

Compass Capital Acts as the Exclusive Sell-side Advisor to the Shareholders of Zahran Market S.A.E on the sale of a 60% Stake to Ezdehar

Cairo, 23 August 2022 —Compass Capital, an Egyptian leader in Private Equity and M&A advisory is pleased to announce the closing of the sale of a controlling stake in retail supermarket chain, Zahran Market S.A.E (Zahran Market) to Ezdehar Management (Ezdehar) for an undisclosed amount. Compass Capital acted as the exclusive sell-side advisor to the selling shareholders of Zahran. Ezdehar will own 60% of Zahran Market after the closing of the transaction.

Zahran Market which was founded by Eng. Mamdouh Zahran as a family business in 1987 in Alexandria, was one of the first movers to the North Coast in 1997 and has now grown to operate 16 branches in 7 governorates across Egypt. In 2016, the second-generation family members, Karim Zahran and Omar Zahran, kicked off a transformation program and embarked on an expansion and institutionalization plan. This included the opening of 8 new branches with a focus on the Delta region, rebranding and renovation of legacy branches, and the set-up of strategic partnerships, among other initiatives. The company has an ambitious expansion plan to increase its footprint across the regions its already operating in, in addition to exploring other regions in Egypt.

“We are pleased to have played a role in the successful conclusion of this deal which will allow Zahran Market to further expand its business with prominent long term growth prospects; the deal also marks Compass Capital’s fifth M&A advisory in less than two years, and with its closure, Compass Capital continues to position itself as one of the leading financial advisors in the market”, said Tarek Abdel Rahman, Compass Capital Managing Partner.

In this context, Karim Zahran, the Chief Executive Officer (CEO) of Zahran Market, said: “Today marks a new milestone in the Zahran Market journey. We are excited to be joining forces with Ezdehar to continue our vision in growing the Zahran Market brand across Egypt. This partnership comes as an affirmation of the confidence in the company's performance in the past period, along with our shared vision of the company’s growth prospects.”

Compass Capital played the role of the exclusive sell-side advisor to the shareholders of Zahran Market S.A.E, while Matouk Bassiouny and Hennawy provided legal counsel. ADSERO - Ragy Soliman and Partners provided legal advice to Ezdehar, while PwC was financial advisor.

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Notes for Editors

Compass an Egyptian leader in Private Equity and M&A advisory. The firm’s multi-disciplinary team has a long and successful track record of generating attractive investment returns having successfully executed numerous transactions requiring capital flexibility, financial restructuring, and operational turnaround. Compass follows a disciplined investment approach that hinges on defining strategic initiatives, agile implementation of strategy, supporting talented management, and providing required

growth capital to drive growth. The company is a principal investor in its own transactions and actively works to ensure that the interests of all stakeholders are aligned in the investments it pursues

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Forward-looking statements:

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