

FUND OVERVIEW

MESSAGE FROM THE RID



Mohamed Hawary
Regional Investment Director
MENA

Despite tepid local and regional economic growth due to protracted political conflict and subdued oil prices, the Nomou Jordan Fund continues to deliver sustainable impact outcomes. Since its inception, the Fund has concluded 48 transactions to invest in 36 small and growing businesses and has provided business support to 517 entrepreneurs. It had an outstanding loan portfolio of US\$ 17 million at the end of June this year.

During the first half of 2019, the Fund focused on further strengthening its business support framework, as well as ensuring that its investment activities are aligned with its risk profile. The Fund views consistent and quality business support to its clients as a key means to maintain the sustainability and growth of their businesses, which also significantly reduces credit risk.

The Nomou Jordan investment team also focused on marketing and networking for the purpose of building a healthy pipeline of new investments to align the Fund’s disbursements levels with its fundraising successes. In addition, the Fund has made significant progress this year in incorporating a focus on refugees in its outreach activities and investment priorities.

QUARTERLY HIGHLIGHTS

- Portfolio Growth**

The Fund disbursed US\$ 282,000 to Abo Arab, following approval for this transaction in the first quarter. The Fund expected to make two additional disbursements, to the value of US\$ 1.4 million, in the second quarter. The first, Zeidan, was postponed to the third quarter as the client was out of the country. The second, Retaj, had considered not moving forward with its loan application, but has since indicated a willingness to do so. The fund has also made another disbursement to a Syrian-owned business in the third quarter.
- Refugee Outreach**

Nomou Jordan took part in an event organised by the International Rescue Committee’s Mahali Initiative. As part of the Fund’s focus on refugees, GroFin Jordan will help the start-up businesses created through this project by linking them with partners in our network of support providers.
- Investors**

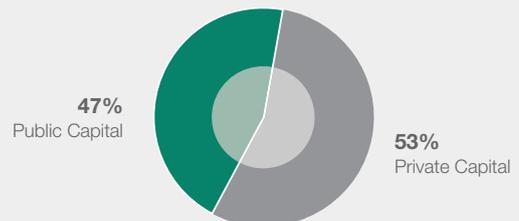
KfW visited Nomou Jordan’s clients in order to see the impact its investment in the Fund has generated. The visit allowed KfW to interact with entrepreneurs and learn how their businesses have benefitted from the funding and business support they received from Nomou Jordan.

CAPITAL OVERVIEW

As at Q2 2019 (Remains unchanged)

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

Capital Structure





PORTFOLIO

OVERVIEW

As at Q2 2019

Total disbursement to SMEs.....**US\$ 21.4M**

Total portfolio balance.....**US\$ 17.1M**

Total number of SMEs invested in.....**36**

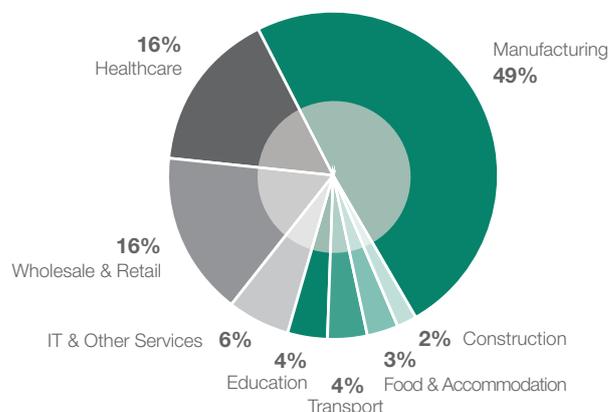
During Q2 2019

New SMEs invested in.....**1**

Value of disbursement to SMEs during Q2 2019.....**US\$ 282K**

DISBURSEMENT BY SECTOR

As at Q2 2019



INVESTEE SPOTLIGHT



Abo Arab Haider, Jordan

Abo Arab Haider produces Syrian and Arabic sweets and other confectionary, like chocolate and cakes. It had been operating in Syria since 1956, but the crisis there forced the business to relocate to Jordan in 2013.

Abo Arab opened its second branch in Amman in 2016, which saw its sales climb by 91% in 2017 and strengthen the brand's presence in Jordan. In April 2019, GroFin provided the business with US\$ 282,000 in financing to purchase additional stock to meet growing demand for its products. The company expects its sales to increase by 10% this year. This funding also enabled Abo Arab to open a third branch and to source raw materials at a lower cost through attaining cash discounts.

GroFin provided the owners of Abo Arab with Islamic financing – which they are unable to access from local banks because as Syrian immigrants their rights to own property in Jordan are restricted. These restrictions mean that Syrian immigrants are often unable to offer the collateral they need to access financing in Jordan.

KFW CLIENT VISIT

KfW visits Nomou Jordan's clients



KfW, the German Development Bank, has been an investor in the Nomou Jordan Fund on behalf of the German government since 2017. Christian Schaub, Director of KfW in Jordan, recently visited Nomou Jordan's clients to personally see the impact this investment has generated. The visit allowed KfW to interact with entrepreneurs and learn how the finance and business support they receive from GroFin Jordan have benefitted their businesses.



"KfW is proud to invest in Nomou Jordan to stimulate the further development of small and growing businesses in the country, thereby helping to create employment opportunities, especially for the Jordanian youth. It is always very rewarding to meet the entrepreneurs and workers whose lives KfW's investments have helped to change."

Christian Schaub, KfW Director in Jordan



BUSINESS SUPPORT

OVERVIEW

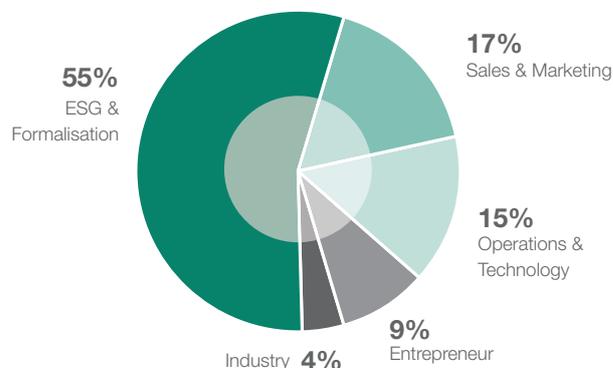
As at Q2 2019

Entrepreneurs who received pre-investment business support.....517
 Entrepreneurs who received post-investment business support.....36

During Q2 2019

Entrepreneurs receiving pre-investment business support.....56
 Entrepreneurs receiving post-investment business support.....25
 Refugee-owned businesses receiving post-investment business support.....5

Business Support Interventions by Key Risk Areas



REFUGEE OUTREACH PROGRAMME

GroFin to help start-ups get additional support



GroFin Jordan took part in an event organised to promote the start-up projects created through the International Rescue Committee's Mahali Initiative in Jordan. The Mahali Innovation Lab was set-up to identify and solve challenges posed by the long-term displacement of people, caused primarily by the war in Syria. The programme has culminated in the selection of 15 innovation teams who are receiving support to fully develop their solutions to problems faced by vulnerable communities in Jordan. As part of the Nomou Jordan Fund's focus on refugees, GroFin Jordan will help these start-ups to accelerate their growth through linking them with partners in our network of support providers.

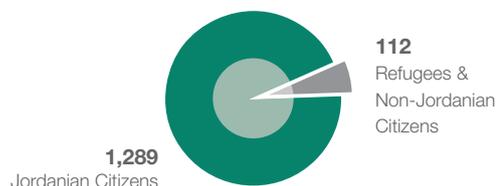
REFUGEE OUTREACH

OVERVIEW

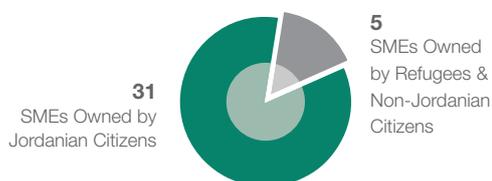
As at Q2 2019

Refugee & non-Jordanian livelihoods impacted directly.....620
 Direct jobs sustained by refugees & non-Jordanians.....112
 Refugee & non-Jordanian owned businesses receiving financial and post-investment business support.....5
 Disbursements in refugee & non-Jordanian owned businesses.....US\$ 3.7M
 Investee businesses employing refugees & non-Jordanians.....16

Direct Jobs Sustained by Nationality



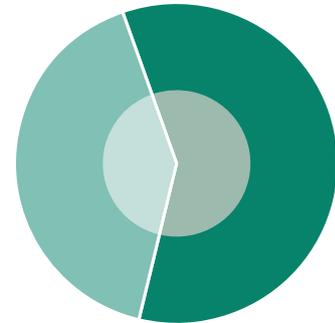
Financial and Post-investment Business Support





IMPACT

Cumulative Direct Jobs Sustained by Gender



OVERVIEW

As at Q2 2019

Total jobs sustained.....	2,199
Direct jobs sustained.....	1,401
Total livelihoods sustained.....	10,995
Direct jobs sustained per US\$ 1M disbursed.....	65 jobs

- The number of direct jobs sustained showed a net increase of 81 compared to the previous quarter after a new client, Abo Arab, entered the Nomou Jordan portfolio.
- This business is owned by a Syrian refugee and 48 (60%) of the jobs it sustains are held by refugees, migrants, and non-Jordanian citizens.
- The Nomou Jordan Fund currently sustains 112 direct jobs held by refugees, migrants, and non-Jordanian citizens. 16 out of the 36 businesses (44%) that the fund is invested in, provide employment opportunities to refugees, migrants, and non-Jordanian citizens.
- 5 out of the 36 investees (14%) invested in are fully owned by refugees, migrants, and non-Jordanian citizens. To date, the Fund has disbursed US\$ 3.7 million to these businesses.

NOMOU JORDAN BENEFICIARY SPOTLIGHT

Abo Arab Haider

Suad Al Junaidi started working as a Sales Associate at Abo Arab earlier this year. Suad supports her parents as well as her 3-year old daughter and says she struggled to find a job as she does not have a university education.



My job allows me to support my family financially, take care of myself and to pay for my daughter's pre-school education. I hope to one day continue my own education and obtain a degree in pharmacy.

Suad Al Junaid, Abo Arab Haider employee

