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**IFC Invests in Egyptian Private Equity Fund to Support Business Growth Amid COVID-19**

**Cairo, Egypt, October 7, 2020**—IFC, a member of the World Bank Group, today announced an investment in an Egyptian private equity fund to help improve access to capital for small- and medium-sized companies in the country, supporting their resilience, growth, and ability to create jobs amid the challenges of COVID-19.

IFC's \$25 million investment in the LCP Fund II, managed by Egypt-focused private equity fund manager, Lorax Partners, highlights IFC's strategy of working with fund managers to meet the needs of fast-growing companies, mobilize institutional capital in high-growth sectors, and ultimately strengthen capital markets.

The LCP Fund II will make growth equity investments in mid-cap companies in several sectors, including consumer goods and financial services. The fund is targeting \$250 million of equity commitments, with a first closing completed in September. Globally, private equity has emerged as a critical source of financing, especially for mid-cap companies.

Walid Labadi, IFC's country manager for Egypt, Yemen and Libya, said, "We expect IFC's participation will help bring in more private capital into the Egyptian private equity market, increasing its competitiveness, diversifying the investor base, and ultimately improving access to capital for mid-cap Egyptian companies, which can become drivers of job creation and sustainable economic growth."

The new fund will concentrate on companies seeking to expand geographically and those working on import substitution strategies. IFC plans to participate in future co-investment opportunities alongside Lorax Capital Partners.

Private equity and venture capital play a critical role in development, helping to build the dynamic, job-creating companies that drive economic growth and provide essential goods and services. In fiscal year 2020, which ended on June 30, IFC invested \$57 million in private equity and venture capital funds to support businesses in the Middle East and North Africa.

**About IFC**

IFC—a member of the World Bank Group—is the largest global development institution focused on the private sector in emerging markets. We work in more than 100 countries, using our capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2020, we invested \$22 billion in private companies and financial institutions in developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity. For more information, visit [www.ifc.org](http://www.ifc.org).

**About Lorax Capital Partners**

Incorporated in 2015, Lorax Capital Partners (LCP) is an Egypt-focused private equity firm currently managing the funds of the Egyptian American Enterprise Fund (EAEF) and was responsible for its investments in Fawry for Banking and Payment Technology Services, the leading electronic payments platform in Egypt, and Sarwa Capital, a pioneer in consumer finance, leasing and securitization in Egypt. LCP is very well positioned to serve as a 'bridge' between Egypt 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 a combined transaction execution value of over USD 46 billion. Further details on LCP can be found at <http://www.loraxcapitalpartners.com>.

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