

Rx Healthcare Management successfully acquires a majority stake in leading Egyptian medical solutions producer United Pharma

The deal, which garnered significant interest from key Egyptian and GCC investors, marks Rx Healthcare Management's first transaction in the Egyptian pharmaceuticals space

Cairo, 26 November 2019

Rx Healthcare Management (RxHM), announced today that it has officially acquired leading Egyptian medical solutions provider United Pharma through Nutritius Investment Holdings, a special purpose vehicle set up for the acquisition. The transaction attracted significant interest from prominent Egyptian and Gulf investors, with proceeds being used to expand the company's product offering to cover generic categories in underserved therapeutic areas and ramp up production for IV products.

RxHM is a private equity investment management firm set up to address the growing demand for high-quality healthcare products and services across Egypt, MENA and Africa. It invests in highly selective targets, with a clear growth trajectory across healthcare verticals, giving investors access to unique opportunities across the sector's value chain.

"I am very pleased with this transaction, which marks RxHM's first investment in the Egyptian pharmaceuticals space. The local healthcare sector is unique in that it offers both the potential for superior returns, as well as the opportunity to invest responsibly in a critical sector that will have measurable impact on the wider economy," said Dr. Hatem El Gabaly, Chairman of RxHM. "United Pharma is very well positioned to play a leading role in covering the substantial deficit in the IV solutions and injectables market in Egypt, as well as the growing demand in neighboring markets," he added.

United Pharma is Egypt's leading player in the injectables space by installed capacity, with a total of three large-volume parenteral LVP lines, capable of producing c. 50 million units per year, and over 120 million units of small-volume injectables, in addition to a dialysis line aimed at covering the highly underserved kidney dialysis solutions segment. United Pharma has also an established track record of exports to key African and Middle East markets.

"United Pharma represents a strategic milestone for RxHM," said Karim Moussa, Head of Asset Management and Private Equity at EFG Hermes. "There is very strong demand for medical solutions in Egypt and the wider MENA region. We are keen to invest in this sector and to help expand United Pharma's offering over the coming years. We also look forward to raising and deploying more capital in this growing strategic sector in the near future."

The transaction reflects the resilience of the Egyptian pharmaceutical market, which has consistently enjoyed double-digit growth over the past 10+ years as the biggest MENA healthcare sector. Coupled with the fact that investors continue to see Egypt as a safe haven in the emerging market space, the deal comes at an ideal

time to capitalize on the strength of these fundamentals.





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Rx Healthcare Management was advised by Zaki Hashem & Partners Attorneys at Law and Mazars | Egypt.

About EFG Hermes

With a current footprint spanning twelve countries across four continents, EFG Hermes started in Egypt and has grown over 30 years of success to become a leading financial services corporation with access to emerging and frontier markets. Drawing on our proven track-record & a team of more than 4,455 talented employees, we provide a wide spectrum of financial services that include investment banking, asset management, securities brokerage, research and private equity to the entire region.

EFG Hermes launched the NBFi Platform, EFG Hermes Finance, which will overlook activities in the non-banking finance field through EFG Hermes Leasing, Tanmeyah Microfinance, valU and EFG Hermes Factoring. This comes in light of the Firm's strategy to focus on product diversification and geographic expansion into frontier markets — which has seen the firm establish a physical presence in Pakistan, Kenya, Nigeria, Bangladesh & the United States.

For further information about EFG Hermes, please visit www.efghermes.com & stay connected with us:  
 

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Note on Forward-Looking Statements

In this press release, EFG Hermes may make forward looking statements, including, for example, statements about management's expectations, strategic objectives, growth opportunities and business prospects. These forward-looking statements are not historical facts but instead represent only EFG Hermes' belief regarding future events, many of which, by their nature are inherently uncertain and are beyond management's control and include among others, financial market volatility; actions and initiatives taken by current and potential competitors; general economic conditions and the effect of current, pending and future legislation, regulations and regulatory actions. Accordingly, the readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made.