

Marcyrl attracts new investment from DPI and Amethis

Investment to drive innovation and expand access to specialty drugs across Africa

- Marcyrl is a top 10 pharmaceutical manufacturer in Egypt, helping to improve affordable access to specialty generic essential drugs
- Africa is one of the fastest growing markets for pharmaceuticals driven by rapid population growth and rising demand for specialty treatments
- Investment from DPI and Amethis signals continued interest in the pharmaceutical opportunity and will support Marcyrl's institutionalisation
- Marcyrl to accelerate expansion of specialty generics portfolio, leveraging technology and innovation to scale to customers across the continent

London, Paris, and Cairo, 04 April 2023 – Marcyrl Pharmaceutical Industries ("Marcyrl"), a leading Egyptian pharmaceuticals manufacturer focused on specialty generics, today announced a new investment aimed at accelerating its ambition to drive greater access to critical care drugs across Africa. The significant minority investment from Development Partners International ("DPI") and Amethis, will further institutionalise the business as it looks to capitalise on its leading market position and scale its product offering.

Marcyrl, established in 1998, is a leading manufacturer of essential pharmaceuticals, focused on improving accessibility to speciality generics drugs in Egypt. Since founding, the business has seen significant growth with resilient sales, demonstrated by a strong performance in the past year, with revenues representing more than 2% market share of the Egyptian market. Central to Marcyrl's ambition is improving access to specialty pharmaceuticals in Egypt and across Africa through its international export network. To achieve this, the company is investing and innovating in its product portfolio, expanding into new specialty areas such as new hormonal therapy treatments, which it added to its portfolio in 2016. Marcyrl has also demonstrated its first mover ability in key areas of the market, in 2015 becoming the first company to produce and launch its antiviral product portfolio, a highly effective treatments for Hepatitis C that allowed Marcyrl to access the tender market.

The African pharmaceutical market is vast, with demand for packaged medicines worth \$18 billion dollars a year. However, more than 60% of products continue to be imported, limiting affordability and access for communities across the continent. The market for specialty generics is one of the fastest growing segments of this market, with chronic illness and disease on the rise. Marcyrl, at the forefront of pharmaceutical innovation, is well positioned to take advantage of this opportunity and help meet this growing demand.

Farid Habib Salib, Chairman of Marcyrl Pharmaceutical Industries said: *"At Marcyrl, we are working to transform the way specialty treatments are made accessible across Egypt and the entire African continent, ensuring that speciality care treatments are available to those that need them the most. Building on our 22 years of success, we will continue to innovate across our products, particularly in high-growth areas of specialty generics, developing much needed treatments to customers across the continent. We are pleased to welcome DPI and Amethis as new global investors and look forward to working with them to accelerate our growth and explore new opportunities to deliver cost-effective, critical solutions to healthcare practitioners and their patients across Egypt and Sub-Saharan Africa."*

Since its founding, Marcyrl has established itself as one of the top 10 leading pharmaceutical manufacturers in Egypt, alongside local and international players, and is recognised as a trusted partner to healthcare practitioners in the region, as a go-to supplier of specialty generic drugs for a variety of chronic diseases. The investment from DPI and Amethis will enable Marcyrl to build on its strong position in the market, enhancing its route to market strategy and driving innovation in new

areas, such as the development of a new high technology manufacturing site in Egypt focused on new solutions to treat chronic diseases.

Ziad Abaza, Managing Director at Development Partners International said: *"By leveraging its first mover advantage in critical specialty areas of the pharmaceutical sector, Marcyrl has carved out a unique position for itself in the market, recognised as a trusted partner in Egypt for delivery of specialty generics. Combining the entrepreneurial mindset of the Marcyrl management team with the company's deep heritage of innovation, the business has a significant runway for growth, with strong foundations in Egypt, and a scalable platform well positioned to expand its distribution and export network across the continent. We look forward to working with the Marcyrl team to support the business in this next phase of growth."*

Toufic Khoueiry, Partner at Amethis said: *"We are very pleased to be investing in one of the leading pharmaceutical manufacturers in Egypt, led by a talented and ambitious management team. We look forward to partnering with Marcyrl's management and shareholders to achieve our shared vision of expanding the company's reach, thereby improving access to reliable and affordable medicines across Egypt and the continent."*

Combining their expertise in supporting businesses to scale sustainably across the continent, DPI and Amethis will support Marcyrl to replicate its success in Egypt in new markets, supporting its digitalisation efforts and using technology to increase efficiency across its manufacturing and distribution networks. The investors will also support Marcyrl to further institutionalise the business, helping to facilitate technology partnerships, and expand Marcyrl's connectivity to international export markets, opening up new distribution channels.

DPI and Amethis were advised by Freshfields Bruckhaus Deringer and White & Case, acting as legal advisors for the transaction, with PWC acting as financial advisors. The Marcyrl shareholders were advised by HC Securities & Investment acting as sell-side advisor, and Zaki Hashem & Partners acting as legal advisor.

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About Marcyrl Pharmaceutical Industries

Created in 1998, Marcyrl has established itself as one of the top 10 manufacturers of pharmaceutical products in Egypt, alongside local and international players, and is recognised as the trusted partner and go-to supplier of specialty generic drugs for a variety of chronic diseases to healthcare practitioners in the region. As a leading manufacturer of critical pharmaceuticals, focused on improving accessibility to life-saving drugs in Egypt. Since its founding, Marcyrl has seen significant growth, invested heavily in its product portfolio, and broadened out into specialty areas, such as hormonal therapies.

About DPI

DPI is a private investment firm with approximately US\$3 billion in assets under management and co-investments across three funds, targeting high growth, impact-driven, and innovation-led companies in Africa. Its first two funds, African Development Partners I and II (ADP I and ADP II), are ranked in the top quartile for performance by Cambridge Associates. Since DPI was founded in 2007,

its ADP funds have completed 28 investments in 25 companies across the continent and its portfolio companies employ over 60,000 staff, with over 25,000 jobs created during DPI's investment.

In 2020, ADP III became the first 2X Flagship Fund, as part of the global 2X Challenge, committing to integrate a gender lens into its investment process, and reflecting DPI's long-standing commitment to gender equity. DPI has a female co-founder and CEO, one-third of the partners are women, and 50% of the firm are women. As a signatory to the UN Principles for Responsible Investment (PRI) and the Operating Principles for Impact Management, DPI promotes high ESG and Impact standards and seeks to contribute to the UN Sustainable Development Goals.

About Amethis

Founded by Luc Rigouzzo and Laurent Demey and member of the Edmond de Rothschild Private Equity Partnership, Amethis is an investment fund manager focused on the African continent, with assets under management close to USD 1 billion and more than 30 investments completed to date. Amethis provides growth capital to promising mid-market champions in a variety of sectors, offering growth support through its international network covering Europe and Africa. With six offices in Paris, Abidjan, Cairo, Casablanca, Nairobi, and Luxembourg, the Amethis team comprises over 45 experienced professionals with strong regional and sectoral expertise.

Edmond de Rothschild Private Equity is an independent player within the Edmond de Rothschild Group and manages over 3 billion euros in assets under management. With an entrepreneurial approach to finance and supported by strong convictions, Edmond de Rothschild Private Equity builds and develops differentiating investment strategies that provide a sustainable response to environmental and social issues. Founded in 1953, Edmond de Rothschild currently has CHF 178 billion in assets under management, 2,500 employees and 32 offices worldwide.