and customers. It outpaced 11 other pharmaceutical companies between 2007 and 2010 with one of the highest turnover growth rates in the sector, with a CAGR of 21% for this period.

Steripharama's focus on providing affordable pharmaceuticals to the masses, has translated into 52% of its end-users coming from the bottom-of-the-pyramid (BoP) segment. This segment, which mainly depends on informal or subsistence livelihood, is usually faced with a BoP penalty of higher prices for basics goods and service. Steripharma provides quality drugs without charging a BoP premium for providing much-needed drugs to a frequently overlooked market.

"A consistent theme throughout Africa is the unavailability of quality healthcare goods and services at accessible price points," says Shakir Merali, Managing Director at The Abraaj Group. "This deficit presents an opportunity to invest in solid companies to build scale, increase affordability and achieve world-class quality. By doing so, a wide community of consumers touched by these products or services benefits, while robust commercial returns ensure that these businesses remain sustainable and attractive as investment opportunities in the long term."

The alignment of Steripharma's BoP focus with the AHF, its management alignment with Abraaj and its well-developed and strategic plan to expand operations to capture increased tender made this an ideal investment opportunity for Abraaj.

"A consistent theme throughout Africa is the unavailability of quality healthcare goods and services at accessible price points. This deficit presents an opportunity to invest in solid companies to build scale, increase affordability and achieve world-class quality. By doing so, a wide community of consumers touched by these products or services benefits, while robust commercial returns ensure that these businesses remain sustainable and attractive as investment opportunities in the long term."
Shakir Merali, Managing Director

Stakeholder Engagement Through ASSET

We believe engaging a wide range of stakeholders in any community where we invest or operate is a vital part of investing in growth markets where many outcomes depend on collaboration between multiple stakeholders – specifically business, government and civil society. At The Abraaj Group, our stakeholder approach to doing business lies at the core of our values and culture. Through our Abraaj Strategic Stakeholder Engagement Track (ASSET), we seek to both engage and collaborate with these actors, with the goal of demonstrating our relevance and commitment to the communities where we operate. We have increasingly focused this collaboration around our core skill set – nurturing and supporting the entrepreneurial ecosystem.

A platform to empower entrepreneurs

wamda

Wamda, which means "spark" in Arabic, is a platform designed to empower entrepreneurs across the Middle East and North Africa. It operates across four channels: Wamda.com, the largest entrepreneurship website in the Arab world; the Wamda Capital Fund, which invests in early-stage startups; a range of programs and products designed to help startups set up, run and grow; and a think tank that produces research papers about the state of the ecosystem. Wamda was established by Abraaj in 2011 to support the entrepreneurial ecosystem beyond an infusion of capital. This meant creating and facilitating an open space for knowledge sharing and connection for entrepreneurs as they start, grow and sustain their businesses. Knowledge sharing and networking were achieved through the formation of Wamda by bringing nascent and established entrepreneurs, business leaders, mentors, investors, and knowledge partners such as academics, consultants, NGOs and think-tanks together.

Supporting high-impact entrepreneurship through endeavor

endeavor

Endeavor Global is a pioneering organization that identifies mentors and accelerates high-impact entrepreneurs. These entrepreneurs lead successful businesses and have generated US$ 4.5 billion in revenues and created more than 156,000 high-quality jobs. Our strategic partnership with Endeavor was launched in 2010.

High-impact entrepreneurs, by becoming success stories, can become role models to aspiring entrepreneurs. In global growth markets entrepreneurs are central to making communities sustainable.

What makes Endeavor unique is the way in which it engages with these entrepreneurs. Endeavor has worked to build a comprehensive network of investment and operational professionals whose expertise can be accessed through requests depending on the needs of the entrepreneur. Each entrepreneur also has a unique advisory Board designed to meet their operational and strategic needs. These needs are determined by the entrepreneur's aspirations for his/her firm.

Endeavor has a network of over 3,000 pro bono entrepreneurs who can be accessed via the Global Mentorship Program or the Global Connection Program. Through these programs, entrepreneurs are able to meet with mentors on specific concerns that are beyond the scope of their advisory board. In many cases, these one-time connections turn into long-term relationships with mentors choosing to devote their time to guide entrepreneurs.

Abraaj has played an active role in the expansion of Endeavor and its affiliates in Egypt through financial support, networks and the involvement of colleagues who sit on the national Endeavor Boards. Abraaj has leveraged its networks to provide Endeavor with Board members and mentors in Egypt, Jordan, UAE and Turkey. Our support has further enabled Endeavor's expansion into Lebanon, Saudi Arabia, Morocco and Indonesia.

Further, our ability and track record in identifying successful entrepreneurs was effectively utilized at Endeavor's International Selection Panels held in Turkey, Dubai and London, where members of our senior management team were on a jury panel to select and mentor a new cohort of high-impact entrepreneurs.

Education For Employment (EFE)

Operating through a network of locally run, non-profit organizations across the Middle East and North Africa, EFE provides disadvantaged unemployed youth with economic opportunity through world-class professional and technical training that leads directly to jobs and entrepreneurship support. EFE's demand-driven approach starts with the needs of the private sector, partnering directly with companies to understand their workforce requirements and secure job commitments. EFE designs training programs tailored to company needs, recruits and trains youth, places them in jobs, and provides alumni with continuing professional development and opportunities for civic engagement. In 2013, The Abraaj Group supported the Maghreb Startup Initiative implemented by EFE and local partners in Morocco, Algeria and Tunisia, and funded English language training for unemployed youth in Tunisia, helping to continue EFE's 100% job placement rate for graduates of EFE-Tunisia's job placement program. In addition, Abraaj principals help to build EFE's capacity at the local level through their participation on the board of directors of EFE affiliates in Egypt, Morocco and Tunisia.

5 + 5 + 5

ASSET projects are resourced through our 5+5+5 model, which touches each and every employee. It promotes a sense of responsibility and engagement through a combination of monetary value and time commitment. The model encourages employees to donate 5% of their annual bonus, and to set aside a minimum of five days a year (three of which are paid for by The Abraaj Group) to provide leadership and involvement to the strategic and community engagement programs. And 5% of the Abraaj Group's top-line fee income revenue also goes to support these initiatives and platforms.

Academic partnership with the American University in Cairo (AUC)

In May 2012 Abraaj invested US$ 1.1 million in launching The Abraaj Group Professorship in Private Equity at the AUC's School of Business, one of the leading universities and business schools in the Arab world. The Professorship has been a cornerstone of the University's MSc in Finance, launched in the fall of 2012. A US$ 100,000 endowment was also created to support research in private equity, venture capital and investment management. The program has been further enriched by the regular engagement of The Abraaj Group's management team, who have participated in guest lectures throughout the academic year.

"Abraaj's Walid Bakr is an active member on SASCO's advisory board and has been a big help in refining our strategy and planning our KPIs to achieve our targets. His experience and knowledge were invaluable. We needed an expert like Walid to provide us with the feedback and advice we needed on how we could take our company to the next level, and his professional views helped us greatly." Tarek Sryo, Founder and VP, SASCO.
SASCO is one of the largest manufacturers of stationery supplies in Egypt, and part of the Endeavor Network

4,664

Jobs created by Endeavor entrepreneurs in North Africa

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