

Tanmeyah Joins Forces with MSMEDA to Empower Approximately 10,000 Micro-Enterprises in Agreement Valued at 200 Million

Cairo, March 10, 2024

Tanmeyah, is a subsidiary of EFG Holding and a leading provider of financial services in Egypt with a concerted focus on the micro and small enterprise segments, announced today a collaborative agreement with the Egypt's Micro, Small, and Medium Enterprise Development Agency (MSMEDA) for the formalization of a strategic contractual agreement valued at EGP 200 million. This collaboration is dedicated to financing micro-enterprises and demonstrates Tanmeyah's solid commitment to enhancing financial inclusion and delivering essential financial services across Egypt in alignment with governmental initiatives.

The agreement, signed by Mrs. Nevine Badr El Din, Director Micro Finance Central Sector MSMEDA, and Tanmeyah's CEO &MD, Jinu Johnson marks the commencement of a powerful partnership poised to empower approximately 10,000 micro-enterprises in expanding their operations. Under this program, each loan can reach a maximum of EGP 220,000. Tanmeyah's extensive operations currently cover 25 governorates in Egypt.

The primary objective of this collaboration is to support various types of small businesses, including production, sales, services, crafts, and traditional activities, across diverse villages and districts. A special emphasis will be placed on aiding communities in Upper Egypt and the Delta region, with the goal of enhancing their quality of life.

CEO of MSMEDA, Bassel Rahmy, said, "This agreement comes within the context of MSMEDA's participation in the implementation of the government's plans to upgrade the micro-enterprise sector. The first contract is dedicated to motivating informal micro-enterprises to shift into the formal sector and capitalize on privileges granted by Law 152/2020. This way, they will be better suited to increase their turnover and consequently upgrade into small and then medium businesses."

"The second contract would target young men and women, particularly women heading households, to help them establish start-ups or expand in existing micro businesses and contribute to satisfying the different needs of local markets. Both contracts would provide finance to around four thousand beneficiaries and improve the competitive edge of micro businesses nationwide," added **Rahmy**.

Aladdin ElAfifi, CEO of EFG Finance, an EFG Holding company, commented, "This collaboration between Tanmeyah and MSMEDA underscores the pivotal role of strategic partnerships in driving inclusive economic growth. Through this partnership, we aim to empower micro-enterprises by providing not just financial assistance but also the necessary support and resources to thrive. Together, we believe in the

transformative power of entrepreneurship to drive socioeconomic development and create lasting impact in communities across Egypt.”

Jinu Johnson, CEO & MD of Tanmeyah, expressed enthusiasm for the impact of this collaboration, stating, “We are thrilled to embark on this journey with MSMEDA, aligning our shared commitment to fostering economic growth and financial inclusion in Egypt. This partnership signifies our dedication to empowering micro-enterprises, especially in underserved regions. Through strategic financing, we aim to unlock the potential of entrepreneurs, creating a ripple effect that positively influences communities and contributes to the broader socio-economic development of the nation.”

This collaboration between MSMEDA and Tanmeyah marks a significant step forward in the realization of the government's vision for financial inclusion. Tanmeyah is dedicated to its core mission of providing financial services to those traditionally excluded from mainstream banking, with this focus extending beyond small businesses to include individuals with lower incomes, particularly women and youth.

Launched in 2009, Tanmeyah has grown to become Egypt’s premier financial services provider for small and microfinance enterprises, providing access to critical capital that can transform lives, build businesses, and drive socioeconomic change. With the widest branch network in the country, deep industry knowledge, and community ties, Tanmeyah has improved lives and built millions of businesses across the country. Tanmeyah has issued over two million financing facilities of various types and sizes. It currently serves nearly 30,000 new clients per month through its network of over 305 branches and approx. 5,000 employees in 25 governorates.

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About Tanmeyah

Tanmeyah is one of Egypt’s leading providers of financial services with a concerted focus on the micro and small enterprise segments. Founded in 2009 and acquired by EFG Holding in 2016, Tanmeyah quickly became Egypt’s pioneer in responsible financing for lower-income, small, and micro-enterprise owners with limited access to capital. The loans that Tanmeyah provides for this crucial segment of the population enable small entrepreneurs to launch and grow their businesses and support their surrounding communities. Tanmeyah directs its financing towards high-demand areas and individuals through branches in the heart of its communities, mainly in the Delta and Upper Egypt. It also offers products and services that complement the diverse needs of small businesses, such as individual lending for women and light vehicle loans. The company seeks to fuel economic growth, provide pathways out of poverty, and improve local living standards.

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Learn more about us at www.tanmeyah.com

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Note on Forward-Looking Statements

In this press release, EFG Holding may make forward-looking statements, including, for example, statements about management's expectations, strategic objectives, growth opportunities, and business prospects. These forward-looking statements are not historical facts but instead represent only EFG Holding's belief regarding future events, many of which, by their nature, are inherently uncertain and are beyond management's control and include, among others, financial market volatility; actions and initiatives taken by current and potential competitors; general economic conditions and the effect of current, pending, and future legislation, regulations, and regulatory actions. Accordingly, the readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made.

About MSDEMA

The MSMEDA is the authority concerned with the development of medium, small and micro enterprises and entrepreneurship, either directly or through coordinating the efforts of all agencies, NGOs and initiatives working in the field of those projects, or through what it establishes or contributes to it. The Agency was established by decree of the Prime Minister, to be followed by the Prime Minister directly. It replaced the Social Fund for Development established since 1991, thus becoming the product of the accumulated experience of more than 25 years in providing employment opportunities, poverty alleviation, creating a supportive environment for small and micro enterprises, spreading the culture of entrepreneurship, as well as implementing community and human development programs and labor-intensive public projects that have effectively contributed to improving the living standards of citizens.

The Agency has wider functions and roles and has more comprehensive competencies and competencies in terms of coordination for the development of the SME sector and the achievement of social and economic development. It is therefore seeking to develop a national SME development program and to create a favorable climate and encourage citizens to enter the labor market through these projects, as well as spreading the culture of entrepreneurship and research, creativity and innovation and coordinate the efforts of all stakeholders in this area. Through its success stories, MSMEDA has gained a positive reputation and the confidence of international donors, in a context where the Government of Egypt emphasizes the state's commitment to supporting small enterprises. The MSMEDA has notably drafted

with the AFDB Egypt's National Strategy for the Development of Organic Clusters: 2019-30 (see Knowledge Management section). In the last nine years, MSMEDA has pumped EGP 49.7billion into MSMEs which financed over 1.9 million MSMEs and provided 3.1 million job opportunities, in addition to labor-intensive infrastructure projects.