

FUND OVERVIEW

MESSAGE FROM THE RID

The Nomou Jordan Fund continues to deliver sustainable impact outcomes in a region where economic growth remains under pressure due to political conflict and weakness in the price of oil. The focus for the first quarter of 2019 was to ensure that the investment function’s activities are aligned to the fund’s current risk profile and to further embed and expand GroFin’s business support framework. The provision of quality business support to clients helps to increase their sustainability and, thereby, helps to reduce fund risk.



Mohamed Hawary
Regional Investment
Director
MENA

In addition, there was also a focus in the first quarter on accelerating our marketing efforts to enhance the development of a healthy deal pipeline to align disbursement activity with the successful fundraising Nomou Jordan has achieved to date. The fund also made significant strides in embedding an emphasis on refugees in our outreach activities and investment focus.

As at 31 March 2019, the Nomou Jordan Fund has an outstanding loan portfolio of US\$ 17 million. Since its inception, the fund has supported 35 small and growing businesses through 47 transactions and has provided business support to 473 entrepreneurs.

QUARTERLY HIGHLIGHTS

- Refugee Outreach**

Q1 saw a significant focus on building a pipeline of businesses employing or owned by refugees. A professional study is underway for completion in May that will give insights on interactions with refugee-owned businesses to inform future deal generation and business support provided to them.

- Fund Growth**

A growth plan for the Nomou Jordan Fund is considered to increase finance and business support with an increased focus on smaller SMEs to further expand its reach and impact.

- Business Support**

GroFin’s comprehensive business support framework continues to evolve with the addition of AwakEn, a methodology developed in-house to focus on upfront and annual scenario planning. A comprehensive entrepreneurial competency test and development framework called E-Scan was also introduced.

- Partnerships**

Our business support partnership network was extended further. Collaboration with Tent Foundation is focussed on supporting refugees to regain sustainable and dignified livelihoods in the countries hosting them. Our collaboration with EY’s Ripples project allows qualifying Nomou clients to access EY’s global consultancy expertise at substantially discounted rates.

- Portfolio Growth**

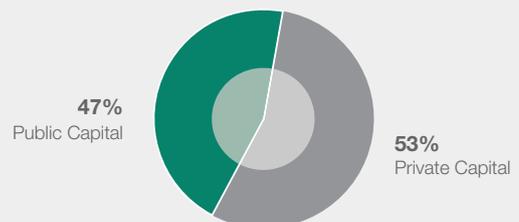
The Nomou Jordan Fund’s modest growth in Q1 is expected to accelerate significantly in Q2 as disbursements in Q1 were delayed by the issuance of a new floating charge law.

CAPITAL OVERVIEW

As at Q1 2019

Capital raised.....**US\$ 26.5M**
Number of Investors & Funders**5**

Capital Structure





PORTFOLIO

OVERVIEW

As at Q1 2019

| | |
|---|------------|
| Total disbursement to SMEs..... | US\$ 21.1M |
| Total portfolio balance..... | US\$ 17M |
| Total number of SMEs invested in..... | 35 |
| Value of disbursement in SMEs during Q1 2019..... | US\$ 0.2M |

INVESTEE SPOTLIGHT



Retaj, Jordan

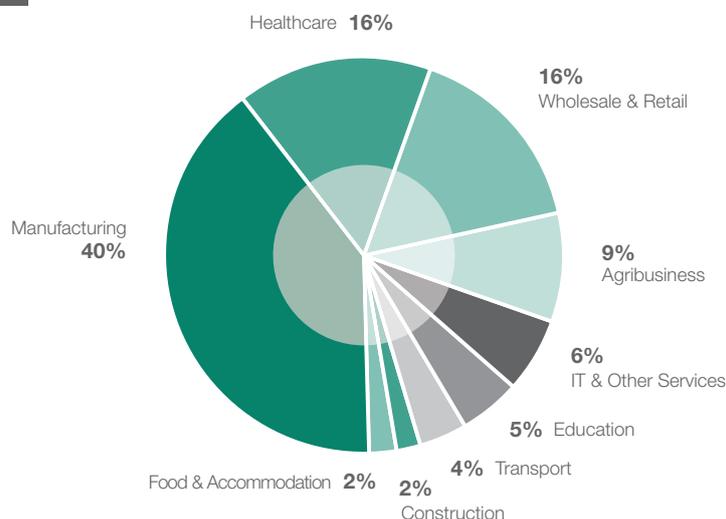
Retaj for Food Stuff Supplies, Distribution & Trade is a wholesale supplier of food items. The company bottles and packages its own brands of vegetable oil as well as vegetable oil brands for third parties. In 2017, Retaj became the exclusive wholesaler in Jordan of the Amazon food products and now distributes more than 30 different products – including coffee, juices, canned food, and noodles.

The Nomou Jordan Fund investment of US\$ 0.7 million in 2017 was to meet the rising demand for Retaj products and for the addition of the Amazon product range. The investment allowed for a 30% growth in year-on-year sales and nearly a 50% increase in profitability.

The company sustains 53 direct jobs of which 7 are held by refugee immigrants. 80% of the jobs sustained by the business are held by people considered at the bottom of the income pyramid.

DISBURSEMENT BY SECTOR

As at Q1 2019





BUSINESS SUPPORT

OVERVIEW

As at Q1 2019

Entrepreneurs receiving pre-investment business support.....473

Entrepreneurs receiving post-investment business support.....35

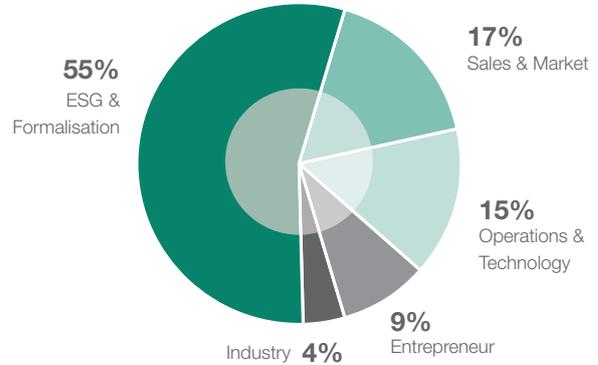
During Q1 2019

Entrepreneurs receiving pre-investment business support.....35

Entrepreneurs receiving post-investment business support.....24

Refugee-owned businesses receiving post-investment business support.....4

Business Support Interventions by Key Risk Areas



MY SHOES ARE MY OFFICE



From left to right: Khaled Mousa from Arabella, Sharmila Kowlessur, Chief Marketing Officer at GroFin and Wael Sunna and Ziad Halawani, Investment Managers at GroFin Jordan during a visit to the company's production plant.

As part of the GroFin STEP programme (Success Through Effective Partnerships), the Nomou Jordan Fund launched an internal group-wide initiative dubbed **“My Shoes Are My Office”**. The initiative sees GroFin Investment Managers across our 15 offices stepping out of their office to see clients and conduct on-site business reviews on the same designated days every month. Investment Managers also share their experiences and insights from client visits which results in lively discussions and knowledge sharing.

SPOTLIGHT ON BUSINESS SUPPORT EVENT

How new tax laws will affect Jordanian SMEs

GroFin Jordan hosted a breakfast workshop on the recent amendments to Jordan's Income Tax Law. The new legislation affects a broad range of tax aspects applicable to corporations and individuals. GroFin Jordan's investment team explained the impact of the new legislation on SMEs and entrepreneurs and highlighted how GroFin Jordan is supporting its clients in adjusting to the changes.



Ahmad Al-Tarefi
Owner of Baker's Choice

“ As SMEs we do not have the same resources as big companies to study and adapt to new policies. The insights GroFin Jordan shared will help us understand the new tax legislation and how it will affect us, and were very valuable.



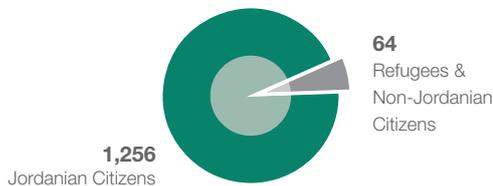
REFUGEE OUTREACH

OVERVIEW

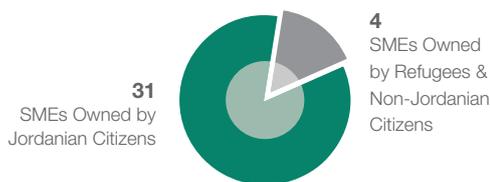
As at Q1 2019

| | |
|--|-----------|
| Refugee & non-Jordanian livelihoods impacted directly..... | 320 |
| Direct jobs sustained by refugees & non-Jordanians..... | 64 |
| Refugee & non-Jordanian owned businesses receiving financial and post-investment business support..... | 4 |
| Disbursements in refugee & non-Jordanian owned businesses..... | US\$ 3.5M |
| Investee businesses employing refugee & non-Jordanians..... | 14 |

Direct Jobs Sustained by Nationality



Financial and Post-investment Business Support



REFUGEE PROGRAMME SUPPORT



The Nomou Jordan Fund is mandated to include businesses owned by Syrians and other refugees, or Jordanian-owned businesses which employ a significant proportion of refugees, in its portfolio. The Soros Economic Development Fund via the Open Society Foundations has committed US\$ 8 million in support of this focus on reaching marginalised communities and refugees.



“ With this funding from the Open Society Foundations, Nomou Jordan Fund will be able to expand its reach and focus to make its investments in a more inclusive way, by improving livelihoods for Jordanians as well as members of the country’s substantial refugee population.

Guido Boysen
GroFin
Chief Executive Officer



REFUGEE OUTREACH PROGRAMME



From left to right: Wafaa Sakhriyeh, Office Coordinator and Saeed Khalaf, Investment Manager of GroFin with Amir Sultan, owner of Al Shaffaf, a refugee-owned business.

Through SEDF support, GroFin Jordan initiated a detailed consultancy study for outreach to Jordan refugees. Completed in Q1, the overall study canvassed over 3,000 SMEs to produce a database of 120 possible refugee businesses fitting Nomou’s target market. The results of the study will inform deal sourcing and outreach activities to refugee-owned SMEs.

GroFin Jordan further increased its capacity in support of the additional focus on refugee-owned businesses.



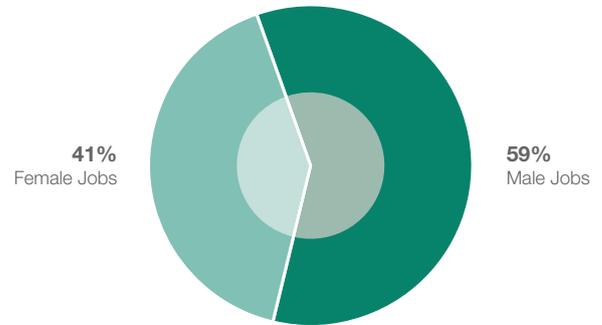
IMPACT

OVERVIEW

As at Q1 2019

| | |
|--|----------------|
| Total jobs sustained..... | 1,980 |
| Direct jobs sustained..... | 1,320 |
| Total livelihoods sustained..... | 9,900 |
| Direct jobs sustained per US\$ 1M disbursed..... | 62 jobs |
| Economic value-added generated by investees during Q1 2019 | US\$ 6M |

Cumulative Direct Jobs Sustained by Gender



IMPACT PARTNERSHIP



The Nomou Jordan Fund is part of the Tent Partnership for Refugees, which is mobilising the private sector to improve the lives and livelihoods of more than 25 million refugees forcibly displaced from their home countries.

The Nomou Jordan Fund will deploy US\$ 5 million to small and medium-sized enterprises in Jordan that are either owned by refugees or employ refugees over the next 2 years.

NOMOU JORDAN BENEFICIARY SPOTLIGHT

Al-Mutamayeza for Frozen Foods Trading (Saboba)

Without a tertiary education, Alaa Al Faqeer (35) struggled to find a job where she could earn a decent salary. All of this changed when a friend encouraged her to apply for a job at Saboba, a Nomou Jordan Fund supported food business.



“ Saboba paid for my tuition to enroll at university and I received a degree in Accounting, which helped me to further develop my career. When I got engaged, Saboba also generously participated in my wedding expenses, as my husband and I could not fulfill all of them.



Alaa Al Faqeer and another female colleague at work at Saboba. The company currently employs 35 people.