

## PRESS RELEASE

### LCP Fund II makes inaugural investment in Dsquares & Lucky (“DSQ Group”)

**CAIRO, EGYPT, December 6, 2020** – LCP Fund II (“LCP”) announces today the acquisition of a significant minority stake in DSQ Group, one of the leading end-to-end loyalty and rewards solutions providers in the CEMEA region serving over 45 local and international clients and with a reach of more than 100 million customers. LCP’s investment mainly consisted of a significant capital increase to support the scaling of new business lines and to further expand the company’s geographical footprint both locally and internationally. The transaction also included the acquisition of Ezdehar Egypt Mid-Cap Fund’s minority stake. Furthermore, Algebra Ventures, one of Egypt’s leading VC firms and an existing shareholder in DSQ Group, increased its investment as part of this transaction.

Founded in 2011, Dsquares provides its customers with a comprehensive service offering including the set-up, and operational management of all technical and commercial aspects of their loyalty program. Dsquares operates through a variety of business sectors including Banking, Telecom, FMCG, Retail, Oil & Gas. The company boasts an unparalleled merchant network with reach spanning more than 900 brands and over 11,000 outlets across various sectors throughout Egypt, Jordan, Romania, Kenya, Tanzania, Morocco, KSA, and UAE.

In 2019, the group launched “Lucky” a mobile platform providing its customers with access to discounts, offers and convenient financial services. Today, Lucky boasts over 5 million downloads, and a network covering thousands of merchants. The network includes dining, entertainment, fashion, electronics, fitness, hospitality, furniture & home appliances, among others.

LCP is very excited to partner with the company’s founders and shareholders and looks forward to supporting DSQ Group’s expansion plans. In a world where consumers are facing ever-increasing financial burdens, loyalty programs, offers, discounts, and creative financial services become an essential part for the broader segment of the population. DSQ Group is very well positioned to service the growing need for value savings and the strong adoption of innovative digital solutions.

Marwan Kenawy, Co-founder & CEO of Dsquares, added: “The LCP partnership and investment will help Dsquares expedite its clients and merchants expansion plans in the Middle East, Africa and Europe and maintain its position as the loyalty & rewards solutions leader in the region.”

Momtaz Moussa, Co-founder & Managing director of Lucky, added: “By becoming the leading offers platform, Lucky has been digitizing its users’ commerce transactions. We are utilizing this data to provide a more convenient purchasing experience as well as maximizing savings and payment flexibility. That level of understanding of user behavior is now helping us introduce financial products that would otherwise be inaccessible to most of our users.”

Ayman Essawy, Co-founder & COO, added: “Lucky continues to be very successful in attracting new users as well as increasing engagement of its existing user base. Egypt is our first market and we have plans to further expand our services across relevant markets in the Middle East & Africa. We believe that this strategic partnership with LCP will put both Dsquares & Lucky on the right track to achieve their future goals.”

Al Tamimi Law Firm acted as the legal advisor to LCP on the deal. The company’s legal advisor was Youssef & Partners

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For further information please contact:

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**About Lorax Capital Partners**

Incorporated in 2015, Lorax Capital Partners (“LCP”) is an Egypt focused private equity firm. LCP’s portfolio includes Fawry for Banking and Payment Technology Services, the leading electronic payments platform in Egypt; Sarwa Capital, a pioneer in consumer finance, leasing and securitization in Egypt; Orchidia Pharmaceutical Industries, the leading Egyptian ophthalmic generic medicine manufacturer, Misr Hytech the largest proprietary corn seed producer in Egypt and NIS Schools, one of the largest blended learning and technology focused private school platforms in Egypt.

LCP has recently concluded the first close of LCP Fund II, and the investment in Dsquares Group marks LCP’s first investment under its new fund.

LCP is very well positioned to serve as a ‘bridge’ between Egypt, on the one hand, and global investors that are looking to generate attractive risk-adjusted returns while contributing to the social and economic development of the country.

LCP’s management team has an unmatched track record in sourcing, executing and managing transactions in Egypt with combined value of over USD 46 billion.

Further details on LCP can be found at <http://www.loraxcapitalpartners.com>