



Creating Markets, Creating Opportunities

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IFC Invests in Pakistan's Key Textiles-Fashion Retail Sector to Help Create Jobs, Support Women

Karachi, Pakistan, May 28, 2022—IFC is investing in Pakistan's top fashion retailer to create jobs, promote gender equality, and support the country's crucial textiles sector post-pandemic.

IFC will invest the equivalent of \$25 million in Pakistani rupees for a minority stake in Khaadi Corporation, which has 57 retail outlets spread across Pakistan and presence in UK and GCC countries. The funding will help the company accelerate its growth by expanding its retail footprint and online global sales. It will also indirectly support the retailer's suppliers in Pakistan, many of whom are smaller businesses.

"We are excited to begin the next chapter of our growth transformation with IFC's first investment in the Pakistan fashion retail sector. We envisage this investment will help us set new benchmarks in organizing the retail sector in Pakistan and beyond, through strategic initiatives to drive growth, corporate governance, and diversity," said Shamoan Sultan, founder and CEO of Khaadi Corporation.

IFC's investment is designed to support the development of Pakistan's retail and textiles sectors, which provide 40 percent of employment and account for about 9 percent of the country's gross domestic product. About 30 percent of those who work in the textiles sector are women and supporting the industry will help promote gender equality in Pakistan.

"The textiles and retail industry is a core part of Pakistan's economy and a major employer of women, especially in the garment sector," said Zeeshan Sheikh, IFC Country Manager for Pakistan and Afghanistan. "By channeling financing and advisory support into the industry and partnering with innovative companies like Khaadi we can help the sector grow, formalize, become more sustainable and create greater economic employment opportunities for women."

Along with the investment, IFC will advise Khaadi Corporation on enhancing its corporate governance structures, sustainability, and gender diversification programs.

This investment is part of a broader effort by IFC to support the development of Pakistan's private sector, which is key to creating opportunities and combating poverty in the country. Since 1956, IFC has invested over \$1.2 billion in Pakistan, helping to support smaller businesses and spur the development of renewable energy, hydro, and wind energy projects.

About IFC

IFC—a member of the World Bank Group—is the largest global development institution focused on the private sector in emerging markets. We work in more than 100 countries, using our capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2021, IFC committed a record \$31.5 billion to private companies and financial institutions in developing countries, leveraging

the power of the private sector to end extreme poverty and boost shared prosperity as economies grapple with the impacts of the COVID-19 pandemic. For more information, visit www.ifc.org

About Khaadi

Khaadi is the largest fashion apparel brand in Pakistan operating in 4 countries and servicing customers globally through its eCommerce platform. Khaadi was founded by Shamoan Sultan in 1998 in Karachi, Pakistan and currently employs a diverse workforce of over 1000 people from over 14 countries. For more information, visit corporate.khaadi.com

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