



Small Enterprise Assistance Funds

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SEAF – Small Enterprise Assistance Funds

Small businesses are the backbone of developed economies around the world. They produce innovative products and provide valuable services while creating well-paying jobs, generating taxes to support strong local governments, and contributing to the overall prosperity of developed countries. More often than not, entrepreneurs in emerging markets lack access to the affordable, patient capital and technical assistance necessary to start or grow a small business. SEAF provides that missing investment capital and hands-on business support in a responsible and sustainable way.

SEAF invests in, rather than provides grant money to, early-stage businesses in emerging markets. By identifying small and medium-sized enterprises that have strong management and a sound business plan, we ensure that our capital is put to effective use. Twenty years of experience investing in 22 countries has proven that by holding entrepreneurs accountable, their businesses prosper, their communities benefit and their national economies grow. The returns we generate both reward our investors and can be used to finance the growth of other viable enterprises in the community and throughout the developing world.



Workers at SEAF's portfolio company Sichuan New Highway and Bridge Machinery in Chengdu, China

ABOUT SEAF

Founded in 1989, SEAF is an investment management group that provides growth capital and business assistance to small and medium enterprises (SMEs) in emerging and transition markets underserved by traditional sources of capital. Through its network of offices around the world, SEAF invests in entrepreneurs to build successful businesses, realizing both attractive returns for our investors and a measurable development impact in local communities.

MISSING MIDDLE

Small businesses in emerging markets are constrained by a lack of available financing, crippling their ability to expand their production and make a larger social and economic impact. Entrepreneurs seeking financing for their small businesses are perceived by local commercial banks as too 'risky' for traditional loans as they lack sufficient collateral or connections, and yet these businesses are too large for microfinance or grants. This effective 'missing middle' in available financing drastically diminishes the prospects for sustainable development by ignoring the necessity of cultivating a vibrant middle economy—a key element in job creation that is essential to poverty reduction, income equality, and general stability. SEAF addresses this gap in financing by providing structured debt and equity investments to promising small businesses.

SEAF NUMBERS (December 2010)

Number of Funds since Inception:	28
Number of Offices:	21
Total Number of Personnel:	146
Number of Countries where we have Invested since Inception:	22
Capital Committed since Inception:	\$609 M
Invested Capital since Inception:	\$378 M
Number of Investments since Inception:	338
Number of Exits since Inception:	178



A children's reading group at SEAF's portfolio company Matras, a book wholesaler and retailer with branches all across Poland.

INVESTMENT APPROACH

SEAF has a long and successful track record of investing in SMEs in emerging markets in Eastern Europe, Latin America and Asia, and is expanding into Sub-Saharan Africa. Over the past two decades, SEAF has developed a fund management system that is both cost-efficient and professional. SEAF's international scale and scope, as well as its centralized, internet-based system of accounting, control, information-sharing and valuation services, provides the organization with the capacity to field local teams of specialized private equity personnel anywhere in the world. Investors in SEAF-sponsored funds represent a cross section of public and private institutions, including government-sponsored economic development organizations, multilateral financial institutions, private foundations, pension funds, insurance companies, family offices, banks, and other independent financial institutions.

DEVELOPMENT IMPACT

Since 2004, SEAF has conducted in-depth analysis and produced a series of reports evaluating the development impact of our investments on a variety of community and government stakeholders. We now have concrete evidence that growing small and medium businesses create jobs for unskilled or low-skilled individuals who then receive training and see significant growth in their wages and overall benefits. In addition, each small company provides economic benefits to a host of other stakeholders—from its suppliers, customers, and competitors to the local government and community. SEAF's analysis shows that for every \$1 invested in a small and growing business, an additional \$13 in benefits returns to the local society. With stable and secure jobs and growing incomes, families can begin to plan for their futures—investing in improved housing, preventive health care and education for their children that can end the cycle of poverty and build the base for a more stable and secure society.

CEED – BUSINESS SUPPORT

From the beginning, SEAF has understood that supporting the growth of SMEs goes beyond simply investing and lending. It involves the sharing of ideas and the development of networks in an environment that encourages entrepreneurship. SEAF's Center for Entrepreneurship and Executive Development (CEED) provides ambitious entrepreneurs with the skills, market access and partnerships necessary to grow their businesses. SEAF, with the support of USAID and FMO, launched the first CEED center in Bulgaria in 2005. Since then, CEED has reached 10,000 SME owners and executives through network learning events, provided peer training to over 2,500 entrepreneurs on global industry best practices, and assisted these members in their efforts to access affordable growth capital. CEED now operates eight centers across the Balkans in Bulgaria, Kosovo, Macedonia, Montenegro, Poland, Romania, Serbia and Slovenia and is actively pursuing opportunities to launch centers in new markets. Through its expansion, CEED aims to lead SEAF's efforts to understand and address the needs and unique challenges of entrepreneurs and their SMEs in emerging markets.



PORTFOLIO HIGHLIGHTS

Sunshine Exports, Peru – A mango and avocado exporter that supports local Peruvian growers, connecting them to consumers in the US and Europe.

Qaderdan, Afghanistan – A pilot project to design and build renewable energy systems for rural Afghan national police facilities.

Delta Comm, Georgia – An ICT supplier and service provider that is expanding the quality and accessibility of reliable internet in Georgia.

Hoa Binh Corporation, Vietnam – A distributor of generators and agricultural machinery that improve the productivity of Vietnam's agribusiness sector.

SEAF'S GLOBAL FOOTPRINT



FOR MORE INFORMATION ON SEAF AND ITS FUNDS IN EMERGING MARKETS, PLEASE VISIT: WWW.SEAF.COM

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