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# CAPITAL CALL

*Magazine*



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الجمعية المصرية للاستثمار المباشر و رأس المال المخاطر



# CAPITAL CALL

## Hello and Welcome

As we launch the third edition of Capital Call, the official magazine of the Egyptian Private Equity & Venture Capital Association (EPEAv), we are excited to bring our readers an in-depth perspective on the evolving landscape of Egypt's financial and investment ecosystem. This issue is dedicated to exploring the latest regulatory and legislative developments shaping the capital markets and non-banking financial services, highlighting how these reforms are opening new avenues for investment across sectors.

Over the last few months, Egypt has witnessed significant strides in enhancing transparency, governance, and market accessibility, creating a fertile ground for both local and international investors. Regulatory bodies and the Financial Regulatory Authority have introduced reforms that not only strengthen market integrity but also facilitate innovative financing channels, including real estate investment funds and digital investment platforms. These changes are enabling investors to engage in a broader range of opportunities, while supporting

developers and asset owners with new instruments that improve liquidity and market participation.

This edition also offers a forward-looking perspective on economic and investment trends for 2026. Drawing insights from both international development institutions and local authorities, we examine the factors expected to shape foreign investment flows, macroeconomic stability, and key market indicators. Our coverage highlights the sectors poised for growth, the emerging opportunities for cross-border capital deployment, and the strategic role of institutional investors in Egypt's evolving financial ecosystem.

A major focus of this issue is on venture capital and private equity activity, with an extensive feature on the plans and outlooks of leading local and regional firms. With interviews and exclusive insights from venture capital and advisory firms, we explore how these investors are approaching early-stage investments, structuring growth capital, and supporting the institutionalization of promising enterprises. This

coverage is particularly timely as Egypt launches its Startups Charter Index, a milestone initiative following more than a year of consultations, which aims to provide visibility and standardized metrics for startups and their investors.

Through this edition, our goal is to equip readers with actionable insights into the regulatory, economic, and investment dynamics shaping Egypt in 2026. From legislative reforms and market infrastructure upgrades to investor strategies and sector-specific trends, we aim to capture the full spectrum of developments that will influence decision-making, unlock new growth opportunities, and foster a robust and sustainable investment environment.

We hope you enjoy this edition of Capital Call and that it serves as both a guide and an inspiration for investors, entrepreneurs, and market participants eager to engage with Egypt's dynamic financial landscape.

# This Edition Highlights

## Highlights



F6 Ventures is targeting the first closing for **Africa Seeds Fund** at \$15-20 million

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**FRA's 2026 Roadmap: Deepening Markets, Driving Innovation, and Enhancing Investor Confidence**

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Mashreq Egypt Targets **EGP 31bn Loan Portfolio by 2026**, Bets on Digital and SME Growth

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Adsero: Investment Holds Firm in Egypt Despite Regional Tensions, Reforms Key to **Unlocking Potential**

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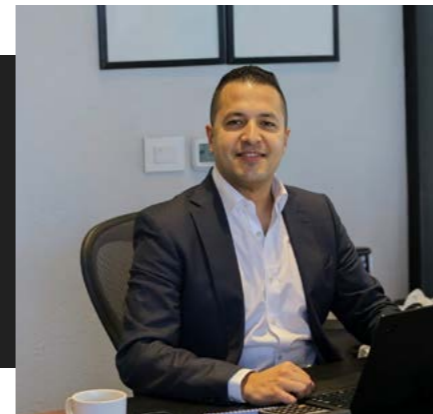
**\$450 million** the investment portfolio of Euromena Funds across 20 investments

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Zilla Capital Strategizes Expansion: New Funds, Cross-Border M&As, and an **Optimistic Outlook for 2026**

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Foundation Ventures Targets **\$6 Million** in Early-Stage Investments in 2026

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# FRA's 2026 Roadmap: Deepening Markets, Driving Innovation, and Enhancing Investor Confidence

## Interview

**Dr. Islam Azzam**  
Chairman of the Financial Regulatory Authority  
(FRA)



Dr. Islam Azzam outlines a forward-looking vision centered on digital transformation, regulatory reform, and market expansion

By: Alyaa Setouhy

### Comprehensive Strategy for Digital Transformation and Financial Inclusion

Dr. Islam Azzam, Chairman of the Financial Regulatory Authority (FRA), affirms that the Authority is continuing to build on its efforts to advance digital transformation and broaden access to investment opportunities across all segments of society. This strategic direction aims to attract a wider base of citizens and significantly enhance financial inclusion.

He explains that, in response to evolving global and domestic economic dynamics, the FRA is strengthening its digital integration with regulated entities across various sectors. This enables the provision of real-time data, enhancing supervisory efficiency through continuous monitoring of companies, evaluating financial performance, and ensuring compliance with solvency standards—ultimately reinforcing market stability and safeguarding stakeholders.

Azzam adds that the Authority has also begun reassessing the sector's information infrastructure, upgrading internal systems, and introducing more efficient operational models. These measures are designed to simplify procedures, improve engagement with market participants, and strengthen governance and transparency.

### Advancing the Egyptian Exchange Through Derivatives and Market Reforms

Highlighting recent developments, Azzam notes that Egypt's derivatives market has reached a major milestone with its official launch on March 1, 2026, following the establishment of a comprehensive regulatory and operational framework covering trading, licensing, clearing, and risk management.

The initial phase included futures trading on the EGX30 Index with maturities of three and six months, with plans to expand to EGX70 and later introduce derivatives on individual stocks.

## Interview

He emphasizes that the FRA is also working on introducing market-making regulations and activating securities lending and borrowing mechanisms to facilitate short selling—steps that are expected to boost liquidity and enhance pricing efficiency. These efforts, he notes, are part of a broader objective to create a fully integrated investment environment aligned with international standards and capable of attracting institutional capital.

### Expanding Financial Instruments and Strengthening Market Depth

According to Azzam, the FRA is actively developing the derivatives market by introducing futures contracts on individual stocks, followed by options trading. These instruments will enable investors to hedge against volatility while contributing to higher liquidity levels and improved price discovery.

At the same time, the Authority continues to focus on expanding the investment funds sector, aiming to attract a broader investor base through diversified and accessible financial products.

He adds that efforts are underway to activate short-selling mechanisms, implement market-making frameworks, and strengthen connectivity between brokerage firms and Misr for Central Clearing, Depository and Registry (MCDR), all of which are essential to improving overall market efficiency.

### Regulatory Reforms to Enhance Market Efficiency and Attract Investment

Azzam underscores that the FRA is committed to aligning Egypt's capital market framework with international best practices. This includes revising

regulations governing securities activities and introducing new financial instruments to enhance market depth and efficiency, increase trading volumes, and attract new categories of investors.

He notes that the proposed reforms extend to amendments of the Capital Market Law and its executive regulations, particularly in areas related to investment funds, securities firms, governance standards, and investor protection.

Among the key developments is the planned introduction of Exchange-Traded Commodity Certificates as a new financial instrument in the Egyptian market, along with the formal regulation of market-making activities and enhancements to securities lending and borrowing frameworks.



# Interview

## Harnessing Artificial Intelligence for Smarter Supervision

Azzam highlights that the FRA is placing strong emphasis on integrating advanced technologies, particularly artificial intelligence, into financial markets and regulatory practices. These efforts aim to strengthen oversight capabilities and enable more informed, data-driven decision-making.

He explains that the Authority is advancing SupTech solutions through enhanced databases, real-time digital connectivity with regulated entities, and the deployment of intelligent dashboards capable of analyzing large volumes of data instantly. This enables early detection of potential risks and supports proactive regulatory intervention.

Additionally, the FRA is exploring the use of chatbots to streamline communication with financial institutions and facilitate licensing and registration processes. However, Azzam stresses that the adoption of AI must be accompanied by robust governance frameworks to ensure transparency, mitigate bias, and protect data privacy.

## Regulating Digital Investment Platforms and Expanding Access

On the regulatory front, Azzam points out that the FRA has established a comprehensive legal framework for digital investment platforms, particularly those facilitating investments in private equity and venture capital funds.

These platforms are defined as licensed, technology-driven models that enable subscription and redemption in fund certificates while ensuring full transparency and disclosure of key information to investors.

The regulations mandate clear disclosure requirements, secure digital subscription processes, dedicated bank accounts for each issuance, and detailed electronic confirmations—ensuring safe and efficient remote investment.

He also notes that similar regulations have been introduced for digital platforms offering real estate investment fund products, with strict requirements covering operational controls, technological infrastructure, and investor protection standards.

## Enhancing Listing Rules to Support Market Growth

Azzam concludes by emphasizing that the FRA has introduced significant reforms to listing rules. These include simplifying capital increase procedures, facilitating treasury share transactions, and allowing post-registration mechanisms.

The Authority has also enabled the listing of government debt instruments, introduced temporary listings for large newly established companies, and regulated the issuance and listing of bonds and sukuk without mandatory credit ratings.

Further reforms include strengthening delisting regulations to protect minority shareholders, tightening insider trading rules, and requiring listed companies to join the Investor Protection Fund.

In addition, updated frameworks for SPACs and SMEs have been introduced to enhance transparency, reduce risks, and support smoother transitions between market segments—ultimately contributing to a more dynamic and inclusive capital market.



MIDAR is Egypt's leading Master Developer, specialized in urban development through the transformation of undeveloped land into fully-fledged smart cities. This entails master planning, infrastructure development, and strategic implementation. Midar partners with top-tier real estate developers and regional investors to create sustainable urban spaces that leverage cutting-edge technology.

## Facts & Figures



www.midar.org

# Egyptian Exchange 2026 Strategy Focuses on Derivatives, Listings Expansion, and Investor Diversification

## Interview

Mohamed Sabry  
Vice Chairman of the Egyptian Exchange

By: Iman Al-qadi & Alyaa Setouhy

### A Long-Term Institutional Vision for Market Development

The Egyptian Exchange's 2026 strategy is based on a long-term institutional vision aimed at comprehensively developing the market. This includes introducing new financial instruments—most notably advancing the derivatives market—alongside expanding the base of listed companies through supporting government IPO programs and broadening the investor base by attracting new segments, according to Mohamed Sabry, Vice Chairman of the Egyptian Exchange.

### Gradual Development of the Derivatives Market

Regarding the derivatives market, Sabry noted that trading activity is still in its early stages, making a gradual rollout a natural approach. The exchange is focused on building a stable market through raising awareness and enhancing technical infrastructure, paving the way for expanding products as liquidity levels improve.

He added that the exchange is following a phased plan to introduce new financial instruments, beginning with futures contracts on the EGX30 index, followed by expansion into other indices such as EGX70, then futures on blue-chip stocks, and eventually introducing options contracts—all within a carefully structured framework that considers market readiness.

### Strengthening the Role of Capital Markets in Financing



Sabry emphasized that the exchange is working to enhance the role of capital markets in corporate financing and to encourage private sector listings, in parallel with supporting digital transformation and upgrading the regulatory framework in line with international best practices.

He explained that current priorities include developing the derivatives market, gradually increasing trading volumes, expanding the number of listed companies, and attracting new investors. He highlighted that implementing the government

## Interview



IPO program remains a key priority due to its direct impact on liquidity, market activity, and its role in attracting foreign investors and increasing market depth, alongside raising financial awareness amid the introduction of new financial instruments.

### Dual Approach to Attracting New Listings

Sabry stated that the exchange's plan to attract new listings is based on two main pillars: supporting government IPOs and incentivizing the private sector. This includes simplifying listing procedures, easing regulations, and expanding engagement with the business community through partnerships with investor associations and chambers of commerce.

He also pointed out that the exchange is focusing on developing the SME market and is studying the creation of a dedicated market for startups to enhance sectoral diversity.

### Government IPO Program as a Key Market Driver

He noted that the government IPO program is one of the most significant drivers for revitalizing Egypt's capital market. It is expected to increase market depth, boost liquidity, enhance

sectoral diversity, and attract new categories of both local and foreign investors, in addition to improving the market's classification within global indices.

### Integrated Strategy to Attract Foreign Investors

Sabry explained that the exchange is adopting a comprehensive approach to attract foreign investors. This includes introducing advanced financial instruments such as derivatives, improving disclosure and governance standards, increasing market depth and liquidity through IPOs, upgrading technological infrastructure, facilitating trading procedures, applying international best practices, and activating mechanisms such as market makers and short selling.

### Supporting SMEs and Startups

He added that the exchange places strong emphasis on financing SMEs and startups by developing a dedicated market to serve as an effective funding platform. It is also studying the establishment of an independent market for startups based on global best practices, aiming to provide sustainable financing alternatives to support their growth.

### Advancing Sustainability and ESG Integration

As part of its sustainability efforts, Sabry noted that the exchange is increasingly integrating ESG standards by improving disclosures and collaborating with international partners to develop specialized indices. This is in addition to efforts toward activating a climate exchange to support the green economy.

### Toward a More Efficient and Diversified Market

He concluded by affirming that the Egyptian market is undergoing a comprehensive development phase aimed at building a more efficient, deeper, and diversified market, while offering new investment opportunities amid ongoing reforms. He stressed the importance of investment based on fundamental analysis and risk management, avoiding reliance on rumors, and ensuring portfolio diversification with clear time horizons.

He also noted that the current timing reflects the market's readiness to implement these developments, supported by advancements in infrastructure, regulatory frameworks, government backing, and increased investor awareness.

# Adsero: Investment Holds Firm in Egypt Despite Regional Tensions, Reforms Key to Unlocking Potential

## Interview

Ragy Soliman  
Founder and Managing Partner of Adsero



By: Alyaa Setouhy

In an interview with Capital Call, Ragy Soliman, Founder and Managing Partner of Adsero, said Egypt continues to stand out as a compelling investment destination in the region, supported by strong demand across sectors such as financial services, healthcare, energy, and technology, alongside the government's asset monetisation programme, which is drawing growing interest from institutional investors.

**Q: What is the current number and overall size of the deals your firm is working on, and which sectors do they primarily cover?**

As a matter of professional principle, we don't comment on the volume or aggregate value of our live pipeline — our clients re-

tain us with an expectation of absolute discretion, and that extends to market signalling as much as it does to the substance of any transaction.

What I can tell you is that Adsero is, at any given point, present across the full spectrum of transactional activity taking place in Egypt. We act for the government on its asset monetisation and privatisation programme. We act for family-owned businesses on the sell side, for conglomerates establishing new platforms in Egypt, for issuers and arrangers on sovereign and corporate debt capital markets transactions, for borrowers and lenders on refinancings, and for both strategic and financial acquirers — including private equity — on ECM and M&A mandates. We are equally active on outbound work, advising Egyptian businesses seeking growth through cross-border acquisitions.

**Q: Which sectors are currently most attractive to investors and witnessing the strongest demand?**

The sectors generating the most serious and well-capitalised investor interest are those with structural demand tailwinds that are largely insulated from macroeconomic volatility.

Financial services, healthcare, education, food and agri-business, renewables and energy transition, and technology-enabled platforms — with infrastructure and industrial assets gaining renewed momentum through the government programme.

I would also note that the government's asset disposal programme has created a category of its own — offering investors regulated, scaled assets with established operational track records, which is a profile that institutional capital finds very attractive.

## Interview

**Q: Have you observed any slow-down in deal execution or hesitation from investors following the onset of tensions between Iran and Israel?**

I will be candid. When geopolitical risk events occur in this region, there is always an initial pause — investors recalibrate their risk frameworks, pricing assumptions shift, and some processes that were moving to signing are put briefly on hold. We saw that.

What I observed fairly quickly, however, is that Egypt occupies a particular position in regional risk perceptions. Its stability, its institutional relationships with multilateral lenders, and the IMF programme framework have tended to provide a degree of insulation. Sophisticated investors distinguish between proximity to a conflict and exposure to it. The transactions that had strong fundamental economics behind them continued to close. It is the more speculative or thinly margined work where hesitation becomes something more lasting.

The greater drag on execution timelines, in my honest assessment, has come from domestic structural factors rather than regional geopolitics.

**Q: What economic challenges have you encountered that have negatively impacted the investment climate?**

The most consequential challenge over the past few years has been

foreign currency availability and predictability. For any transaction that involves a cross-border element — whether that is dividend repatriation, acquisition financing, or imported inputs — the ability to plan around FX has been severely constrained. We have spent a significant amount of time on transactions structuring around that uncertainty rather than around the commercial substance of the deal, which is not where lawyers or their clients should be spending their energy.

Beyond FX, regulatory unpredictability is a material concern. Egypt has a sophisticated legal and regulatory architecture, but its consistent application — particularly in licensing, competition clearances, and sector-specific approvals — has at times been difficult to forecast. Investors can accept risk; what they find very difficult to accept is uncertainty that cannot be priced.

The cost and availability of financing in local currency has also been a significant constraint, particularly for transactions where Egyptian counterparties are the acquirers or co-investors. Elevated interest rates have compressed the universe of viable leveraged structures.

**Q: What incentives or regulatory reforms are needed to stimulate FDI inflows? Is there a need for new investment or financing tools?**

Several things, in my view, are overdue.

First, full and demonstrable FX convertibility and repatriation must be the baseline. Egypt cannot compete for institutional capital while investors retain residual anxiety about their ability to exit. The progress made since early 2024 is meaningful, but the credibility of that progress needs to be embedded structurally, not left contingent on IMF tranches.

Second, on financing tools — yes, there is an unmet need. Egypt's capital markets have the infrastructure for more sophisticated instruments: REITs, infrastructure funds, listed private equity vehicles, Sukuk for development finance, blended finance structures bringing together DFIs and private capital. These instruments exist in the law but have not been fully operationalised at scale. Activating them — with FRA and EGX alignment — would open a meaningful new channel for project and acquisition finance.

Finally, and perhaps most importantly: speed. The cost of regulatory processes — in time, in advisory fees, in management distraction — is itself a form of transaction cost. A serious reform of the timeline for investment approvals, particularly for foreign acquirers, would have an outsized positive effect on Egypt's competitiveness as a destination relative to its regional peers.

# Zilla Capital Strategizes Expansion: New Funds, Cross-Border M&As, and an Optimistic Outlook for 2026

## Interview

**Moustafa El-Shenety**  
Managing Director & Head of  
Investment Banking

By: Alyaa Setouhy

In a recent comprehensive interview with “Capital Talks” Magazine, Moustafa El-Shenety, Managing Partner and Head of Investment Banking at Zilla Capital, outlined the firm’s ambitious roadmap for the current year. From launching specialized investment funds to managing a multi-billion dollar deal pipeline, El-Shenety highlights a period of significant growth and stabilization within the Egyptian and regional markets.

### New Investment Vehicles on the Horizon

Zilla Capital is actively diversifying its portfolio with the launch of new specialized funds. El-Shenety confirmed that internal discussions are ongoing for a Pre-IPO Fund, designed to invest in companies ahead of their public listings.

“We are targeting the third quarter of 2026 for the formal arrangement of this fund,” El-Shenety stated. Additionally, the firm is exploring a private equity play in Egypt’s real estate sector. The proposed fund aims to acquire underutilized residential and administrative properties and convert them into short-stay hospitality projects to capitalize on the growing tourism demand. Emphasizing that, the firm is still studying the proposal and no final decision has been made at this stage.

### Investment Banking: A \$4 Billion Pipeline

The firm’s investment banking arm is witnessing a surge in activity, particularly in Egypt, Saudi Arabia, and Morocco.



El-Shenety revealed that Zilla is currently managing a robust pipeline of over 30 deals across Mergers & Acquisitions

(M&A) and Debt Capital Markets (DCM), with a total value exceeding \$4 billion.

M&A Activity: Zilla is overseeing more than 20 M&A transactions valued at over \$2 billion, spanning sectors such as pharmaceuticals, food and beverage, real estate, and a major healthcare deal outside Egypt.

## Interview

**Debt & Restructuring:** El-Shenety stated that the DCM team is currently managing 10 major operations. This includes nine local deals with a combined value of \$1 billion, alongside a separate \$1 billion international transaction between Egypt and the Gulf.

**IPOs:** While Zilla is not launching a SPAC of its own, it is advising a retail client on a SPAC listing. El-Shenety expects to manage two IPOs in 2026, with another large-scale listing planned for 2027.

### Regional Expansion: Morocco and Saudi Arabia

While Egypt remains the primary focus due to its recent economic recovery, Zilla is aggressively expanding its

regional footprint.

“We are officially opening our Morocco office in the second half of the year,” El-Shenety announced, noting that a major deal in the Moroccan market is expected to be finalized by Q3.

In Saudi Arabia, the firm is awaiting final regulatory approval from the Capital Market Authority (CMA), expected in Q2 2026, to begin operations in portfolio management, fund management, and advisory.

### Macroeconomic Outlook: Stability and Growth

El-Shenety expressed strong confidence in the Egyptian economy, citing

currency stability and improved policy-making as key drivers.

“The internal situation is far more stable and transparent than before,” he noted. Zilla’s research team forecasts a downward trend for inflation, potentially reaching 8–9% (single digits) by year-end, accompanied by a projected 4–5% decrease in interest rates.

Despite global geopolitical tensions, El-Shenety believes the environment is ripe for both foreign and domestic strategic investment. “The focus now is on increasing liquidity, encouraging IPOs, and driving growth through both equity and debt restructuring as the market continues its recovery,” he concluded.



# Egypt's Data Protection Era Begins: What the New Executive Regulations Mean for You

## Interview

**Hazim Rizkana**  
Founder and Managing Partner of  
Rizkana & Partners – Law Firm



After years of anticipation, Egypt's personal data protection framework has finally moved from theory into reality. With the issuance of the Executive Regulations ("ER") to the Personal Data Protection Law No. 151 of 2020, Egypt now has a fully operational legal regime governing how personal data is collected, used, stored, shared, and transferred.

Although the Personal Data Protection Law ("PDPL") was enacted back in 2020, its practical application remained largely suspended due to the absence of implementing rules. This ended on 1 November 2025, when the Minister of Communications and Information Technology issued Decree No. 81 of 2025, formally introducing the ER, bringing long-awaited clarity to businesses, institutions, and individuals alike.

More than just a technical supplement, the ER fundamentally reshape Egypt's data protection landscape. They transform general legal principles into detailed operational obligations, marking the beginning of an active and enforceable compliance regime. For the first time, data protection in Egypt is no longer aspirational – it is practical, auditable, and backed by real enforcement powers.

### • A Strong Regulator at the Centre

At the centre of this new system stands the Personal Data Protection Centre ("PDPC"), Egypt's dedicated data protection authority. While the PDPL originally established the PDPC in principle, the ER now give it full operational force.

The PDPC is responsible for licensing entities, approving

data processing procedures, accrediting representatives and consultants, issuing guidance, and conducting inspections. Data users must follow PDPC-approved mechanisms that allow individuals to exercise their rights and must comply with strict timelines and fee structures for licences and permits.

Importantly, PDPC inspectors are granted judicial enforcement authority, meaning they can audit systems, access electronic logs, and investigate compliance failures. This elevates the PDPC from a symbolic regulator into a powerful supervisory authority comparable to data protection agencies in Europe and other advanced jurisdictions.

### • Consent Is No Longer a Formality

One of the most significant shifts introduced by the ER concerns consent. Under the new framework, consent must be personal, explicit, informed, freely given, and purpose specific. It must identify the data subject, describe the processing purpose, specify the data categories involved, and inform individuals of their right to withdraw consent at any time.

## Interview

Crucially, consent must also be documented and recorded electronically, including the date and method by which it was obtained. This means that organisations must now be able to prove that valid consent exists.

Special protection applies to sensitive personal data, which requires written consent, whether on paper or electronically. Children's data is subject to even stricter rules. For children under 15, only a legal guardian may provide written consent. For those aged 15 and above, either the child or guardian may consent, provided the guardian is aware.

The message is clear: consent is no longer a legal checkbox – it is a living compliance obligation.

### • Controllers and Processors: Equal Accountability

The ER significantly tighten obligations for both data controllers and data processors, redefining their roles within Egypt's regulatory structure.

Controllers must now process data strictly within licensed purposes, ensure accuracy, limit retention periods, maintain confidentiality, and implement approved mechanisms for data subject rights. They are also required to maintain electronic registers, prepare for inspections, and appoint local representatives where applicable.

Processors, traditionally treated as secondary actors, are now subject to direct regulation. They must operate within a defined licensed scope, maintain processing records, and comply with detailed technical and organisa-

tional standards, including when using artificial intelligence or emerging technologies.

Together, these obligations create a system where all data actors are independently accountable, significantly increasing regulatory exposure and compliance complexity.

### • Digital Logs and Legal Evidence

Under the ER, every processing activity must be recorded in electronic logs, which serve as both compliance tools and legal evidence. These logs document what data is processed, how it is used, and what security measures are applied.

PDPC inspectors may audit these logs at any time, and digital evidence derived from personal data is now admissible in court, provided integrity and chain-of-custody standards are maintained. This effectively integrates data protection compliance into Egypt's broader legal and judicial system.

### • Licences, Permits, and the End of Informality

Perhaps the most transformative feature of the ER is the licensing framework. All personal data processing now requires formal authorisation from the PDPC.

Licences cover ongoing activities and are valid for three years. Permits apply to temporary or specific purposes, typically for up to one year. Fees are tiered based on data volume, with exemptions for small datasets.

Certain activities require additional, specialised licences, including:

- Cross-border data transfers
- Electronic direct marketing
- Public video surveillance
- Data protection consultancy services

Licences are not symbolic approvals. Processing beyond the licensed scope is strictly prohibited, and organisations must align data categories and volumes with what has been authorised.

In effect, licences become both a regulatory gatekeeper and a practical compliance tool.

### • The Rise of the Data Protection Officer

The ER give real substance to the role of the Data Protection Officer ("DPO"). DPOs must hold relevant qualifications, possess practical experience, and may be required to pass PDPC-approved assessments.

They serve as the internal compliance anchor – monitoring practices, handling data subject requests, and submitting annual reports to the PDPC. DPOs must be registered in an official PDPC database, and any change must be reported in advance.

Where one DPO serves multiple entities, independence and effective oversight must be maintained, ensuring accountability does not become diluted.

# Interview

## • Cross-Border Transfers: From Freedom to Control

Transferring personal data outside Egypt is now a heavily regulated process. All transfers require prior PDPC approval through a licence or permit.

Applications must specify destination countries, purposes, data categories, storage locations, and security measures. The PDPC evaluates whether the destination country offers adequate legal and technical protection. Where adequacy is lacking, transfers are only permitted under narrow exceptions and with explicit consent.

The PDPC has up to ninety working days to decide. Failure to respond equals rejection.

This framework ensures that international data flows are no longer informal business decisions, but regulated legal processes.

## • Electronic Direct Marketing: A High-Risk Activity

Marketing through emails, SMS, social media, or phone calls now requires a dedicated PDPC licence. Consent must be explicit, ongoing, and easy to withdraw. Data collected for marketing cannot be reused for analytics or profiling without new consent.

Each message must identify the sender and provide a clear opt-out mechanism. Marketing intermediaries are independently liable and must verify that valid consent exists.

Data subjects may file complaints through PDPC channels, triggering investigations and enforcement action. This makes electronic marketing one of the most tightly regulated sectors under the ER.

## • Foreign Entities Must Go Local

Controllers and processors established outside Egypt must appoint a local accredited representative. This ensures Egyptian data subjects have a domestic contact point and that regulators can enforce compliance effectively.

Foreign individuals processing data must also appoint local agents, eliminating jurisdictional loopholes.

## • Breach Notification and Accountability

Data breaches must be reported to the PDPC within twenty-two hours, or immediately if national security is involved. Affected individuals must be informed within three business days.

Reports must include detailed technical information, estimated impact,

and remedial actions. Incident logs and corrective measures must be documented, reinforcing a culture of accountability and transparency.

## • One Year to Comply

The law provides a one-year grace period for organisations to align with the ER. This period is designed for policy updates, technical upgrades, staff training, and governance restructuring.

However, once the grace period ends, non-compliance carries real legal and financial risks.

## • The Bigger Picture

The Executive Regulations mark a defining moment for Egypt's digital economy. They move data protection from abstract principles into enforceable operational reality. Individuals gain stronger privacy rights, while organisations gain a clear – if demanding – compliance framework.

For businesses, the implications are profound. Data governance is no longer optional, informal, or reactive. It must now be systematic, documented, and continuously monitored.

Egypt has entered the global data protection arena. The era of casual data handling is over.

# Rizkana & Partners Celebrates 10 Years of Excellence

## A Decade of Vision, Growth, and Commitment

Rizkana & Partners ("R&P") proudly celebrates its 10th anniversary - a milestone marking a decade of ambition, dedication, and transformative impact in the legal industry. Since its establishment in 2016, the firm has grown from a bold vision into one of Egypt's leading full service law firms, trusted by clients from across the region and around the world.

### A Decade Defined by Purpose

From the beginning, R&P has been driven by a clear mission: to provide legal services rooted in integrity, insight, and an unwavering commitment to excellence. Over the past ten years, the firm has embraced change, navigated evolving markets, and delivered strategic advice that empowers clients to move forward with clarity and confidence.

Each challenge faced, each milestone reached, and each client relationship built has shaped R&P into the firm it is today - resilient, refined, and ready for the future.

### The Heart of the Firm: Its People

Behind R&P's journey is a devoted team whose passion and professionalism continue to define the firm's identity. Their diverse expertise, innovative thinking, and collaborative spirit have been the driving force behind its success.

They are not only practitioners - they are partners to clients, mentors to one another, and ambassadors of the values that built R&P's foundation.

### What Makes R&P Stand Out

R&P is defined by a culture of collaboration and growth, where ideas flourish, specializations deepen, and continuous learning is embraced. This foundation supports our commitment to excellence, enabling us to deliver thoughtful, high quality legal solutions grounded in a deep understanding of the business and regulatory landscape. Our integrated, multidisciplinary approach brings diverse perspectives together to address complex, multilayered legal challenges with clarity, creativity, and strategic precision.

### Quote by Founder and Managing Partner

"Ten years represent more than a milestone - they mark the foundation of everything we will achieve next. With gratitude for our past and conviction in our purpose, we stand ready for the challenges and opportunities of the decade ahead. What began as a bold vision has grown into a collective pursuit of excellence, driven by the dedication of our team and the trust of our clients. As we look forward, we do so with renewed ambition, clarity of

direction, and the belief that our greatest achievements still lie ahead."

- Hazim Rizkana, Managing Partner & Founder

Clients' quote from Chambers & Partners

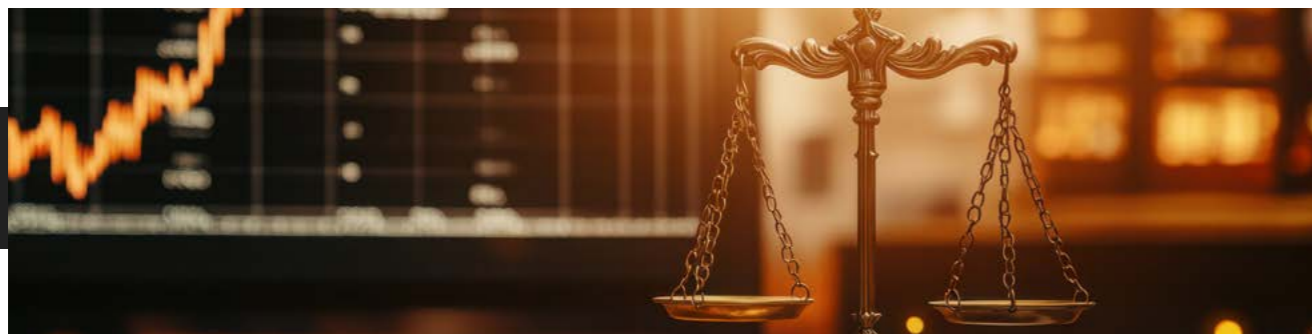
"Rizkana & Partners has a well-structured team where each person is dedicated to their task and the group as a whole works together in a harmonious manner."

"Rizkana & Partners is very responsive and provides an exceptional level of service."

"The firm has an excellent ability to handle complex and sophisticated arbitration matters effectively and efficiently."

### Chambers & Partners Review:

"Rizkana & Partners is a well-reputed law firm with experience in cross-border as well as domestic corporate mandates. Its workload covers a variety of matters including commercial registrations and shareholder agreements, as well as assisting with other commercial contracts. Clients typically come from the manufacturing, hospitality and IT industries. The firm has complementary experience assisting with merger clearances."—



# EIB Sees Egypt as a Cornerstone Market for Green and Private Investment

## Interview



**Guido Clary**  
Head of the EIB Regional Hub for North Africa and the Near East

### • Cairo Hosts the Bank's Largest Operations Outside the European Union.

Amid growing global economic pressures and an accelerating shift toward green and sustainable development, Egypt continues to strengthen its position as a key partner for international development finance institutions. The European Investment Bank (EIB) stands at the forefront of these partnerships, playing an increasingly central role in supporting Egypt's green transition, private sector development and long-term economic resilience.

In this interview, Guido Clary, Head of the EIB Regional Hub for North Africa and the Near East, outlines the Bank's strategy in Egypt, its investment priorities for the coming period, and its expanding role in financing renewable energy, sustainable transport and green industry. He also discusses how the EIB is leveraging innovative financial instruments and partnerships with local banks and investment funds to support Egypt's Vision 2030 and attract greater private and foreign investment.

By: Iman Al-qadi

### Strategy in Egypt

#### • What makes Egypt one of the priority markets for the European Investment Bank (EIB) in the Middle East and North Africa region?

Egypt is one of the European Investment Bank's most important partners in the Southern Neighbourhood because of the size of its economy, its pivotal role for regional stability, and its ambitious development and green transition agenda. It is also the largest country of EIB operations outside the European Union, with a cumulative volume of more than

EUR 14 billion since 1979. The EIB's decision to establish its regional hub for the Middle East and North Africa in Cairo further demonstrates the strategic weight Egypt holds and enables the Bank to work more closely and effectively with national authorities, local institutions and private sector partners.

#### • EIB has become the second most active multilateral development bank in financing the private sector in Egypt. What factors have driven this expansion?

In recent years, the EIB has become one

of the largest multilateral financiers of the private sector in Egypt, with around EUR 7.2 billion directed to private operators, financial intermediaries and corporates. The EIB's rapid expansion in private sector financing in Egypt is driven by the strong alignment between the country's needs and the Bank's instruments. Egypt's private sector is dynamic and shows substantial demand for long term financing in both euro and local currency. The country also has a significant pipeline of bankable projects that require de-risking and blended finance solutions. The EIB is well positioned to meet these needs because it can

## Interview

combine long term loans, guarantees, technical assistance and EU budgetary resources in a way that supports private sector growth, SME development, green industry and sustainable infrastructure. This blend of financial and advisory tools has allowed the Bank to increase its footprint and become one of the leading multilateral financiers of Egypt's private sector.

### Investment Targets and 2026 Outlook

#### • What share of EIB's total investments in the Middle East and North Africa region is expected to be allocated to Egypt in 2026?

Within the broader Middle East and North Africa portfolio, Egypt is typically one of the largest individual recipients of EIB financing due to the size of its economy and the breadth of cooperation across sectors. This pattern is expected to continue in 2026, with Egypt likely to account for a significant share of EIB signatures in the region. The exact proportion will depend on the pace of project preparation and approval processes, but Egypt's strong pipeline and strategic relevance suggest it will remain among the Bank's top destinations for regional investment.

#### • Are there clear numerical targets for private sector financing versus public sector financing in Egypt over the coming year?

The EIB's approach in Egypt is not to work with rigid numerical targets for private versus public sector financing over a single year, but rather to maintain a balanced and complementary portfolio that supports both sovereign

and non sovereign priorities. On the one hand, large public-sector operations remain essential in areas such as sustainable transport, water and wastewater, or strategic energy infrastructure, where the state plays a central role and where the EIB can provide long-tenor finance under favourable conditions. On the other hand, there is a clear strategic decision to further increase support for private sector investment, including SMEs, green industry, and innovative projects implemented by private sponsors, in line with the government's agenda to boost private sector participation and with the EU-Egypt Green Sustainable Industry and Nexus of Water, Food and Energy (NWFE+) platforms. Over the coming year, we therefore expect the private-sector share of new operations to continue to grow within the overall portfolio, but without pre-announcing rigid percentages that could limit flexibility in responding to actual demand.

### Priority Sectors

#### • Which sectors are expected to receive the largest share of EIB investments in Egypt over the next period, and why?

Over the next period, we expect the largest volumes of EIB financing in Egypt to continue to focus on sectors that are central to the green and inclusive transition. Energy and climate action will remain a core pillar: this includes support for renewable generation, energy efficiency, grid modernisation and industrial decarbonisation, as illustrated by the Green Sustainable Industry programme that helps Egyptian firms cut emissions, adopt circular-economy models and

comply with mechanisms such as the EU Carbon Border Adjustment Mechanism (CBAM). Another priority area is sustainable transport, where the EIB is already the main development partner for the sustainable transport axis of the Nexus of Water, Food and Energy (NWFE+) programme and where investments in rail, metro and low carbon mobility are crucial for congestion, air quality and economic competitiveness. Water and wastewater infrastructure, including resilience to climate change and secure access to drinking water, will also remain high on the agenda, given Egypt's resource constraints and the importance of water security for people and productive sectors.

#### • Are there any new sectors that EIB is considering entering for the first time in the Egyptian market?

In addition to established sectors, there are several areas where we see scope to deepen or broaden EIB engagement in Egypt. One is green and sustainable industry, where the combination of EIB finance and EU grants is already supporting cleaner production, waste reduction and resource efficiency, and where further operations can help companies invest in modern technologies, comply with international environmental standards and access new export markets.

### Investment Funds and Venture Capital

• Since 2020, EIB has invested around €1.1 billion in 20 equity and venture capital funds. How does the Bank assess the impact of these investments on Egypt's startup ecosystem?

# Interview

The figure mentioned corresponds to EIB commitments in regional or pan African funds that also include Egypt within their geographic scope. These investments have two key impacts. The EIB participation typically attracts significant additional private investment—on average, for every €1 invested by the EIB in African funds, about €7 is mobilized from other investors, and the EIB plays a catalytic role in developing the ecosystem by supporting new fund managers and helping local fund managers scale beyond their domestic markets.

## Energy and Sustainable Transport

### • What is the current scale of EIB's contribution to renewable energy projects in Egypt?

Renewable energy and renewable hydrogen are key priorities for the EIB in Egypt and are central pillars of cooperation under the 2024 EU Egypt Strategic and Comprehensive Partnership. The Bank's recent support includes financing for Project Obelisk, one of the largest hybrid plants in Africa, combining a 1.1 GWp solar PV plant with a 200 MWh Battery Energy Storage Solution (BESS).

### How does EIB support the sustainable transport pillar under the "NWFE+" platform?

The EIB also plays a leading role in supporting the sustainable transport pillar under the "NWFE+" platform. The Bank currently backs several major urban transport and rail projects, including the rehabilitation of Cairo Metro Lines 1 and 2 and the

construction of Line 3, as well as investments in Alexandria such as the rehabilitation of the Raml tram and the extension of the Abu Qir metro. Looking ahead, the EIB intends to continue financing similar projects in line with the government's priorities and the NWFE+ objectives for the transition to green transport, helping to reduce congestion, improve air quality and enhance connectivity.

### Are there new projects under consideration in clean energy or green hydrogen?

In parallel, the EIB is actively exploring new projects in clean energy and green hydrogen. The Bank is assessing one of the most advanced renewable hydrogen projects in Egypt and is in discussions with several renewable energy developers regarding solar PV, Battery Energy Storage Solution and wind projects, in line with the EU Egypt Strategic and Comprehensive Partnership and supporting Egypt's target of achieving 42% of electricity generation from renewable sources by 2030. In addition, the Bank is considering support for future government investments aimed at upgrading transmission and distribution networks to facilitate the integration of renewable energy and improve overall system resilience.

## Green Industries Financing Program

### • What is the current status of the Green Industries Financing Program in Egypt?

Implementation of the Green Sus-

tainable Industry (GSI) programme is now starting and will continue over the next five years. The EIB, together with Agence Française de Développement (AFD) and the European Union, is pleased to be supporting the Ministry of Environment and the Egyptian Environmental Affairs Agency in helping industry transition to a green economy. The programme builds on the successes of the Egyptian Pollution Abatement Programme, which was championed by the Ministry, and seeks to provide a comprehensive framework of financial and technical support for industrial decarbonisation, depollution and resource efficiency.

### • What are the main achievements of the program so far since its launch?

Although implementation is at an early stage, the programme has already generated significant interest from industry across more than ten industrial sectors, with most expressions of interest coming from the fertiliser, cement, iron and steel, textiles and chemicals sectors. The National Bank of Egypt has been appointed as the main partner bank and the contract for technical support has been awarded. In parallel, the framework for the digitalisation of the Ministry of Environment and the Egyptian Environmental Affairs Agency has been developed and will be rolled out over the coming years, paving the way for more efficient and transparent environmental governance.

### • What are the next steps planned for the program in 2026?

# Interview

For 2026, a very ambitious work plan is envisaged. The strong interest expressed by industry will be translated into tangible, financed projects that benefit eligible companies and help them advance their green transition agendas. Advisory support will be provided to exporting industries on meeting green market requirements, such as the EU Carbon Border Adjustment Mechanism (CBAM), and to buyers of Egyptian products seeking to decarbonise their value chains. Activities will also commence on the digitalisation of the Ministry of Environment and the Egyptian Environmental Affairs Agency, helping to modernise their operations and strengthen environmental oversight. At the same time, support to local banks working with GSI will focus on reinforcing sustainable finance procedures within their operations.

### • What is the size of financing allocated to the program, and will it

### rely more on loans or on guarantees and public-private partnership mechanisms?

The overall budget for the GSI programme is €271 million, with €210 million in loans and grants being provided by the EIB, Agence Française de Développement (AFD) and the European Union. The programme is open to both private and public sector companies. While the National Bank of Egypt is the main GSI partner bank, a further three to four local banks are also expected to participate, and companies will be able to apply for GSI funding through these intermediaries. The grant component will cover between 10% and 20% of eligible investment costs, depending on the type of project, thereby enhancing affordability and incentivising deeper green investments.

### • How does the program contribute to attracting foreign direct investment into green industries in

### Egypt?

The GSI programme is intended to help existing industries in Egypt transition to a green economy in a way that also strengthens their position in global value chains. Financial and technical support will enable companies to implement improvements that better meet export regulatory and market demands, such as compliance with the EU Carbon Border Adjustment Mechanism (CBAM), requirements on recycled content in textiles and packaging, and expectations regarding the carbon footprint of products. At the same time, digitalisation will help streamline environmental approval processes for new investments, while programme financing will back projects that bring innovative green technologies into the Egyptian industrial base, thereby creating a more attractive environment for foreign direct investment into green industries.



# Mashreq Egypt Targets EGP 31bn Loan Portfolio by 2026, Bets on Digital and SME Growth

## Interview

Amr El Bahey  
CEO of Mashreq Egypt

By: Iman Al-qadi

In light of the accelerating pace of digital transformation in the banking sector, Mashreq Egypt continues to strengthen its presence by expanding its digital services and targeting new customer segments, particularly youth and small and medium-sized enterprises (SMEs).

In an interview, Amr El Bahey, CEO of Mashreq Egypt, outlined the bank's strategy, which is built on technology, financial inclusion, and balanced growth, and stated that the Egyptian market represents the bank's largest market outside the UAE.

Amr El Bahey said the bank continues to strengthen its growth in the local market, with its loan portfolio reaching around EGP 23 billion by the end of 2025, targeting EGP 31 billion by the end of 2026.

He added that customer deposits stood at approximately EGP 49.5 billion, while the loan-to-deposit ratio reached 46%, reflecting the bank's strategy of maintaining a strong balance between growth and liquidity.

### Investments Rise to EGP 1.6bn to Accelerate Digital Transformation

Regarding digital transformation, El Bahey noted that the bank invested EGP 1.2 billion in 2025 in technology infrastructure and digital platform development, with plans to increase investment to EGP 1.6 billion in 2026, as part of its



broader strategy to support digital expansion and financial inclusion.

El Bahey said that digital transformation is no longer a separate option but has become a fundamental part of the global evolution of the banking sector, driven by changing customer needs and the accelerating pace of innovation in financial services.

He added that the bank began its transformation journey by developing its infrastructure and internal operations, in parallel with the country's direction to enhance digital financial services, noting that the bank's experience in the UAE helped accelerate the launch of its digital services in the Egyptian market.

El Bahey stated that the bank launched 'Mashreq NEO', targeting the youth segment and promoting financial inclusion starting from the age of 15, allowing customers to open accounts within minutes through the Mashreq Egypt app.

## Interview



He explained that, to overcome personal verification challenges, the bank partnered with Fawry Plus and e&, enabling customers to complete activation through widely distributed service points operating until late hours, with cards delivered to customers' homes.

### Partnership Unlocks Access to 10mn Users, 'Neo Biz' Targets SME Boom

The bank has onboarded more than 700,000 customers through the Mashreq Egypt app, reflecting strong adoption and growing customer trust.

El Bahey also noted that the bank entered into a strategic partnership under the 'Banking as a Service' model with e&, allowing banking services to be offered through the 'my e&' app, which has around 10 million active users, contributing to a significant expansion of the customer base.

He added that the services offered through digital platforms include easy account opening, home delivery of cards, as well as offers such as cash-back, loyalty programs, and highly competitive interest rates, emphasizing that the goal goes beyond attracting customers to delivering real value.

### A New Era of SME Banking

El Bahey revealed that the bank is preparing to launch a new digital offering targeting small and medium-sized enterprises (SMEs) under the name 'Mashreq Neo Biz' in 2026. Mashreq Neo Biz will enable fully digital account opening, along with integrated banking services and a package of features specifically designed for this segment.

He explained that the offering is not focused solely on financing, but rather on facilitating business management through services such as cash management, trade, guarantees, in addition to digital tools that support daily operations.

### Bank Priorities and the Egyptian Market

El Bahey affirmed that the bank maintains a diversified sector approach, with a strategic focus on industrial sectors, export-oriented and foreign currency-generating activities, as well as highly competitive businesses with strong growth potential.

He added that Egypt stands as Mashreq Group's largest market outside the UAE in terms of business volume, profitability, and sectoral

diversity, underscoring the bank's comprehensive presence across the Egyptian market - spanning corporate, retail, and SME segments.

He further highlighted the bank's ongoing investments in advanced technological infrastructure, aimed at building scalable, future-ready platforms that can support its expansion ambitions and evolving customer needs.

### Economy and Interest Rates

El Bahey said that the Egyptian banking sector has proven its strength and ability to withstand major crises and continues to play a key role in supporting the economy, expecting a phase of stability and growth despite external challenges.

He added that lowering interest rates reflects an improvement in economic indicators and helps stimulate investment, increase production and exports, create job opportunities, and improve foreign currency resources.

He noted that there is a near consensus in the market that interest rates are heading lower, with differences mainly regarding the timing and magnitude of the cuts.

# Averroes Ventures Nears Launch of \$50M VC Fund Targeting Circular Economy in North Africa

## Interview

**Dr. Ahmed A. Alsharif**  
**Founding Partner and CEO of Averroes Ventures**



“Averroes Ventures” is in the final stages of launching a new \$50 million early stage VC fund, dedicated to investing in startups and innovative SMEs across North Africa and the Region. Sub-

scription for the fund’s capital is currently underway, drawing interest from international partners, local banks, domestic institutions, and global development financial institutions.

In an exclusive interview with “Capital Call”, Dr. Ahmed A. Alsharif, Founding Partner and CEO of Averroes Ventures, revealed that the firm expects to reach the first closing of the fund by the third quarter of 2026 and a final closing by mid 2027.

**Strategic Focus: The Circular Economy**

Focusing on Egypt in mid-2017, Averroes Ventures has been a key player in the regional ecosystem, previously participating in financing rounds for prominent Egyptian startups such as “Khazenly” and “Breakfast”, and regionally such as “Trukker”.

Alsharif highlighted that the new fund is strategically positioned to support startups and SMEs driving the circular economy innovation within the industrial, agricultural, and energy sectors. By focusing on these areas, the fund aims to 1) reduce reliance on imports. 2) Hedge against global supply chain disruptions. 3) Convert waste into high-value exportable, foreign currency revenue generating economic assets.

“Our investment in the circular economy reflects the growing regional appetite for sustainable development and the feasibility of integrating circularity into the Egyptian and broader MENA markets, it’s a strategic choice that perfectly fits our region. We aim for double bottom line investments, to do good and do very well on the financial side too.” Alsharif stated.

## Interview

### Proven Track Record

Averroes Ventures has managed an investment portfolio valued at approximately \$10 million, featuring companies like “Nawah Scientific”, “Khazenly”, and “Illa”. The firm has also demonstrated a strong exit track record, with successful exits from startups such as “Breakfast” and “Trukker”.

3. Capital: Targets the regional financing gap by investing in early- and growth-stage startups and SMEs within the

**Industrial and circularity sectors.**

### A Call for Regulatory Reform

Beyond capital injection, Alsharif emphasized that the entrepreneurship sector faces structural challenges

individual investors (Angel Investors) as well as corporate capital.

### Strengthening Domestic Resilience

Addressing the volatility of global markets, Alsharif noted that international investors are often the first to shy from emerging markets during geopolitical or financial crises.



To further its mission, the firm established the “Circulate MENA Platform”, which operates on three core pillars:

1. Circularity Labs: Focused on driving sustainable, scalable impact through industry-led innovation and targeted business acceleration.

2. CircuHub: Facilitates market awareness, policy advocacy, matchmaking, and partnership mechanisms to fast-track circularity.

that require a complete overhaul of the regulatory and legislative environment.

“Finding multiple funding sources for entrepreneurial finance is a necessity, not a luxury,” Alsharif argued.

He proposed the adoption of incentives for financial instruments, such as SME tax schemes for individuals and corporates. Such a move would allow startups to access liquidity from local

To combat this, he urged the development of a robust “local investor base”, calling for incentives that encourage local banks and pension funds to allocate a portion of their portfolios to technology and high-growth startups. It should be accompanied by a “lightly” regulated structure for local fund setups. This domestic shift, he believes, is essential for building a resilient and self-sustaining entrepreneurial ecosystem and the Venture Capital asset class.

# “CI Capital’s PE arm” to expand in tourism, real estate, renewable energy, and infrastructure, with new funds and strategic partnerships in the pipeline

## Interview

Karim Badr  
CEO of CI Private Equity

By: Alyaa Setouhy

CI Capital is gearing up for an ambitious expansion through its private equity arm, CI Private Equity (CIPE), with total targeted investments reaching EGP 25 billion across a range of high-growth sectors, according to Karim Badr, CEO of CI Private Equity.

Badr noted that the company is focusing on sectors witnessing strong investor demand and clear market momentum, including industry, real estate, tourism, renewable energy, and infrastructure. He emphasized that private equity funds play a crucial role in structuring viable opportunities within these sectors, driving investment, and generating sustainable value.

### Strong Push into Tourism and Hospitality

Badr revealed that CIPE plans to significantly ramp up investments in the tourism and hospitality sector over the coming year. The strategy includes either establishing a dedicated tourism investment company or launching a specialized fund

in partnership with leading tourism developers.

The objective is to capitalize on opportunities in distressed hotel assets, expand existing hospitality capacity, and develop new hotel projects to meet rising demand.

### New Real Estate Fund in the Pipeline



The company is also nearing the launch of a new real estate investment fund, with expected investments of around EGP

2 billion. The fund will follow a similar model to CI Capital's existing real estate fund in partnership with Talaat Moustafa Group, and will be established in collaboration with one of Egypt's major real estate developers.

## Interview



Badr highlighted the strong appetite for such funds, noting their tax-exempt status and their ability to provide developers with much-needed liquidity while preserving their credit standing with banks.

In parallel, CIPE is planning to increase the capital of its existing real estate fund with Talaat Moustafa Group—from EGP 8 billion to EGP 10 billion—following its launch earlier this year.

Industrial and Distressed Assets Funds Underway

On the industrial front, Badr stated that current-year investments include a fund targeting high-growth, export-oriented industrial companies, with a target size of EGP 2.5 billion.

Additionally, the company is in the process of establishing a EGP 1 billion fund focused on distressed factories, in cooperation with the Central Bank of Egypt and the Ministry of Industry.

Green Infrastructure and Agriculture Investments

CIPE is also close to securing the first

close of its green infrastructure fund focused on agricultural projects, in partnership with Injazat, with initial investments of EGP 2.5 billion. A second close of a similar size is planned, bringing the fund's total investments to EGP 5 billion.

Renewable Energy Fund Under Study

Looking ahead, the company is studying the launch of a renewable energy investment fund in collaboration with sector specialists, targeting investments of EGP 6 billion next year.



# B Investments Targets EGP 2 Billion in New Investments Across High-Growth Sectors

## Interview

**Mostafa El-Anwar**  
 Chief Executive Officer of BPE Partners and Executive Board Member of B Investments



### Mostafa El-Anwar outlines expansion plans, regional ambitions, and upcoming investment opportunities

In an exclusive interview with "Capital Call" Magazine, Mostafa El-Anwar, Chief Executive Officer of BPE Partners and Board Member of B Investments, outlined B Investments' strategic direction and upcoming investment plans, highlighting ambitious expansion goals across promising sectors both locally and regionally.

El-Anwar stated that B Investments is targeting investments ranging between EGP 1.5 billion and EGP 2 billion, to be deployed across 3 to 4 new opportunities in high-potential companies requiring capital to scale their operations, whether within

the Egyptian market or across the region.

### Regional Expansion Takes Center Stage in B Investments' Growth Strategy

#### From Saudi Arabia to Jordan and Oman, the firm accelerates its portfolio companies' footprint

El-Anwar explained that regional expansion remains a top strategic priority for all portfolio companies. In this context, Madinet Masr for Housing and Development has already initiated its expansion into the Saudi market as part of its regional growth strategy. Meanwhile, in the non-banking financial services sector, expansion has been realized through Basata Holding for Financial Payments, a subsidiary of B Investments, which acquired a stake in MadfootCom, a leading electronic payments company in Jordan that also holds investments in Oman.

He added that these moves align with the company's broader strategy to support its portfolio companies in expanding their regional footprint and strengthening their presence in high-growth markets.

### Strong Domestic Growth Across Retail and Consumer Segments

#### Gourmet Egypt and El Ezaby Pharmacies drive local expansion

On the domestic front, El Anwar noted that Gourmet Egypt and El Ezaby Pharmacies are witnessing strong growth, driven by the expansion of their retail networks across Egypt.

## Interview

### Food, healthcare, education, and consumer activities under focus

Regarding targeted sectors, El-Anwar affirmed that the company continues to focus on promising opportunities within the Egyptian market and is currently exploring investments in food, healthcare, education, and consumer-driven sectors, particularly those operating in the retail space.

### New Investment Platform Targets Egypt's Food & Beverage Sector

He also revealed that a new investment platform is being established

through OB Financial Holding (formerly Orascom Financial Holding), aimed at investing in high-potential companies within the food and beverage sector, reflecting the company's strategy to support local food and beverage concepts in their growth plans and ultimately build a sizeable food and beverage platform.

### Flexible Exit Strategy to Maximize Returns

#### IPO and alternative routes remain under consideration

On exit strategies, El-Anwar empha-

sized that the company continuously evaluates exit opportunities from its portfolio companies at the right timing, whether through listings on the Egyptian Exchange or alternative routes, in order to achieve optimal returns for investors. In February 2026, the B Investments successfully executed Gourmet's IPO on the Egyptian Exchange, where it divested a small portion of its stake while still remaining as the largest shareholder in the company post IPO.



# Ezdehar Nears \$50 Million in New Investments in 2026

## Interview



**Amr El salanekly**  
Co-Founder and Chief Executive Officer of Ezdehar

### New Textile Acquisition to Expand “Dally Dress” Portfolio

### Four New Brands and Expanded Manufacturing Capacity

El salanekly revealed that the firm is currently finalizing a new acquisition in the textiles trading and manufacturing sector. The deal will add four new brands to the portfolio of the “Dally Dress” Group, alongside new manufacturing capabilities.

This expansion is expected to increase the group’s retail network to more than 110 stores across Egypt. The company also maintains a limited presence outside Egypt, which will serve as a launchpad for regional expansion in the coming years.

### Strong Track Record Across Two Funds

### 11 Investments Since Inception

Ezdehar manages a diversified international portfolio. The company launched its first fund in 2016 and its second in 2021. Since its establishment, Ezdehar has completed more than 11 investments and has successfully exited four of them.

### Regional Expansion Strategy

### Targets GCC by 2028

### Franchising Framework to Be Established in 2026–2027

El salanekly added that the firm has clear regional expansion plans in the textiles trading and manufacturing sector, particularly as the new investment currently under execution already has a limited regional footprint.

He added that the years 2026 and 2027 will be dedicated to establishing a fully integrated operational framework for a franchising model, with 2028 set to mark the beginning of a major expansion phase across GCC countries.

### Kemitt Foods Advances to the Next Phase of Expansion

Turning to Kemitt Foods, El salanekly explained that the company successfully completed an ambitious expansion plan in 2025, further strengthening its position as one of the leading exporters within its product category.

The company is now preparing to launch the next phase of its growth strategy, which will include increasing production capacity and introducing new product lines. This expansion phase is expected to be completed by 2028.

### Focus on Consumer Retail, Healthcare and a Potential Industrial Play

Egypt’s Ezdehar Private Equity is approaching \$50 million in new investments this year through fresh acquisitions in the consumer retail and healthcare sectors, in addition to a potential new investment in the industrial sector, according to Amr El salanekly, Co-Founder and Chief Executive Officer of the company, in an interview with “Capital Talks”.

El salanekly expects the company to deploy approximately EGP 1 billion to support this growth strategy.

Founded in 2014, Ezdehar operates in the private equity space and manages more than \$300 million in investments through its two funds, Ezdehar I and Ezdehar II.

# Omar Bassiouny: Egyptian Capital Market Enters a Sophisticated Phase of M&A and Non-Bank Financing

## Interview



**Omar Bassiouny**  
Co-founder of Matouk Bassiouny & Hanaoui Law Firm

Omar Bassiouny, co-founder of Matouk Bassiouny & Hanaoui Law Firm, highlighted the significant progress in addressing legislative and regulatory challenges in Egypt’s capital markets. He emphasized that the main challenge lies in striking a balance between encouraging financial innovation and strictly adhering to regulatory frameworks, particularly regarding investor protection, disclosure requirements, and corporate governance rules. This dynamic, he noted, requires legal advisors to go beyond traditional contract drafting, providing a comprehensive risk management perspective for complex deals.

### A More Mature Capital Market on the Horizon

Bassiouny predicted that the Egyptian capital market is entering a more mature stage, supported by the growing use of non-bank financing instruments and increased integration with regional and international investment flows. As the market evolves, specialized advisory roles will become even more crucial, particularly in transactions requiring deep expertise in capital markets and cross-border structures.

### M&A Activity Set to Surge

He expects mergers and acquisitions (M&A) activity to witness significant growth this year, fueled by renewed investor appetite, increasing corporate restructuring opportunities, and improved investment visibility across key sectors. Tourism, healthcare, and consumer goods were identified as some of the most promising sectors, attracting strong demand from foreign investors through direct acquisitions or strategic partnerships.

Currently, the firm manages over 20 M&A deals at various stages, spanning local, regional, and cross-border transactions, reflecting the recovery of deal flow and the rising complexity of legal and financial structures involved. In 2025 alone, the firm successfully closed more than 18 M&A deals across multiple sectors, requiring advanced legal work that went beyond traditional contract drafting to include deal structuring, regulatory risk management, and ensuring compliance with disclosure and governance requirements.

### Expanding into the Saudi Market

Recently, Matouk Bassiouny & Hanaoui acquired a 75% stake in a Saudi law firm, with plans to commence full operational activities in 2026. This expansion reflects a strategic objective to establish a sustainable presence in Saudi Arabia, not merely a nominal legal representation. Bassiouny pointed out that the Saudi market has become one of the most attractive for M&A and foreign direct investment, supported by strong economic and legislative momentum.

In 2026, the firm will fully operationalize its Saudi offices, focusing on integrated services in M&A, capital markets, and cross-border transactions, leveraging the firm’s accumulated expertise in regional markets, particularly in Egypt and the UAE.

### Navigating Complex Structures and Innovative Financing

Bassiouny noted that the Egyptian capital market is entering a new phase marked by increasing

complexity and growing reliance on non-traditional financing instruments, amid regulatory and legislative reforms aimed at deepening the market and diversifying funding sources. This development amplifies the pivotal role of legal advisors in ensuring the success of complex offerings and transactions, especially those linked to modern investment structures such as special purpose acquisition companies (SPACs).

He highlighted the firm’s role as legal advisor to Catalyst Partners in launching the first SPAC in the Egyptian market, Catalyst Partners Middle East, a move considered a landmark in reshaping market structure and demonstrating the local market’s ability to absorb sophisticated financing models implemented globally.

### Growing Demand for Specialized Legal Advisory

Bassiouny observed that the Egyptian capital market has recently witnessed notable progress in the diversity of instruments and the complexity of financing structures, driven by successive regulatory and legislative reforms, alongside rising corporate appetite for alternative financing beyond traditional bank loans. This environment has created growing demand for specialized legal advisory services capable of handling public offerings, debt issuances, and complex M&A transactions.

# Zilla Capital Research: Flash Note

## From Oil Shock to System Shift: How Conflict Is Rewiring the Gulf, Redefining MENA, and Repricing the Global Economy

Report



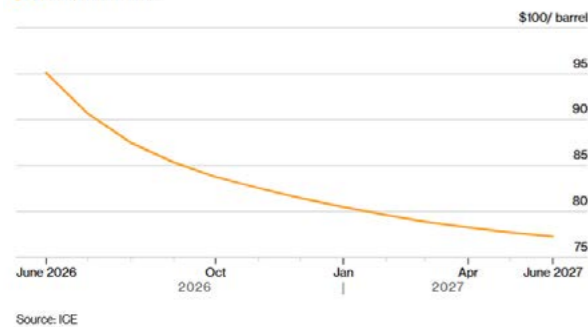
### This Is Not De-escalation... It's Repricing of Risk

What markets are interpreting as de-escalation is, in reality, a transition from dynamic risk to structural risk. The fragile US–Iran ceasefire, unresolved tensions in Lebanon, and repeated disruptions around Hormuz — including vessel seizures and near-standstill shipping — suggest that the region has not stabilized. It has simply moved into a phase where risk is less visible, but more embedded. This distinction matters. Because markets can price events... but struggle to price persistent uncertainty.

### Oil Is Now the Transmission Channel of Geopolitics

#### Iran War Upends Oil Market

Near-term prices of Brent crude are much higher than those further out



The key shift is not higher oil prices — it is how oil now transmits geopolitical shocks into the global macro system.

Both the International Monetary Fund and the World Bank are no longer anchoring forecasts around a single baseline. Instead, they are explicitly modeling scenario dispersion, reflecting how sensitive the system has become to supply disruptions.

At \$90 oil, the shock is contained. At \$100–110, inflation persistence forces central banks to delay easing. Beyond that, the global economy enters a policy trap: tightening into weakness or tolerating inflation. The implication: Oil is no longer cyclical — it is structural to policy decisions.

### Hormuz Is Fragmenting the Region Economically

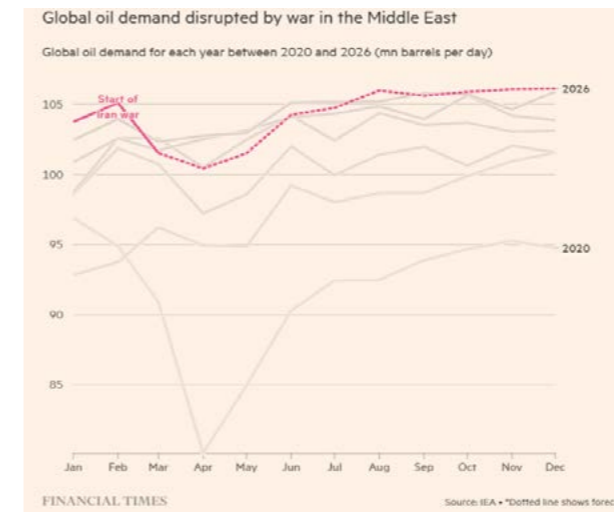
The Strait of Hormuz is no longer a shared bottleneck — it is a differentiator of economic resilience. The region is effectively splitting into four macro profiles:

- Iran and Oman are benefiting from price dynamics despite constraints, capturing upside from disruption.
- Saudi Arabia and the UAE are leveraging partial rerouting infrastructure, transforming price volatility into a stabilizing mechanism.
- Qatar and Kuwait remain exposed operationally but insulated financially through sovereign buffers.

# Report

• Iraq and Bahrain face a direct transmission of disruption into fiscal and external balances, with limited shock absorption capacity.

The same shock is producing asymmetric macro-outcomes which will reshape capital allocation across the region.



### From Global Capital to Geopolitical Capital

A more profound shift is happening beneath the surface: capital is being re-politicized. Recent financial flows across the region — from bilateral support packages to strategic investments — indicate that liquidity is increasingly secured through alliances rather than markets. In periods of high uncertainty, private capital becomes risk averse. Sovereign capital steps in — but not neutrally. This marks a transition from: efficient capital allocation — strategic capital deployment. With long-term implications for:

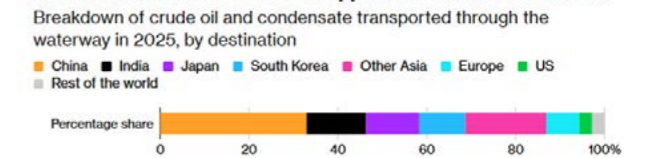
- Credit risk pricing
- Sovereign spreads
- And investment flows across emerging markets

### Trade Is Moving from Efficiency to Security

Global trade architecture is undergoing a forced reset. Hormuz disruptions have exposed the fragility of hyper-efficient supply chains that depend on a limited number of chokepoints. As a result, countries are accelerating investments in alternative cor-

ridors — pipelines, ports, and regional trade routes — even at a higher cost. This is not a temporary adjustment. It is a structural shift toward redundancy and control.

### Asia Receives Most of the Oil Shipped Via the Strait of Hormuz



The consequence:

- Higher global trade costs
- Lower efficiency
- Increased regionalization of trade

In other words, globalization is not reversing — it is fragmenting.

### The Gulf's Strategic Learning Curve

The Gulf is not just reacting to the conflict — it is recalibrating its entire economic model.

- First, security assumptions are being rewritten. The reliability of external protection is no longer taken for granted, accelerating investment in autonomous defense capabilities and diversified alliances.
- Second, energy dominance is being reinterpreted. Oil remains a source of power — but also a source of vulnerability when tied to chokepoints.
- Third, sovereign wealth is evolving from a return-seeking portfolio into a multi-objective instrument — balancing financial returns with geopolitical influence and domestic stability.

This marks a shift from a model built on abundance to one built on resilience and control.

### What the Gulf Will Do Next: Structural Shifts, Not Cyclical Moves

# Report

The next phase is unlikely to be reactive — it will be strategic. Infrastructure investments will increasingly focus on bypassing chokepoints and securing export routes. Defense spending will expand, not just on scale but in technological sophistication, integrating AI and early-warning systems. At the same time, capital allocation will tilt toward domestic and regional priorities, particularly in sectors that enhance economic sovereignty — logistics, energy security, and strategic technologies. The objective is clear: reduce exposure to external shocks without sacrificing global influence.

## MENA is Being Reclassified in Real Time

The broader Middle East is undergoing a silent reclassification. Countries

are no longer assessed purely on growth prospects — but on their ability to navigate geopolitical risk, secure liquidity, and maintain external balances under stress. This is creating a three-tier structure:

- Core economies with capital and resilience
- Vulnerable economies reliant on external support
- Transitional economies balancing both dynamics

The region is not converging; it is diverging structurally.

The Global Implication: A More Fragile Equilibrium

What is unfolding in the Gulf does not stay in the Gulf. Higher oil volatility feeds directly into global inflation. Delayed monetary easing tightens financial conditions. And fragmented trade flows reduce global efficiency. The result is a more fragile global equilibrium — where shocks travel faster, last longer, and are harder to absorb.

## The Bottom Line: Stability Is No Longer the Base Case

Markets are still pricing stability as the central scenario. But structurally, stability has become conditional not given. The region has entered a phase where: risk is persistent, alliances shape outcomes and economic strategy is inseparable from geopolitics. The missiles may have slowed...but the system has already changed.



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# White & Case: Regulatory Reforms Drive Capital Market Growth and Unlock New Real Estate Investment Models

## Interview

Walid El Daly  
Partner at MHR & Partners in association with  
White & Case

By: Iman Al-qadi & Alyaa Setouhy

Walid El Daly, Partner at MHR & Partners in association with White & Case, believes that Egypt's capital markets are entering a more mature phase of development, driven by regulatory reforms, rising transactional activity, and growing investor confidence. These changes, he notes, are reshaping financing structures and opening new avenues for companies and investors across multiple sectors.

### Rising Transactional Activity and Market Development

According to El Daly, the Egyptian economy has witnessed a notable increase in transactional activity and economic development over recent years. He points out that White & Case has been actively involved in this momentum through its role in transactions that reflect the rapid evolution of Egypt's capital markets.

He adds that the firm's Cairo office builds on more than 30 years of experience advising Egyptian and international corporations and financial institutions, particularly on complex, multi-jurisdictional matters that require a deep understanding of both local and international frameworks.

### Expanding Access to Public Markets

El Daly highlights that, over the past period, the Financial Regulatory Authority (FRA), in close coordination with the Egyptian Exchange, has made sustained efforts to attract new investors and encourage a broader range of companies to access public markets. These initiatives, he explains, aim



to enhance market depth and position the exchange as a viable platform for growth-oriented businesses.

As an example, he refers to the IPO of Gourmet Egypt, a premium food and grocery retailer, which was structured as a secondary offering and attracted strong investor demand. The private tranche was oversubscribed by 12.22 times, underscoring the Egyptian Exchange's ability to support listings by family-owned and privately held companies considering a transition to public ownership.

### Aligning with International Standards and Cross-Border Listings

More broadly, El Daly notes that ongoing reforms led by the FRA and the Egyptian Exchange have focused on modernizing the capital markets framework and expanding access for both local and foreign investors. These efforts form part of a wider strategy to align Egypt's regulatory environment with international standards and support long-term economic growth.

## Interview

This approach was clearly demonstrated, he says, in the dual listing of Orascom Construction, the first company to be listed on both the Abu Dhabi Exchange and the Egyptian Exchange. The transaction required extensive regulatory coordination and highlighted the FRA's willingness to facilitate cross-border listings and attract international capital to the Egyptian market.

### Regulatory Support for Real Estate Investment Funds

Turning to the real estate sector, El Daly explains that the FRA has taken important steps to respond to changing market dynamics by introducing updated regulations governing real estate investment funds. The revised framework has increased flexibility, streamlined procedures, and created an additional financing channel for real estate developers and asset owners, supported by improved tax and financial incentives.

These regulatory developments come at a challenging time for the real estate sector. El Daly notes that currency volatility and market uncertainty have pushed prices higher, slowing sales despite widespread discounts and promotional activity. As a result, many developers are reassessing traditional sales-driven business models.

### Real Estate Funds as an Alternative Financing Model

Within this context, El Daly emphasizes that real estate investment funds have emerged as a practical alternative. For developers, they offer a way to raise capital and improve liquidity without relying solely on unit sales. For investors, they provide exposure to real estate assets without the need for direct ownership or day-to-day management, supported by

professional fund management and portfolio diversification.

He concludes that, as regulatory reforms continue, real estate investment funds are set to become an increasingly important pillar of Egypt's evolving capital markets landscape.

In August last year, the Financial Regulatory Authority (FRA) issued Resolution No. 125 of 2025, marking a significant step in the regulation of digital investment activities in Egypt. The resolution introduced, for the first time, a comprehensive regulatory framework governing digital real estate investment platforms, as part of FRA's broader efforts to modernize non-banking financial activities and expand access to innovative investment products.

The new framework enables individuals to invest in real estate through fractional ownership, using investment certificates issued by licensed real estate investment funds and traded on FRA-accredited digital platforms. This approach aims to lower entry barriers to real estate investment, enhance market accessibility, and support financial inclusion, while ensuring that all activities operate within a clear, transparent and regulated legal environment.

The issuance of the resolution followed extensive consultations between FRA, real estate sector stakeholders and operators of existing electronic platforms. These discussions focused on aligning platform activities with Egypt's non-banking financial laws and establishing clear rules that protect investors while providing real estate developers with an organized and compliant channel to offer their projects through licensed digital platforms.



# Mostafa Abdel Aziz: “Wilzy” platform to Launch in Weeks with Plans for Stock Market Listing

## Interview

Mostafa Abdel Aziz  
Co-founder of Wilzy



Wilzy, the platform specializing in wealth management, savings, and investment services, is set to officially launch its services in the coming weeks, offering comprehensive financial solutions and diverse investment tools targeted at individual clients. The platform aims to provide a complete financial experience, enabling users to save and achieve long-term investment goals with ease and professionalism, according to Mostafa Abdel Aziz, co-founder of Wilzy.

### Plans for Stock Market Listing

Abdel Aziz revealed that Wilzy has plans for a listing on the Egyptian Stock Exchange, although the timing and size of the offering have not yet been determined. He emphasized that the current focus is on preparing the company, supporting its operations, and building the necessary scale and capabilities to ensure readiness when the market entry takes place.

### Securing Regulatory Licenses

Abdel Aziz also highlighted the company's efforts to obtain licenses for fintech operations, custody services, and receiving subscriptions from the Egyptian Financial Regulatory Authority (FRA). Wilzy has already secured licenses for fund management and establishment, as well as for promotion and subscription coverage from the FRA, as part of its plan to work on new offerings and prepare companies for stock market listing. At the same time, the company has applied for licenses for subscription reception and brokerage, and is currently awaiting official approval from the authority.

### Targeting a Broad Client Base

The platform aims to serve a wide range of clients, particularly individuals seeking investment solutions that are both accessible and professional. Through this initiative, Wilzy seeks to empower clients to plan and monitor their investment portfolios in real-time, with the ability to adjust strategies in line with market conditions and individual preferences.

### Advanced Technological Infrastructure

Wilzy relies on an advanced digital infrastructure, offering services through an intuitive user interface that allows investors to set savings and investment goals, track performance in real-time, and adjust strategies to achieve optimal results according to market conditions.

### Empowering Individuals and Driving Growth

Abdel Aziz stressed that the platform represents a qualitative step in developing financial literacy and investment culture among individuals, providing them with advanced tools to make informed investment decisions, enhance financial independence, and support sustainable long-term growth.

# Al Ahly Pharos Arranges Over EGP 45 Billion in Financing for Key Economic Sectors

## Interview

Ahmed Haider  
Managing Director of Al Ahly Pharos for Promotion and Underwriting



The Egyptian Economy Faces Sustainable Growth Opportunities ... Capital Markets Are a Key Engine for the Next Phase

The Egyptian Market Is More Ready for IPOs... Selective M&A Activity Expected

At a critical juncture for the Egyptian economy—where global challenges intersect with the requirements of domestic reform—the role of financial institutions capable of deeply understanding the economic landscape and offering innovative financing solutions that balance risk management with growth support becomes increasingly vital.

Ahmed Haider, Managing Director and CEO of Al Ahly Pharos for Promotion and Underwriting, emphasized that despite short-term pressures, the Egyptian market continues to offer genuine investment opportunities over the medium and long term. These opportunities are supported by ongoing economic reforms, increasingly attractive returns, and a clear state direction toward strengthening the role of the private sector and activating capital market instruments.

In an exclusive interview, Haider re-

vealed that Al Ahly Pharos successfully reinforced its position in 2025 as one of the main drivers of the debt instruments market, leading securitization and sukuk activities in both volume and value. The company completed 15 securitization issuances exceeding EGP 48 billion across several vital sectors, in addition to executing four sukuk issuances worth EGP 14 billion.

Al Ahly Pharos' vision goes beyond deal execution to encompass a broader strategic role in supporting companies and enabling sustainable growth. The firm is currently managing and arranging financing exceeding EGP 45 billion for companies operating across a wide range of sectors, including non-banking financial services, real estate development, infrastructure, tourism, and retail—reflecting strong market confidence in its capabilities and accumulated expertise.

Below is the full interview, in which Ahmed Haider shares his outlook on the future of investment, IPOs, mergers and acquisitions, growth-driving sectors, and the key priorities for the Egyptian economy in the coming phase.

How Do You Assess the Current Local Investment Climate Amid Global and Domestic Challenges?

The Egyptian market is going through an economic phase that holds promising investment opportunities, particularly over the medium and long term. Despite current challenges, economic reforms, the increased attractiveness of returns, and the state's clear orientation toward enhancing the role of the private sector represent strong supporting factors that bolster investor confidence and pave the way for gradual investment growth in the period ahead.

# Interview

We believe that Egypt's medium- and long-term economic prospects remain robust, supported by the size of the domestic market, economic diversification, and a strategic geographic location, alongside the continued implementation of economic reform programs aimed at enhancing fiscal sustainability and improving the investment climate. While short-term challenges persist, the structural fundamentals of the economy continue to offer real growth opportunities across several vital sectors.

As for economic priorities in the coming period, the focus should be on empowering the private sector and increasing its contribution to growth, boosting exports and local production, and attracting foreign direct investment into high value-added sectors. It is also crucial to continue fiscal consolidation efforts, improve public spending efficiency, and further develop the capital market as a key financing tool, in addition to investing in human capital and infrastructure to support more sustainable and inclusive long-term growth.

## What Impact Have Recent Monetary Policies Had on Investor Decisions in 2026?

Recent monetary policies have had a direct impact on the investment climate, contributing to the containment of inflationary pressures and enhancing monetary stability—both of which are essential to restoring investor confidence. While high inflation and elevated interest rates have

affected short-term investment decisions, particularly in terms of timing and financing structures, they have also increased the attractiveness of fixed-income instruments and the debt market.

With early signs of a gradual decline in inflation and improved visibility, we expect investor appetite for productive investments to improve, especially in sectors capable of passing on costs and generating sustainable returns over the medium and long term.

## What Are the Key Scenarios for Mergers and Acquisitions in 2026?

We expect M&A activity in 2026 to follow two main scenarios. The first involves selective transactions targeting companies with strong assets and stable cash flows, particularly in light of asset repricing and investors' focus on acquiring assets with genuine intrinsic value. The second scenario relates to restructuring and consolidation within certain sectors, aimed at improving operational efficiency or strengthening market share.

Infrastructure and energy—both conventional and renewable—are expected to top investor interest, given their long-term cash flows and clear revenue visibility. The food and beverage, healthcare, and logistics sectors are also likely to remain attractive defensive plays due to their ability to adapt to inflationary pressures. In addition, we are witnessing growing interest in education, technology, and non-banking financial services, driven by rising

domestic demand and digital transformation, enhancing their appeal over the medium and long term.

## Which Sectors Are Best Positioned to Lead Growth in the Coming Period?

Recent months have shown clear signs of a gradual improvement in investor confidence, supported by greater stability in macroeconomic variables, improved clarity around monetary and exchange rate policies, and the continued implementation of structural reforms aimed at strengthening the role of the private sector.

In terms of growth drivers, infrastructure and energy—particularly renewable energy—are expected to remain at the forefront, alongside food and healthcare sectors due to their sustained demand. We also anticipate a growing role for non-banking financial services, technology, and logistics, supported by digital transformation and an expanding consumer base, positioning them to lead growth over the medium and long term.

## Capital Markets and IPOs: Is the Market More Ready Than Before?

Companies' appetite for IPOs is influenced by several interrelated factors, foremost among them macroeconomic stability, interest rate levels, and the clarity of monetary and fiscal policies. Market valuations, available liquidity, and the depth of the investor base are also decisive in determining the timing and feasibility of listings.

# Interview



Equally important is internal corporate readiness, particularly in terms of governance, transparency, financial reporting consistency, and the ability to present a clear and sustainable growth story to investors. Companies with strong operating models and stable cash flows are generally more inclined to pursue listings during periods of relative stability.

Looking at the Egyptian market today, it can be said that it is more prepared for IPOs than in previous years, supported by improvements in the regulatory framework, more advanced trading mechanisms, increased investor awareness, and the state's commitment to activating the IPO program and reinforcing the role of capital markets as a primary financing channel. With the gradual return of institutional interest and improving liquidity levels, we expect selective IPO activity fo-

cused on high-quality companies with clear growth narratives, contributing to deeper and more sustainable market activity.

## AI Ahly Pharos' Securitization and Sukuk Activity in 2025

In 2025, AI Ahly Pharos completed 15 securitization issuances across various sectors, including financial leasing, SME financing, microfinance, mortgage finance, and consumer finance, with a total value exceeding EGP 48 billion.

The company also executed four sukuk issuances—covering both Musharaka and Mudaraba structures—worth EGP 14 billion, making AI Ahly Pharos the market leader in both the number and value of sukuk issuances in 2025. This achievement reflects the firm's leadership and ex-

ceptional ability to structure and execute innovative and complex sukuk transactions tailored to the evolving financing needs of the Egyptian market.

## Current Financing Mandates and Ongoing Transactions

AI Ahly Pharos is currently managing and arranging financing exceeding EGP 45 billion for a number of entities across diverse sectors, including financial leasing, microfinance, SME financing, real estate development, mortgage finance, tourism, retail, construction, and infrastructure.

In line with its strategic vision, AI Ahly Pharos will continue to provide innovative financing solutions that meet the needs of the Egyptian market and support the sustainable growth of various sectors.

# Egypt's Investment Climate Gains Momentum as Clean Energy and Technology Lead Growth

## Interview

**Dr. Basel Roshdy**  
CEO and managing director of Nile Capital and Secretary General of the Egyptian Private Equity Association



Dr. Basel Roshdy, CEO and managing director of Nile Capital and Secretary General of the Egyptian Private Equity Association, believes that Egypt's investment climate is entering a phase of steady recovery and structural improvement, supported by growing regional and international interest, alongside ongoing regulatory and market reforms.

### Improving Investment Environment

Roshdy notes that Egypt today is significantly more attractive to investors than in previous years, as the country moves away from an investment-deterrent environment toward a more welcoming and opportunity-driven market. While progress has been made, he emphasizes that Egypt remains in a development and growth phase that requires sustained efforts in policy reform, incentives, and regulatory clarity to fully unlock its potential.

From a market perspective, Egypt represents one of the largest and most promising investment destinations in the Arab region and across Africa. The country's competitive advantages include its strategic location, diverse natural resources, favorable climate, strong tourism assets, and a large and youthful population. With nearly two-thirds of Egyptians under the age of 30, Roshdy sees a long-term demographic dividend that enhances Egypt's attractiveness to both local and foreign investors.

He stresses that policy consistency and macroeconomic stability are critical to maintaining investor confidence. Clear, stable fiscal, investment, and tax policies allow investors to build reliable financial and economic projections over a four-

to seven-year horizon—an essential requirement for long-term

capital deployment.

### Sectors Driving Investment Growth

According to Roshdy, several sectors stand out as particularly attractive in the current investment cycle. Chief among them is renewable and clean energy, which continues to attract long-term capital due to Egypt's natural advantages and growing commitment to sustainability.

Technology-driven sectors are also playing a leading role, particularly artificial intelligence, fintech, and healthtech. Egypt has positioned itself as a regional leader in attracting technology investments, especially in youth-led startups and innovation-focused ventures.

Tourism and industrial manufacturing remain core pillars of the investment landscape. Both sectors generate foreign currency inflows and support export-driven growth, while advanced manufacturing tied to a growing domestic market offers strong opportunities for regional and global expansion.

## Interview

### Regulatory Reform and Investor Confidence

Roshdy highlights that regulatory reform has had a tangible impact on investor confidence, noting that every positive legislative or regulatory improvement sends a strong signal to the investment community. However, he points out that the challenge often lies not in the absence of good laws, but in their effective implementation.

Greater transparency in presenting regulations, interpretations, and procedures to the business community is essential, he argues. Egypt can also benefit from benchmarking against successful global models, adopting international best practices while accounting for local market dynamics. Simplicity, clarity, and predictability remain key drivers of investor trust.

He adds that Egypt has made notable progress in global rankings related to ease of doing business, governance, digital transformation, and market transparency, reinforcing its improving investment narrative.

### Capital Markets as a Growth Enabler

Egypt's capital markets play a central role in attracting investment by facilitating capital formation, providing exit opportunities, and supporting fair valuation mechanisms. Roshdy observes that the Egyptian Exchange and regulatory bodies have made meaningful strides in recent years, particularly in digitalization, trading infrastructure, investor protection, and market oversight.

The introduction of new financial instruments—such as index funds, derivatives, and carbon credit mecha-

nisms—has enhanced market depth and increased the appeal of Egypt's capital markets to a broader investor base.

### Investment Decision Framework

When assessing investment opportunities, Roshdy explains that investors prioritize the free movement of capital and profits, currency convertibility, regulatory stability, and capital protection. While returns are influenced by market conditions and feasibility studies, strong management often determines the ultimate success of an investment.

Effective governance, compliance, professional advisory services, and clear dispute resolution mechanisms are also critical components of a sound investment framework.

### Balancing Risk and Return

Balancing risk and return, Roshdy notes, depends largely on the expertise of investment managers and fund operators. Investors must navigate political, economic, currency, and operational risks while leveraging Egypt's strengths as a large, emerging market with skilled labor and export potential.

Risk mitigation strategies include portfolio diversification, professional cash flow management, access to insurance and reinsurance solutions, reliance on experienced advisors, and maintaining foreign currency revenue streams through exports or international partnerships.

### Successful Investment Experiences

Among Nile Capital's most successful investments in recent years has been its entry into the renewable energy sector. Over the past decade, the firm has

established itself as a professional developer and investor, attracting foreign partners and long-term financing from international institutions. These projects were executed using advanced technologies and structured risk-sharing frameworks in cooperation with government entities.

### Key Challenges Facing Investors

Despite improvements, Roshdy acknowledges that investors continue to face challenges related to information gaps, regulatory interpretation, licensing procedures, and the duration of litigation and dispute resolution. He views the expansion of mediation and alternative dispute resolution mechanisms as a promising step toward safeguarding investments and accelerating capital deployment.

### Advice for Emerging Investment Professionals

For young professionals aspiring to build careers in investment management, Roshdy emphasizes commitment, continuous learning, and exposure to global best practices. He encourages ongoing education, professional certifications, and an outward-looking mindset that goes beyond local market boundaries.

### Nile Capital's Outlook for 2026

Looking ahead, Nile Capital plans to execute new investments aligned with its core focus areas, targeting capital deployment of between \$80 million and \$100 million in 2026. The firm will continue to prioritize clean and renewable energy, green economy projects, advanced technologies, and export-oriented sectors that generate sustainable value.

# Foundation Ventures Targets \$6 Million in Early-Stage Investments in 2026

## Interview

Mazen Nadim  
Managing Partner at Foundation Ventures

### • \$30 Million to Be Deployed Across Complementary Strategies

By: Iman Al-qadi

Mazen Nadim, Managing Partner at Foundation Ventures, shared the firm's outlook for 2026, highlighting a strong commitment to early-stage investing anchored in a people-first philosophy. The firm expects to deploy approximately \$6 million into early-stage equity investments during the year, alongside around \$30 million through complementary investment strategies across its broader platform.

Founded in 2019, Foundation Ventures was built on the conviction that exceptional individuals—not just ideas—are the primary drivers of long-term value creation. From the outset, the firm has focused on backing founders at the earliest stages of their journey, often before companies are fully institutionalized, while maintaining a disciplined, minority-ownership approach.

#### People-First Philosophy at the Core

Nadim explained that volatile market cycles and periods of inflated valuations reinforced the firm's belief that founder quality matters most when uncertainty is highest. "In early-stage investing, the differentiator is almost always the individual," he said. "We look for founders with resilience, learning velocity, and the ability to attract and lead top talent over time."

Foundation Ventures specializes in pure early-stage investing, partnering with founders as they move from idea to execution. The firm supports entrepreneurs as they build teams,



validate business models, and establish strong operational and governance foundations. While engagement is deep and hands-on, the firm does not operate as a venture builder.

#### Backing Founders from Idea to Execution

"We invest at the very beginning, but we don't build companies for founders," Nadim noted. "Our role is to be a long-term capital partner—backing people early, helping them think institutionally from day one, and supporting them through critical inflection points."

In 2026, Foundation Ventures plans to continue deploying capital at a measured pace, investing roughly \$6 million into early-stage companies, while maintaining a concentrated portfolio that allows for close partnership with each founding team. In parallel, the firm expects to deploy approximately \$30 million through other strategies, including alternative and founder-friendly financing solutions designed to support companies that have reached scale but seek growth capital without immediate equity dilution.

## Interview

"These strategies are highly aligned with our human-capital approach," Nadim said. "They give strong operators flexibility, preserve ownership, and allow founders to keep compounding value."

#### Diverse Portfolio and Long-Term Approach

The firm's portfolio spans sectors such as commerce, logistics, education, and financial services. Many portfolio companies were backed at early stages and later attracted significant follow-on capital from regional and international investors, reflecting the firm's emphasis on founder quality and long-term execution.

Addressing the topic of startup failures, Nadim emphasized that uneven outcomes are inherent to venture investing. "This is an asset class where a small number of exceptional founders drive the majority of returns," he said. "What matters is consistently backing individuals who adapt, learn, and emerge stronger."

On exits, he noted that several portfolio companies have reached a level of maturity where strategic acquisitions and public listings are being actively evaluated, underscoring the importance of patience and long-term alignment between founders and investors.

#### Optimism for Egypt and Regional Expansion

Commenting on the broader ecosystem, Nadim pointed to improving sentiment around Egypt, driven by renewed regional interest and a more disciplined investment environment. "The market is becoming more selective," he said. "There's a stronger appreciation for governance, talent density, and long-term thinking."

Concluding, Nadim reaffirmed the firm's core philosophy:

"Our conviction is simple: people compound faster than capital. As we look to 2026, our focus remains identifying exceptional individuals early, backing them with conviction, and supporting them as long-term partners across multiple stages of growth."

Notably, Foundation Ventures recently concluded the first close of its second dedicated venture capital fund, FVFII, securing \$25 million in commitments from prominent backers such as the Egyptian American Enterprise Fund (EAEF), the Micro, Small, and Medium Enterprise Development Agency (MSMEDA), and businessman Onsi Sawiris. The Cairo-based firm said this fund is aimed at strengthening Egypt's entrepreneurial ecosystem by supporting startups from early-stage development through regional and international expansion, with a portion of the capital also earmarked for promising African ventures.



# F6 Ventures is targeting the first closing for Africa Seeds Fund at \$15-20 million

## Interview

Dina El-Shenoufy  
Co-founder and general partner of F6 Ventures



• 40% of the fund will be invested in Egyptian start-ups over the five-year investment period

F6 Ventures, a venture capital firm, plans to close its AFRICA SEEDS FUND in the coming period, Dina El-Shenoufy, co-founder and general partner of the firm, revealed, noting that the target size of this Fund at full close is approximately USD 50 million, with a first close expected to range between USD 15 and 20 million.

She pointed to the AFRICA SEEDS FUND, which targets North Africa as a whole—while Egypt represents the largest share—and also covers East and West Africa.

Egypt, she added, will represent at least 40% of this fund, while the remaining capital will be allocated primarily to North Africa—mainly Tunisia and Morocco—and then to East and West Africa. Together, these regions will account for around 33% of the fund.

She noted that the fund aims to invest in around 100 companies over five years, assuming it reaches its full target size of USD 40–50 million. Egypt alone, she said, would account for roughly 40% of the fund, translating into approximately USD 20 million invested in Egyptian start-ups over the five-year investment period.

She noted that the funds, in general, have an investment period followed by a typical five-year exit period. Over the next five years, she said the firm expects to invest—through the fund—in around 40 to 50 com-

panies in Egypt alone.

Turning to investors, she said the fund has already secured commitments from the International Finance Corporation (IFC), Visa Foundation, MSMEDA, Tamwilcom from Morocco, and Sawari Ventures, which will be investing through its second fund as a partner. She added that discussions are ongoing with one of the investors from the previous Egypt fund, and expressed optimism that it will join.

With regard to the fund's expected targeted sectors of focus, she said F6 Ventures

targets sectors with strong scale potential and broad societal impact—areas where there is a genuine market need. These include financial inclusion, healthtech, educationtech, logistics technology, technologies that connect people and businesses, SaaS solutions for SMEs, agritech, and climate-related technologies. She added that while these are the core focus areas, the firm remains open to exceptional companies outside these sectors.

She explained the structural changes that took place at Flat6Labs Group. She said

## Interview

that the group originally operated as a single company that combined both investment activities and program-based initiatives, including corporate innovation programs, accelerators, and broader ecosystem development for entrepreneurs.

She added that the decision was made to separate these two functions. The activities focused on programs, entrepreneur development, and ecosystem building remained under Flat6Labs, while a new company, F6 Ventures, was established to take full responsibility for funds management and investment activities. As a result, she noted that to complete the structure, F6 Group was created as a holding company, under which both Flat6Labs and F6 Ventures now operate.

Speaking about F6 Ventures, she said the company is currently managing five investment funds. These include the Egypt fund, whose investment period has ended and is now in the exit phase; the Tunisia fund, also in the exit phase; the Saudi Arabia fund, which has recently completed its investment period and entered the exit phase; the Jordan fund, likewise in the exit phase; and the UAE fund, which is also in the exit phase.

She said the F6 Ventures firm is now shifting away from country-specific funds toward regional funds. Instead of launching one fund per country, the focus is now on regional funds that enable entrepreneurs across multiple markets to connect simultaneously, so it moved to establish the aforementioned AFRICA SEEDS FUND.

Discussing artificial intelligence and the possibility of supporting companies

in this sector through the coming period, she said AI is a broad concept and distinguished between AI infrastructure companies, which build new models and algorithms, and AI-enabled companies, which use existing AI technologies to improve efficiency and operations. She forecasted that the firm's primary focus will be on AI-enabled companies that leverage AI to create differentiated products across various sectors. At this stage, she added, AI is no longer optional, and companies that fail to integrate it risk falling behind their competitors.

On startup valuation to be supported, she said there is no straightforward formula. Unlike private equity or public markets, where valuation is based on years of financial performance, start-ups often have only a few months of cash-flow history. As a result, she explained, valuation is largely qualitative, taking into account the founders' experience, the level of innovation, intellectual property, and market opportunity. Some start-ups, she added, may have little or no revenue but possess valuable IP that justifies their valuation.

This judgment, she said, is built through experience, which her firm has accumulated over the past 15 years.

She emphasized that the possibility of start-up failure is part of the venture capital model and that investors are partners in that risk. At F6 Ventures, she said, the firm acts almost like a third or fourth co-founder in the companies it backs. Unlike debt financing, which forces companies to be conservative, equity financing allows founders to take calculated risks. Typically, she explained, six out of ten investments may fail, but the

remaining successful ones can generate returns that compensate for the entire portfolio.

She added that no single sector guarantees success, noting that companies can succeed or fail across fintech, agritech, and other sectors alike. The key, she said, lies in diversification and avoiding overexposure to any one sector.

Offering advice to entrepreneurs, she said founders should not chase trends but instead focus on identifying real market gaps that have not been adequately addressed. Sometimes, she added, slow-growing sectors can hide overlooked opportunities that allow companies to scale significantly.

She warned entrepreneurs against copying others, saying that success in one case often comes from being a first mover. She described the Egyptian market as large, diverse, and driven by strong demographics, particularly a young, tech-savvy population between the ages of 25 and 45 with growing purchasing power. At the same time, she noted, the diversity of income segments makes the market both rich in opportunity and challenging.

"I always say the Egyptian market is rewarding but not easy," she said, adding that it differs significantly from markets like Saudi Arabia. Entrepreneurs, she stressed, should not assume that failure in Egypt guarantees success elsewhere. Instead, she advised founders to focus on the market they understand best, even if it is difficult, and to choose the right partner—one who offers not only capital, but also experience and access to a strong network.

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### Our Latest Transactions

**ADSERO Acted as Local Counsel to Egypt's Ministry of Finance on Sovereign Eurobonds of USD 1 Billion in Aggregate.**

The successful issuance of USD 1 billion in sovereign Eurobonds in the international debt markets: a USD 500 million x managed by Goldman Sachs as lead manager and principal coordinator, and two USD 250 million x managed by HSBC.

Led by **Hossam Gramon**, Partner – Head of Banking & Project Finance.

### CSR Initiatives

Our dedication to excellence extends naturally into the communities we serve. We are incredibly proud of our team's active participation in community events from championing autism awareness through 'A Night with the Stars' and national runs, to supporting children in need via the FACE organisation. These efforts run parallel to the firm's charitable support for The Distinguished Gentleman's Ride, raising vital awareness for men's health and prostate cancer.



### Leadership Milestone

**Rehan El-Bashary** joins as Partner and Head of Venture Capital & Startups.

With 16+ years of expertise in advising founders and tech giants, her arrival strengthens ADSERO's position at the heart of the regional innovation economy.

### Rankings and Awards

For the fifth consecutive year, ADSERO has been recognised as a top-tier firm by world-renowned ranking institutions, reflecting our sustained excellence across M&A and Capital Markets; General Corporate, Corporate Commercial and Regulatory; Banking & Finance; Dispute Resolution; Energy, Environment and Natural Resources; Employment; Real Estate and Tourism; and Venture Capital.

**ADSERO Awarded "IFN Sovereign & Multilateral Deal of the Year" for Egypt's First Domestic Sovereign Sukuk.**

The award recognises our work as Egyptian counsel to the Ministry of Finance - Egypt (MOF) in advising on Egypt's first-ever sovereign domestic sukuk program valued at EGP 3 billion.

### Accreditation

For six consecutive years (2021-2026), ADSERO has been accredited with the Lexcel quality mark and managed to be the only Egyptian firm in the MENA region to be certified with the Lexcel mark by the Law Society of England and Wales.

### BDO International

BDO in Egypt is a member of the BDO global network of public accounting, audit, tax and advisory firms which provides a broad spectrum of services across:

**166 countries**, with almost **120,000 people** working out of **1,800** offices worldwide.

The BDO network's combined global revenues amounted to just over **US\$15 billion (€13.9 billion)** for the financial year ending 30 September 2025, representing an **increase of +7%** over the previous year.

Being a member of the BDO global network means that BDO in Egypt is fully conversant with the global challenges that today's businesses face and enables us to advise businesses which are trading and expanding internationally. Through BDO's international network of firms we can call on trusted professional colleagues and experts across 166 countries, enabling us to access financial accounting, technology and regulatory expertise, as and when we need it.

### BDO Egypt at a glance

BDO in Egypt has **4 offices** and is present in **4 locations** in Egypt: 3 in Cairo and 1 in Alexandria. The firm has **9 partners** and **1,300+** professional and administrative staff.

Founded in 1985, the BDO Egypt group is made up of 4 entities:

**BDO Khaled & Co.** is one of the largest professional firms of auditors, accountants and consultants in Egypt. Practicing since 1985 and with offices in Cairo and Alexandria, employing some 1,300 employees (including its sister entities), our firm is considered one of the leading public accountancy firms in Egypt.

**BDO Egypt Consulting Ltd.** is the advisory arm of BDO Khaled & Co.

In line with the global trend to develop professional standards to govern and regulate the accounting and auditing profession, this division of the firm was established in 2007 in order to ensure the independence and impartiality of auditors, in light of the growing global interest in the role of the profession in achieving a better level of corporate governance.

Our consulting offering ranges from management consultancy to financial advisory (M&A and transaction services to forensic and arbitration).

Our tax services offering includes tax consulting - such as tax return preparation and advice - and tax compliance, for example representation before the Egyptian Tax Authorities, as well as a range of additional services including tax due diligence and payroll processing.

**BDO Keys Financial Consulting S.A.E** is licenced as an Independent Financial Adviser (IFA) with the Financial Regulatory Authority (FRA).

In line with the regulators' requirements at the time, the firm was established in 2008 and offers primarily valuation services for regulated and listed companies.

Together with BDO Egypt Consulting Ltd, the firm offers a full range of management consultancy, corporate finance, financial structuring and risk advisory services, including mergers and acquisitions.

The firm is now ranked as one of the top IFA firms in Egypt, having worked on the most popular transactions in the Egyptian market.

**BDO Esnad** was established in 2008 and is a leading Business Process Outsourcing (BPO) service provider, delivering BPO services that aim to drive long-term cost reductions while keeping a focus on continuous performance improvement. The firm's core objective is to deliver superior quality and value to its clients through the delivery of Outsourcing services.

# بدواسة.. تسهل حياتك

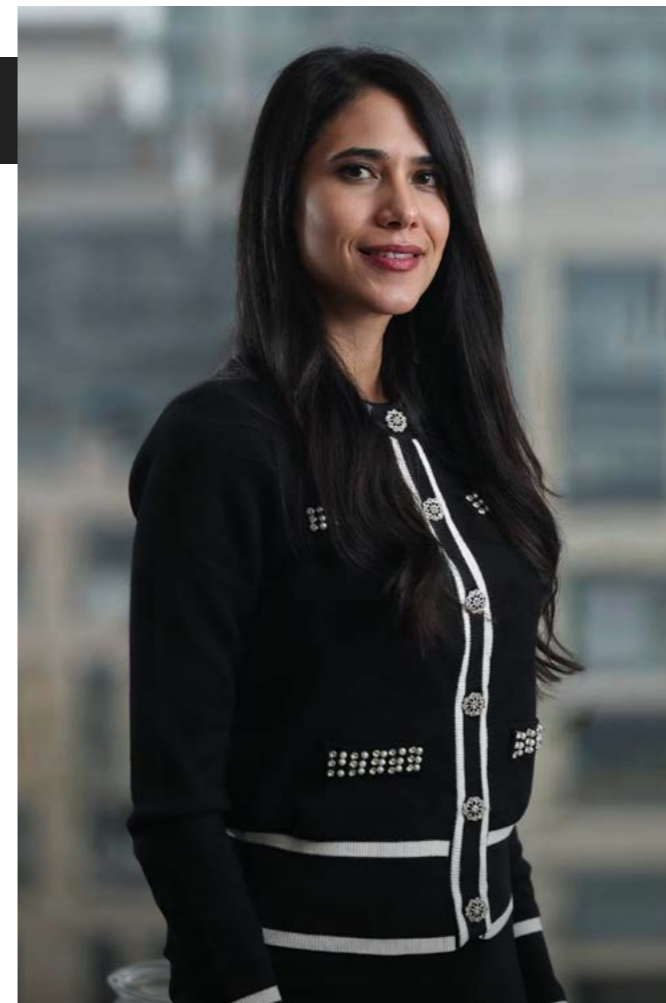
تدفع ضرائبك ، جمارك  
تحجز قطر  
تزر اي مكان سياحي في مصر  
تصرف سمادك و مستلزماتك الزراعية  
تصرف معاشك ، مرتباتك



## \$450 million the investment portfolio of Euromena Funds across 20 investments

### Interview

Hend Zayed  
Director of EuroMena Funds



#### Hend Zayed: The Egyptian Market Between Opportunity and Challenge

Hend Zayed, Director of EuroMena Funds, believes the Egyptian market presents both meaningful opportunities and structural challenges, emphasizing that the real differentiator lies in the ability to distinguish between the two and act selectively. In her view to "Capital talks" Magazine, Egypt's large population provides a resilient base of domestic demand, particularly in consumer-driven sectors, creating a sustained underlying market dynamic that long-term investors cannot ignore.

She explains that although structural reforms have progressed gradually, there is a growing recognition of the importance of private-sector participation and the need for improved regulatory frameworks. This evolution, even if incremental, signals a maturing investment landscape. At the same time, currency devaluation has created compelling entry valuations for investors with a long-term horizon and strong risk management capabilities. Export-oriented industries, she notes, stand out in particular, as they combine tangible growth prospects with real, external demand.

However, Zayed stresses that the short-term outlook remains complex. FX volatility, inflationary pressures, and periodic policy shifts make planning and capital allocation more difficult. High interest rates further constrain expansion and place pressure on corporate cash flows. She also underscores the importance of execution and governance, noting that not every apparent opportunity is truly investable. Management quality, institutional discipline, and governance standards are decisive factors in navigating such an environment. In addition, continued state involvement in certain sectors can create uneven competitive dynamics, adding another layer of complexity for private investors.

#### Fund Size and Portfolio Allocation

Across EuroMena I, II, and III, Zayed said that the total capital raised reached approximately USD 450 million, deployed across more than 20 investments in mid-sized companies spanning Egypt, the Levant, and North Africa. The funds later expanded selectively into Sub-Saharan Africa, leveraging networks within the Lebanese diaspora.

## Interview

Zayed explains that the Levant and Egypt formed the core geographic focus in the first two funds, while North Africa became increasingly prominent starting with EuroMena II and further consolidated in EuroMena III. Sub-Saharan Africa represented a more selective and platform-driven expansion during the third fund.

Although the funds followed a sector-agnostic strategy, investments naturally concentrated in sectors characterized by structural demand and sustainable growth. These included financial services, healthcare and pharmaceuticals, consumer goods, retail, industrials and building materials, and IT.

She notes that investments ranged between majority and minority stakes, always accompanied by strong governance rights. In EuroMena III in particular, there was a growing use of flexible and structured investment instruments alongside straight equity. The core philosophy, she emphasizes, has consistently focused on value creation through governance enhancement, institutionalization, and operational performance improvements, rather than relying on financial leverage.

According to Zayed, the portfolio across the three funds reflects a disciplined and diversified approach, both geographically and sectorally, with a strong bias toward defensive and consumer-driven sectors in emerging markets. The emphasis has always been on active governance and hands-on operational involvement to

manage risk and unlock value.

### Healthcare Investments: Lessons from Experience

The fund maintains direct exposure to the healthcare sector, including an investment in a specialized hospital in Egypt. While Zayed considers healthcare structurally attractive over the long term, she acknowledges that the practical investment experience in Egypt proved challenging.

She explains that the difficulty stemmed from a structural mismatch between revenues and costs. A substantial portion of hospital revenues is generated through contracted and institutional clients, particularly insurance providers, limiting the ability to pass through price increases. Meanwhile, a significant share of operating costs—especially medical consumables and pharmaceuticals—is linked to the U.S. dollar.

Following the severe currency devaluation, margins came under considerable pressure. Revenues remained largely denominated in Egyptian pounds, while costs increased sharply in dollar terms, leading to material margin compression despite stable demand and patient volumes. This dynamic made the operating environment significantly more complex.

In her view, although healthcare in Egypt remains fundamentally compelling, it is highly sensitive to FX movements. Successful investment in the sector requires strong pricing power or effective renegotiation mecha-

nisms with payers, high operational efficiency, and a business model capable of absorbing macroeconomic and currency shocks.

She adds that certain healthcare sub-sectors appear more attractive, particularly those with better alignment between revenues and costs. Cosmeceuticals manufacturing with local production and pricing flexibility, diagnostics and laboratory services with more dynamic pricing structures, and outpatient clinics or day-care centers with lower capital intensity and greater pricing agility all offer comparatively stronger positioning under current macro conditions.

### The Most Attractive Sectors at This Stage

Zayed believes that export-oriented businesses represent the most compelling investment opportunity at the current stage of the cycle. Whether in goods or services, these businesses generate revenues in foreign currency while a significant portion of their cost base—particularly labor—remains denominated in Egyptian pounds.

She highlights technology and digital services, including software development, IT services, outsourcing, and shared service centers, as prime examples of this dynamic. Export-driven manufacturing and industrial businesses also benefit from Egypt's competitive production costs and access to international markets. Similarly, value-added export sectors with high local content and pricing flexibility in global markets offer strong potential.

## Interview

# THE EUROMENA FUNDS

According to Zayed, these sectors benefit from a natural hedge against FX volatility, improved margin dynamics under the current currency environment, and strong competitiveness and scalability. For investors with disciplined execution capabilities, they offer particularly compelling opportunities at this stage.

### 2026 Strategy and the Three-Year Outlook

Zayed describes EuroMena as a mature fund management company that has reached a stage where, in order to raise new funds, it must fully exit the companies held across its three existing funds. After more than 20 years of operations, what remains in the portfolio are the most complex invest-

ments—either located in difficult regions or operating in distressed sectors. These are, by nature, the most challenging companies to exit.

To prepare for the next phase, the general partner has decided to focus in the first half of 2026 on bringing full liquidity to the limited partners of the three funds and properly liquidating them. This process may include the possibility of the general partner acquiring these remaining investments at their net asset value, given that no external party understands the companies and their challenges as deeply.

Over two decades, Zayed notes, the general partner and management team have developed deep expertise in managing investments under the

most difficult circumstances—wars, devaluations, revolutions, and other systemic disruptions—while still creating value.

During the second half of 2026, following the full liquidation of the existing funds, the general partner intends to explore the launch of new funds or projects across what she describes as a complex and interconnected geography spanning Lebanon, Jordan, Palestine, Egypt, and potentially Syria and Iraq. These future vehicles may take the form of generalized funds, mono-sector funds, or country-specific funds, depending on where opportunities arise.

# Nexus Capital Targets Expansion in Egypt's M&A Advisory Market in 2026

## Interview

Mirette Ramez  
Founder and Managing Director of Nexus Capital

By: Iman Al-qadi

Founded in 2023, Nexus Capital is a boutique financial advisory firm providing mergers and acquisitions advisory, capital raising, and broader strategic and shareholder advisory services. According to Mirette Ramez, Founder and Managing Director of Nexus Capital, the firm's strategy centres on identifying high-quality, founder- and family-led small and mid-sized enterprises capable of institutional transformation. Nexus Capital positions itself as a bridge between these businesses and institutional capital by guiding them through governance enhancement, financial structuring, and strategic positioning.

The firm operates across Saudi Arabia, Egypt, and the UAE, with approximately 70% of its active mandates currently concentrated in Saudi Arabia. Ramez notes that this reflects the firm's earlier emphasis on GCC markets, where transaction activity and capital deployment have historically been more consistent. Egypt is now re-emerging as a strategic priority as macroeconomic stabilization translates into stronger market signals. Through active dialogue with its regional and global investor network, Ramez says the firm is seeing a clear resurgence of investor appetite for the Egyptian market, prompting Nexus Capital to expand its advisory presence and reallocate resources toward opportunities in the Egyptian private market.

She adds that the firm's regional footprint enables it to channel cross-border investment and strategic partnerships into local companies, supporting expansion beyond domestic markets and positioning them as regional platforms.



Looking ahead, Ramez says Nexus Capital plans to broaden its platform in 2026 by introducing complementary legal advisory capabilities alongside its financial consulting services, with the objective of providing more integrated transaction support.

### Targeting SMEs as Growth Drivers

Nexus Capital's strategy is anchored in the view that small and mid-sized enterprises represent the backbone of economic growth yet remain structurally underserved by institutional advisory. According to Ramez, the firm focuses on established founder-led businesses that have reached meaningful scale but often face gaps in accessing institutional capital and lack the structured advisory support needed to translate operational growth into investment value. Traditional investment banks tend to concentrate on larger assets, leaving a significant portion of the SME market without specialized coverage. Ramez also points out that the introduction of institutional partners into ownership structures remains a relatively unfamiliar concept for many founders.

## Interview

Nexus Capital concentrates on companies that have progressed beyond early stage development and are entering a phase where institutionalization becomes essential to sustaining growth. Ramez explains that the firm works closely with management teams to strengthen governance, enhance financial transparency, and refine long term strategic planning, while leveraging its regional network of institutional investors and strategic partners to facilitate access to growth capital. Its selection criteria emphasize scalable operating models, defensible competitive positioning, consistent historical performance, and the readiness of founders and management teams to adopt institutional frameworks.

Institutionalization, Ramez emphasizes, has a direct impact on valuation outcomes. Greater transparency, structured management frameworks, and higher quality financial reporting materially reduce perceived risk for both local and international investors. As a result, valuation improvements are driven not only by growth metrics, but also by increased clarity, scalability, and operational discipline, all of which are central considerations in institutional investment decisions.

Nexus Capital treats transactions as the outcome of a structured value creation process rather than standalone events. Ramez says that before executing an M&A transaction or capital raise, the firm works intensively with companies to sharpen investment strategy, optimize financial structures, and address operational factors that

may influence valuation. This disciplined preparation positions businesses as scalable, investor-ready platforms capable of sustaining long term expansion alongside institutional partners.



The preparation process typically spans six months to one year, according to Ramez, depending on a company's readiness, sector dynamics, and transaction requirements, including regulatory approvals.

Egypt represents a growing share of Nexus Capital's regional focus as macroeconomic conditions stabilize and investor confidence improves. Ramez notes that the recovery is increasingly reflected in capital market

performance, with the EGX gaining roughly 50% in 2025 alongside a more stable foreign exchange environment. These developments signal a more constructive investment backdrop and renewed institutional appetite for scalable private businesses, positioning Egypt as an increasingly attractive market for advisory and transaction activity.

The company's expanding presence in Egypt is reflected in its recent role as exclusive financial advisor on the sale of a majority stake in Egyptian based Nature's Rule, the largest regional sports nutrition manufacturer, to Alta Semper Capital, a London based private equity firm focused on growth investments in emerging markets. According to Ramez, the transaction reflects a broader conviction that Egypt is re-emerging as a key destination for regional and international investors seeking differentiated growth platforms.

### Active Deal Pipeline in Egypt

Nexus Capital is managing a diversified pipeline of mandates in Egypt across consumer, food and beverage, industrial, and technology enabled sectors, including sell side advisory for ownership transitions, capital raising processes to support expansion, and structured exit strategies. Ramez notes that a common characteristic across many of the firm's mandates is a meaningful export component, with companies generating cross border revenues or serving regional and international markets.

## Interview

Companies with export exposure benefit from Egypt's competitive cost base and skilled talent pool while generating foreign currency revenues, an attribute that Ramez says enhances investor confidence through natural currency diversification. Their ability to scale beyond the domestic market and support platform driven growth strategies makes them particularly attractive to institutional investors seeking regionally scalable assets.

### Sector Opportunities and Regional Scalability

Nexus Capital maintains a sector agnostic approach, focusing primarily

on businesses with strong fundamentals, scalable operating models, and clear institutional potential. Within this framework, Ramez highlights particularly attractive opportunities in sectors supported by structural growth drivers, including branded FMCG businesses, healthcare and wellness platforms, and technology enabled services with an export angle.

These areas benefit from favorable demographic trends and expanding regional demand, especially among companies with export capabilities or clear pathways for cross border expansion. Ramez says such business-

es are well positioned to support consolidation and platform driven growth strategies, making them attractive to both strategic and financial investors seeking sustainable long term value creation.

### Investor Appetite and Market Outlook

Investor appetite for Egyptian SMEs is gradually strengthening following a period of macroeconomic adjustment. According to Ramez, improving currency stability and clearer economic direction are contributing to renewed confidence among regional and international investors.

## Interview



While capital deployment remains selective, she notes increasing interest in companies with resilient fundamentals, scalable operating models, and credible governance frameworks. Over the medium term, transaction activity is expected to accelerate as market stability improves and institutional investors expand their exposure to high quality private assets. Ramez also expects a strong year for IPO activity, a trend that has already begun to emerge with recent listings such as the Gourmet IPO, signalling renewed momentum in Egypt's public markets.

### Growth Expectations in Consumer Sectors

Consumer-facing sectors are expected to account for a significant share of near term transaction activity, particularly businesses with strong brands and established market presence. Ramez notes that companies capable of evolving into regional consum-

er platforms are attracting increasing investor attention, a trend reflected in recent market milestones such as the Gourmet IPO.

The market is also expected to see greater consolidation activity, with SMEs serving as foundations for broader platform strategies rather than standalone exits. As Ramez explains, as these platforms achieve scale and institutional maturity, they may increasingly progress toward public market listings, reinforcing the pipeline of future IPO candidates.

### Current Sell-Side and Buy-Side Advisory

Nexus Capital is actively managing a broad range of sell-side mandates across the region. Current engagements include advisory for a Saudi confectionery manufacturer pursuing an ownership transition and a Saudi logistics platform seeking capital to

support expansion. In Egypt, the firm is advising a well-established beverages company and a state-of-the-art industrial player in a key food production segment. Ramez says these mandates represent a selection of ongoing engagements within a wider and diversified advisory pipeline.

On the buy side, Nexus Capital advises investors across Saudi Arabia, Egypt, and the UAE who are targeting both majority and minority investments across a range of sectors, primarily consumer, healthcare, logistics, and technology enabled services. According to Ramez, these investors are seeking exposure to scalable companies with strong operating fundamentals and regional growth potential, reflecting continued demand for platform assets capable of delivering sustained growth and strategic expansion.



# Anwar Zidan: 2026 to Mark the Return of Momentum for IPOs and M&A as Industrial and Consumer Sectors Lead Investment Inflows

## Interview



**Anwar Zidan**  
Co-Founding Partner and Head of Capital Markets at Zulfikar & Partners Law Firm

- Geopolitical stability is the key driver of investment flows
- The legislative framework is flexible and does not require new laws
- Interest rate cuts bring equities back into focus, while improved disclosure supports IPO and exit decisions

Anwar Zidan, Co-Founding Partner and Head of Capital Markets at Zulfikar & Partners Law Firm, believes that Egypt's capital market is undergoing a genuine phase of restructuring, driven by the intersection of economic reforms, evolving regulatory frameworks, and the return of investor appetite for IPOs and mergers and acquisitions, both locally and internationally.

Zidan noted that 2025 represented a pivotal turning point for the market—not only in terms of the number of transactions completed, but also in the quality of those deals and their direct impact on liquidity, market depth, and the restoration of confidence in IPO and exit mechanisms.

### Landmark IPOs Revive Market Confidence

Zidan highlighted the central role played by Zulfikar & Partners during

2025 through the execution of several high-impact transactions, including the IPOs of Wataniya Printing and Valu, both of which had a clear positive effect on the Egyptian Exchange. These offerings helped boost liquidity, revive market activity, and encourage both investors and corporates to reconsider IPO plans after a prolonged period of caution.

He added that these transactions sent a strong confidence signal, confirming the Egyptian market's ability to absorb large, high-quality offerings.

### Robust M&A Activity Across Key Sectors

On the M&A front, Zidan revealed that the firm successfully closed approximately five transactions in 2025, primarily concentrated in the retail and industrial sectors, which continue to benefit from sustained demand and solid growth prospects.

The firm also advised on two industrial restructuring transactions, reflecting growing investor interest not only in acquisitions, but also in operational and financial restructuring to enhance sustainability and long-term growth.

### Record-Breaking Capital Increase

Among the most notable transactions of 2025, Zidan cited the firm's advisory role in the capital increase of Citadel, which he described—within the firm's knowledge—as the largest capital increase in the history of Egypt's capital market.

He stressed that the transaction serves as a clear example of the market's capacity to absorb complex, large-scale operations when transparency and strategic clarity are present, while also underscoring the evolution of financing tools available in the market.

## Interview

### Robust M&A Activity Across Key Sectors

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### Diverse M&A and Merger Transactions

In addition, the firm advised on two merger transactions in the real estate and food industries, underscoring the breadth of Zulfikar & Partners' sector coverage and its ability to respond to diverse market opportunities rather than focusing on a single industry.

### Ambitious IPO Pipeline for 2026

Looking ahead, Zidan disclosed that the firm is currently working on four IPOs scheduled for execution in 2026, including two companies in the retail sector, one in transportation, and one in healthcare.

Two of these offerings are targeted for completion during the first half of 2026, with the remaining transactions expected in the second half of the year, subject to market conditions and optimal timing.

### Continued M&A and Capital Market Transactions

Zidan also noted that the firm is advising on four to six M&A transactions across the non-banking financial services and industrial sectors, involving both foreign and local investors, reflecting diversified funding sources and growing international interest in the Egyptian market.



# GRANITE Advances Its 2026 Expansion into Real Estate and Pension Funds

## Interview

Hisham Akram  
Founder and CEO of GRANITE Financial Holding



### Real Estate Investment Fund

The second is establishing a real estate investment fund targeting EGP 10 billion in capital, focused on generating regular cash distributions from a diversified portfolio of income-generating assets.

The fund offers exposure to Egypt's real estate market without the illiquidity of direct ownership, allowing investors to participate without purchasing property directly.

To ensure effective liquidity, the fund must operate at scale, typically in the range of EGP 10–15 billion, supported by market-making mechanisms to facilitate investor liquidity access when needed.

Hisham Akram, Founder and CEO of GRANITE Financial Holding, outlined the company's 2026 expansion strategy, focused on scaling its asset management platform into new sectors while continuing to strengthen its core Money Market Accounts offering, alongside extending its USD-denominated account for Egyptians in the Gulf and international markets.

Hisham Akram, founder and CEO of GRANITE Financial Holding, highlighted that the company's 2026 expansion strategy is focused on two main initiatives.

### Expansion into Private Pension Funds

The first expansion is a private retirement savings product designed to give Egyptian employees a real safety net beyond the state pension, which on its own is insufficient for most households. The strategic significance reaches well beyond individual users: Egypt's gross savings rate sits at around 11% of GDP, roughly half the global average, and the absence of a meaningful private pension layer is a core reason. Building this category channels household savings into formal financial assets, deepens the capital market by introducing a new class of institutional investor, and gives Egypt's bond and equity markets the kind of patient, long-horizon

capital base that mature economies rely on. In that sense, this is less a product launch than a contribution to the architecture of the financial ecosystem itself.

## Interview



### Fintech Licensing and New Fund Launches

GRANITE Financial Holding has obtained a fintech license to utilize technology in providing innovative products and solutions for the funds it establishes. It has also received approval from the Financial Regulatory Authority (FRA) to launch a second USD-denominated fund with a daily yield and a multi-tranche structure, thereby expanding its investor base.

Previously, the company received FRA approval for its first specialized investment fund, the GRANITE Money Market Fund in Egyptian Pounds, a digital fixed-income instrument

launched in partnership with Naeem Holding for Investments.

Akram explained that GRANITE was established to address a clear structural gap in Egypt's financial system: the absence of modern, regulated tools for managing everyday liquidity. With digital Money Market Accounts as the first product, it is introducing a modern CashTech solution that outperforms traditional financial products, safely and simply.

GRANITE seeks to leverage fintech solutions across all its products, offering innovative financial services for both individual and corporate clients, while transforming cash from some-

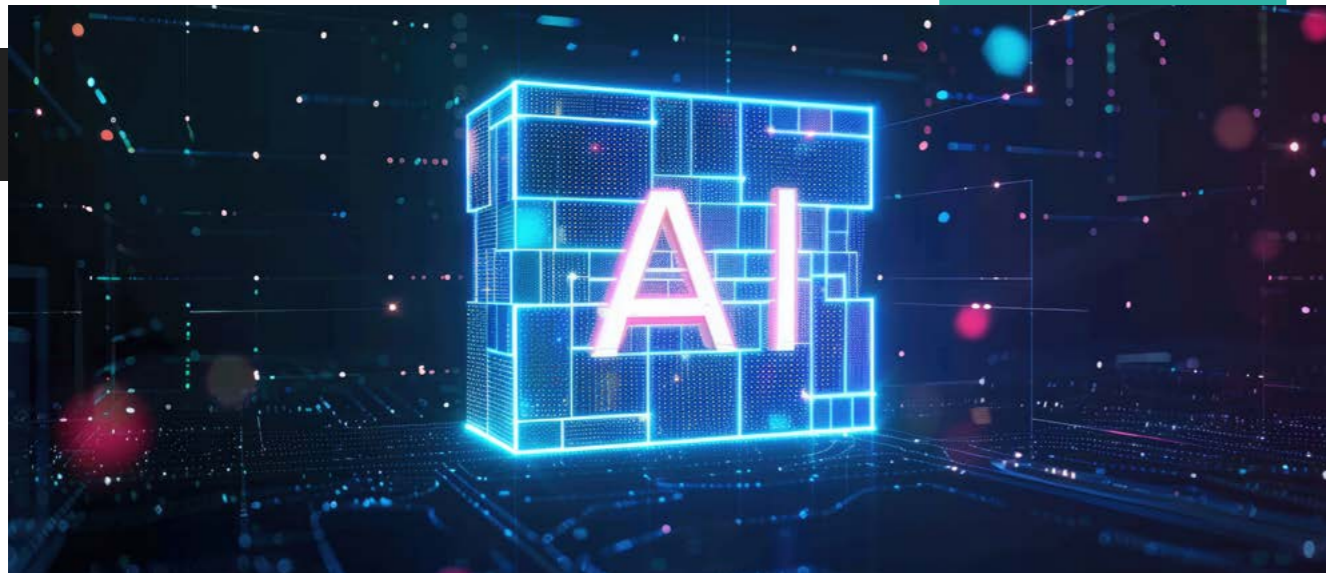
thing idle or locked into something that remains liquid, transparent, and consistently earning.

### About GRANITE Financial Holding

Granite Financial Holding was established in 2023 in Egypt by a team of professionals with decades of deep expertise in asset management, banking, and large-scale digital systems, under the leadership of Hisham Akram, Hussein El Sheikh, Mahmoud Morsy, and Yahya Ahmed. The company delivers innovative financial solutions fully supervised by the Financial Regulatory Authority (FRA), aiming to pioneer the CashTech sector.

# Artificial Intelligence and Business Investment in Egypt: Opportunities and the Road Ahead

## Opinions



Artificial intelligence is no longer a passing technology trend or a marketing buzzword. It has become a key driver reshaping how companies operate, scale, and grow revenues worldwide. However, as markets differ between emerging and mature economies, the impact of AI on businesses and employment varies significantly, raising critical questions about how the technology should be adopted in a practical and sustainable manner.

In this context, Egypt has set ambitious targets for artificial intelligence. Minister of Communications and Information Technology Amr Talaat announced last September that Egypt aims to increase AI's contribution to GDP to 7.7% by 2030. According to Egypt's National Artificial Intelligence Strategy, issued by the National

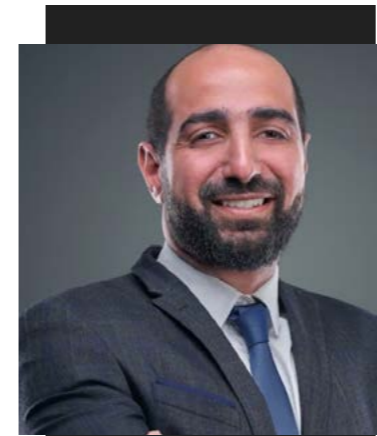
Council for Artificial Intelligence last year, many startups have already grown into successful companies at both regional and international levels. Most of these companies view AI either as a tool to optimize and scale existing operations or as the foundation for entirely new business models, particularly within the services sector, which remains a strong value driver for Egyptian startups.

The strategy also notes that several major international ICT companies operating in Egypt have begun establishing AI and data science teams locally. These teams employ Egyptian scientists and engineers to develop advanced products, reinforcing Egypt's growing role as a regional technology hub.

Ayman Abu Hind, CEO of Significant Ventures, believes that investment in AI applications has become highly saturated, making it increasingly difficult for new entrants to compete in this space locally.

Instead, he sees a golden opportunity in the AI supply chain—particularly in the development of large-scale data centers serving global technology companies. Firms such as Open AI, Google, and Perplexity are facing mounting challenges related to server capacity, as existing infrastructure struggles to meet surging global demand for AI services. As a result, these companies are expanding their data center footprint worldwide, targeting strategic locations such as Egypt, Europe, and Saudi Arabia.

## Opinions



Ayman Abu Hind  
CEO of Significant Ventures

Egypt, Abu Hind argued, is well positioned to benefit from this trend due to its vast geographical space, strategic location, and potential to become a regional hub for digital infrastructure supporting artificial intelligence and global supply chains

Ali Mohamed, a technology expert, explained that artificial intelligence is not a new concept for technology or industrial companies. Rather, it represents a natural extension of decades of experience in software development, data analysis, and enterprise management systems. He noted that companies have long relied on data analytics tools to forecast profits and losses, improve products, understand consumer behavior, and optimize marketing strategies—well before the recent global hype surrounding AI.

According to Mohamed, the real shift today lies not in the existence of the technology itself, but in the speed and scale of its adoption, particularly in industrial sectors. In global markets—especially in automotive and electron-

ics manufacturing—automation plays a crucial role in increasing production efficiency, reducing manufacturing time, and achieving higher quality at lower costs.

In the Egyptian market, however, technology adoption remains more concentrated in large factories that rely on automated production lines. Mohamed emphasized that AI enables companies to operate in less time and with lower energy consumption, positively affecting both efficiency and product quality. At the same time, he warned that while AI delivers economic benefits, it may indirectly reduce reliance on certain traditional roles, highlighting the urgent need for reskilling and upskilling the workforce to meet future market demands.

He concluded by noting that many successful companies do not promote artificial intelligence as a marketing slogan. Instead, AI is often used as an internal operational tool and treated as part of a company's competitive advantage—sometimes even as a business secret rather than a publicly advertised capability.

From a macroeconomic perspective, global leaders have also weighed in on the AI debate. Kristalina Georgieva, Managing Director of the International Monetary Fund, wrote in a blog published on the IMF's website that the world is on the brink of a technological revolution that could boost productivity, accelerate global growth, and raise incomes worldwide. However, she cautioned that AI could also

replace jobs and deepen inequality. While the net economic effect remains difficult to predict, Georgieva stressed the importance of developing policies that safely harness AI's vast potential for the benefit of humanity.

AI—and data-driven techniques such as machine learning—are expected to fundamentally transform global economic and social systems. By 2030, AI is forecast to add up to \$15 trillion to the global economy, with countries that successfully integrate AI into their economies potentially seeing as much as 25% of their GDP growth driven by AI-related activities.

In Egypt, Ahmed Fakhry, Co-founder of Scale by AI company, believes the impact of artificial intelligence differs significantly between emerging and mature economies. He pointed out that Egypt's market remains largely unsaturated, allowing companies to use AI to expand production and sales rather than focusing solely on cost reduction.

By contrast, Fakhry explained that many European markets are highly saturated and dominated by a number of players. In such environments, AI adoption often centers on cutting costs and downsizing workforces, with limited opportunities for revenue growth. As a result, using AI in Europe may have negative repercussions.

In Egypt, however, using AI can translate directly into higher output and increased sales without necessarily leading to job losses.

## Opinions



Fakhry identified customer service-intensive businesses as among the most promising sectors for AI adoption in Egypt, given the high costs associated with staffing, training, and operational infrastructure. Sales and marketing were also highlighted as key areas for AI use, due to their reliance on repetitive processes. Meanwhile, creative, design-driven, and advisory sectors are expected to remain more dependent on human expertise, with AI playing a supportive rather than dominant role.

On the investment front, Fakhry stressed that Egypt's AI ecosystem requires significantly greater investments from both local and foreign investors. He emphasized that AI is built on multiple technological layers, including energy infrastructure, telecommunications networks, cloud computing, data centers, and foundational models—not merely end-user applications—so investment needs to cover all these areas, not only applications. Estimates suggest that effective AI adoption can increase net profits by up to 30%, either through cost reductions or revenue growth, depending on a company's business model and stage of implementation.

According to Egypt's National Artificial Intelligence Strategy issued last year, the ICT sector remains a key driver of innovation, with the number of companies operating in communications and information technology growing at an annual rate of 13.5%. The strategy estimates that around 60 companies are currently working on AI applications in Egypt.

The document also emphasizes the importance of prioritizing AI use in sustainable development sectors such as healthcare, agriculture and food supply, environmental protection, water management, education, infrastructure, and economic planning. These priorities align with Egypt's Sustainable Development Strategy and the United Nations' Sustainable Development Goals, aiming not only to solve societal challenges but also to build human capital and future-ready skills.

While the economic impact of AI may be more severe for developing countries, the strategy stresses the need for selective and responsible adoption—focusing on technologies that drive growth while empowering the workforce. Multinational companies operating in Egypt are

encouraged to collaborate with governments, NGOs, and local communities to design safety nets and transition mechanisms when deploying AI systems.

On the positive side, government-led projects could play a vital role in boosting Egypt's AI sector. The strategy notes that more than 30 medium-sized companies specializing in AI and its applications could thrive if included in national projects. Allocating such projects to Egyptian firms—or international companies with a local presence—could significantly enhance local capabilities, provided quality and cost competitiveness are maintained.

Ultimately, the surge in IT investment reflects growing optimism among businesses and markets about the transformative power of automation and artificial intelligence. Since late 2022, following the introduction of widely adopted generative AI tools, global stock markets have risen sharply—underscoring investor confidence in AI's potential to deliver substantial productivity gains and long-term profit growth.

# Bank

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# Strong Outlook for FDI Inflows in FY 2025/2026

Economic experts and analysts predict a notable increase in foreign direct investment (FDI) inflows in Egypt during the fiscal year 2025/2026. This surge is supported by government-led structural reforms, exchange rate stability, favorable monetary policies, and upcoming government offerings. However, experts stress that achieving targeted investment figures depends heavily on regional and global stability, which directly affects supply chains and global capital flows.

The Egyptian government targets a 32% rise in FDI, aiming to reach \$16.1 billion by the end of the current fiscal year (July 2025–June 2026), compared to \$12.2 billion in 2024/2025. According to the National Narrative for Comprehensive Development, issued by the Ministry of Planning, Economic Development, and International Cooperation, this target aligns with Egypt Vision 2030, which aims to increase net FDI inflows from 2.5% of GDP in 2025 to 3% by 2030.

## Investment Trends and Sectoral Focus

Sahar El-Damaty, former Vice President of Banque Misr, highlighted that most FDI last year concentrated on real estate and industrial sectors, particularly electricity projects in the Suez Canal Economic Zone. She expects similar trends to continue, with Arab investments increasingly targeting Egypt's coastal areas, including the Red Sea, the Mediterranean, and the North Coast.

El-Damaty also pointed to investment opportunities in treasury bills, driven by expectations of continued interest rate cuts. Geopolitical tensions in the U.S., particularly disagreements between the President and the Federal Reserve, may direct funds toward emerging markets like Egypt and Turkey.



Sahar El-Damaty  
Former Vice President of Banque Misr

Macroeconomic indicators have shown remarkable improvement, with GDP growth exceeding 5% and sovereign risk declining from 900 to 340 basis points. Combined with exchange rate stability, abundant foreign currency, and declining inflation, these factors have strengthened foreign investor confidence and supported FDI inflows. El-Damaty

emphasized that government offerings in 2026 will further stimulate investment, especially in sectors like digital transformation and technology, which require significant capital.

## Government Targets and Monetary Policy Support

Ayman Abu Hind, CEO of Significa Ventures, reported that total FDI inflows in 2024/2025 ranged between \$23–\$24 billion, with net inflows around \$12.2 billion, reflecting geopolitical uncertainties. The government now targets \$15 billion in FDI for 2025/2026, aiming for a 25% increase in net inflows, contingent on private sector growth and regional stability.

Abu Hind noted that the real estate sector accounts for roughly 20% of GDP, a high share compared to the global average of 5–10%. This concentration underscores the need for economic diversification, especially given inflation and rising property prices. The government is monitoring the sector and regulating brokerage firms to ensure sustainable growth. He ruled out a real estate bubble due to the absence of a mortgage system, citing developers' financial solvency as the key factor for completing projects.

The current monetary policy has reduced currency risk and boosted investor confidence. Abu Hind stressed that despite geopolitical tensions, Egypt's economy is expected to grow 4–5% in 2025/2026, supported by structural reforms and private sector participation. Promising FDI opportunities exist in industry, renewable energy, tourism, hospitality, and financial markets, including the Egyptian Stock Exchange.

# Opinions

## Structural Shifts in Investment

Dr. Ehab El-Gamal, Senior Economic Consultant, noted that Egypt has moved from a boom phase to sustainable growth. While 2024 saw exceptional FDI inflows of \$46.1 billion, largely due to the Ras El-Hikma deal, net inflows in 2025, excluding this deal, reached \$12.2 billion, demonstrating Egypt's genuine investment capacity.



Dr. Ehab El-Gamal  
Senior Economic Consultant

For 2025/2026, the government targets \$14–\$15 billion in FDI, supported by new deals such as Alam El-Rum, which injected \$3.5 billion in immediate liquidity. El-Gamal highlighted a shift away from reliance on real estate and oil toward services and industrial sectors, with services now contributing 20% of net inflows and the industrial sector 16%, focusing on high-value-added industries integrated into global value chains.

Investor composition has also changed, with private investment now representing 57% of total inflows, the highest level in five years, reflecting a transition to a private sector-led growth model.

## Prominent Sectors and Geographical Distribution

The most attractive sectors for FDI in 2026 include logistics, business management, electronics, equipment manufacturing, and financial technology. Geographically, the UAE remains the leading Arab investor, supported by deals like Ras El-Hikma, while Qatar has entered tourism development through Qatari Diar. Egypt also seeks to expand partnerships with the European Union, diversifying its investor base.

## Business Environment and Policy Reforms

Egypt's business environment is being restructured through procedural facilitation measures, including the "Golden License" and adjustments to state ownership policies, which have boosted private sector participation. Policies aimed at rationalizing public spending and improving public investment governance have contributed to macroeconomic stability.

These reforms have not only increased investment attractiveness but also shifted the economy from a government-spending-dependent model to a sustainable, private sector-led trajectory.

Increased dollar resources have reassured investors, while existing foreign companies have chosen to reinvest profits locally, reflecting strong faith in the economy and monetary policy.

Official data confirm that FDI is no longer limited to the consumer market but is also driving industrial localization. Two key mechanisms illustrate this transformation:

1. Shift to high-value industries: Investments target value-added sectors like equipment and electronics manufacturing, supporting local production and reducing imports.
2. Export-oriented industrial activity: Factories in Egypt now serve domestic demand while positioning Egypt as an export hub, narrowing the trade deficit by boosting exports.

## Sustainable Growth Outlook

Following the Ras El-Hikma boom, Egypt is expected to maintain sustainable growth, with projected FDI inflows of \$14–\$15 billion in 2025/2026, a 15–20% increase from 2024/2025. This projection reflects the government's ability to develop diverse, sustainable revenue streams across industry and services, compensating for the absence of massive single deals.

Egypt's FDI outlook for FY 2025/2026 is strong, supported by structural reforms, monetary policy stability, private sector participation, and strategic government offerings. Despite geopolitical challenges, the country demonstrates significant sectoral diversification, industrial localization, and sustainable investment growth, making it an increasingly attractive destination for global investors.

# The Egyptian Exchange Redraws Foreign Investment Exit Pathways in 2026

## Report



- Mostafa El-Shenety: The Egyptian Exchange is the most transparent channel for foreign direct investment exits

- Mostafa Fawzy: Infrastructure development, deeper liquidity, and diversified financial instruments enhance market efficiency

- Anwar Zidan: Consistent enforcement of legal rules strengthens the credibility of the Egyptian market for international institutions

As foreign investors increasingly turn their attention to markets capable of providing clear, disciplined exit mechanisms, the Egyptian Exchange (EGX) is emerging as one of the most important regulatory tools supporting foreign direct investment (FDI) exits—not merely as a trading venue, but as an integrated mechanism for capital recycling within a framework of transparency, governance, and legislative stability.

Views expressed by a number of investment and capital market leaders suggest that 2026 could represent a pivotal turning point in the role of Egypt's capital market, driven by the continued development of the regulatory framework.

Experts believe that the integration between the EGX's role as an organized exit channel and the Financial Regulatory Authority's (FRA) role as a dynamic regulator has significantly strengthened institutional investor confidence, creating a more predictable investment environment that balances investor protection with market stability.

While certain challenges remain, particularly those linked to the spillover effects of geopolitical disruptions that continue to weigh on regional markets and directly impact liquidity flows, the overall trend points to serious efforts to deepen the market through new financial instruments and legislative and tax incentives—enhancing

Egypt's appeal as a leading destination for direct investment in the region in the coming period.

### The Most Transparent Regulatory Channel

Mostafa El-Shenety, Managing Partner at Zilla Capital, affirmed that 2026 represents a defining milestone for the attractiveness of the Egyptian market, noting that the role currently played by the EGX goes beyond being a trading platform to becoming “the most transparent regulatory channel” for FDI exits and capital recycling.

El-Shenety explained that investment strategies for 2026 are heavily focused on defensive and service-oriented sectors that rely on Egypt's vast consumer base, most notably food and beverages, healthcare, and education. He noted that these sectors remain the most attractive for both foreign and local investors due to their strong growth potential and resilience in the face of economic challenges.

## Report

In this context, El-Shenety praised the regulatory framework enforced by the FRA, emphasizing its pivotal role in enhancing institutional investor confidence. He pointed out that the Authority has successfully struck a balance between protecting minority shareholder rights and ensuring market stability, creating an encouraging investment environment in which IPOs have become a preferred exit strategy compared to private transactions—particularly given the clarity and predictability of the current rules.

The Managing Partner of Zilla Capital revealed that the market is currently witnessing a state of “preparatory momentum,” with many large entities working to align themselves with listing requirements, benefiting from the disclosure and transparency mechanisms that enable fair valuations.

He added that the expected stability in monetary and fiscal policies in 2026 will be the primary driver of new foreign capital inflows seeking opportunities in promising sectors away from volatility.

El-Shenety concluded that the integration between the EGX's role as an exit platform and the FRA's role as a guardian of transparency will make 2026 a true “harvest year” for direct investment, reaffirming Egypt's position as the region's most prominent destination for investments driven by real consumer demand.

### Tax and Legislative Incentives

Sharing this view, Mostafa Fawzy, Managing Director of Aspire Capital Holding, said that the most promi-

nent efforts undertaken by the EGX to strengthen its role as a safe and organized exit route for foreign direct investment lie in the presence of a comprehensive legal and regulatory framework that ensures the highest levels of transparency, enables the free flow of information, and obliges listed companies to comply with governance standards.

Fawzy explained that this framework directly enhances the attractiveness of the Egyptian market and facilitates smooth and orderly entry and exit processes for foreign investors, particularly through equal access to information for all market participants.

He noted that the development of capital market infrastructure, alongside the simplification of transfer procedures, has played a supportive role in improving market efficiency and enhancing its ability to absorb various investment flows.

However, Fawzy pointed out that limited liquidity remains one of the key challenges constraining the EGX's ability to fully maximize its role as an effective exit platform for foreign investments, noting that average daily trading values do not exceed approximately USD 120 million, a level that does not reflect the size of the Egyptian economy.

He added that the current phase requires further development at the regulatory and administrative levels, along with strengthening incentive schemes for listed companies and expanding mechanisms that encourage new companies to join the market.

Fawzy also noted that monetary policy considerations continue to influence exit decisions, particularly with regard to the timing and ease of fund repatriation, underscoring the importance of continued efforts to provide a more flexible and attractive environment for foreign investors.

He confirmed that the FRA, in cooperation with the EGX and the Ministry of Finance, is working on a comprehensive plan to enhance the services offered to companies seeking listing, including tax and legislative incentives to support IPO activity.

He added that introducing new financial instruments, such as derivatives, would contribute to deepening the market and increasing liquidity levels, thereby enhancing the Egyptian market's appeal to foreign investors.

Fawzy concluded by emphasizing that the legal and legislative framework established by the FRA represents the cornerstone for attracting foreign investment, as it aligns with standards applied in global markets.

### An Advanced Regulatory Framework

For his part, Anwar Zidan, Co-Founding Partner and Head of Capital Markets at Zulfikar & Partners Law Firm, stressed that the EGX plays a vital and well-regulated role as a secure channel for foreign direct investment exits, noting that strict and equal enforcement of listing and delisting rules is the primary safeguard for reassuring foreign investors regarding the sustainability of their investments.

# Report

## An Advanced Regulatory Framework

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Zidan explained that the core role of the EGX lies in ensuring the consistent application of legal rules and maintaining high levels of disclosure and transparency. He noted that the current management of the Exchange follows a balanced approach that avoids excessive rigidity, instead seeking to accommodate companies and encourage compliance with regulatory standards—thereby strengthening the confidence of international

institutions in the Egyptian market.

Regarding the regulatory framework, Zidan described the FRA as a highly dynamic regulator, capable of responding flexibly to market developments, engaging constructively with feedback from legal advisors and market participants, and amending regulatory rules to preempt potential obstacles to investment flows.

He revealed that ongoing discussions are currently taking place with the FRA to introduce amendments to disclosure requirements, particularly with respect to obliging listed companies to adopt a clear dividend distribution policy. He explained that such a requirement would enable investors to base their decisions on fixed and transparent parameters, reducing uncertainty around expected returns.

On market stability mechanisms, Zidan noted that current listing rules—requiring the freeze of 51% of major

shareholders' stakes for two years following IPOs—play an effective role in limiting price pressure and enhancing market credibility among new investors.

He also emphasized that the existing legal framework governing mergers and acquisitions is characterized by clarity and stability, striking a fair balance between the rights of controlling shareholders and minority shareholders.

In closing, Zidan expressed strong optimism regarding foreign direct investment activity in 2026, noting that current indicators point to unprecedented levels of interest exceeding historical averages, particularly in the food industries and healthcare sectors. He expects 2026 to witness a strong shift toward the execution of new investments rather than direct acquisitions, supported by the notable improvement in the performance indicators of the Egyptian capital market.



# CAPITAL CALL Magazine

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