

## **KELIX *bio*, pan-African biopharmaceutical platform signs agreement to acquire Morocco-based Pharmaceutical Institute; DPI and CDC/BII lead up to \$200 million second funding round**

- *Pharmaceutical Institute is an established player in the Moroccan pharma market, with strong manufacturing and distribution capabilities*
- *Subject to regulatory approvals, it will mark the fourth investment by KELIX *bio*, a first of its kind pan-African pharmaceutical platform, established by founding investors DPI, CDC and the EBRD to broaden access to life-saving drugs across continent*
- *Acquisition will be financed as part of second funding round of up to \$200 million into KELIX *bio*, led by DPI and CDC*
- *Funding round will take capital invested in KELIX *bio* to \$450 million, with plans for additional investment of \$300 million over the next two years to fund further acquisitions*
- *KELIX *bio* has a strong pipeline of potential investments, as it looks to accelerate delivery of affordable life-saving drugs across the continent*

**(London and Casablanca, 09 March 2022)** – Development Partners International (DPI), a premier investment firm focused on Africa with \$2.8bn in assets under management including co-investments, and CDC Group (CDC), the UK’s development finance institution that will shortly be renamed British International Investment (BII), today announced that an agreement has been signed for KELIX *bio* to acquire Pharmaceutical Institute (PHI), a Moroccan-headquartered producer and distributor of generic and therapeutic pharmaceuticals. The acquisition, which will be financed through up to a \$200 million second round of funding into KELIX *bio* led by DPI and CDC/BII, is subject to regulatory approvals in Morocco. It is expected to close in the first quarter of 2022.

Founded in 1989 by the Sedrati family, PHI is a leading manufacturer and distributor of pharmaceutical products in Morocco. The company has a strong international partners network and complementary manufacturing capabilities that will support KELIX *bio*’s strategy to create local ecosystems for production and distribution. The proposed acquisition will mark KELIX *bio*’s first entry into Morocco, an important market on the continent, and gateway into the Francophone Africa pharma market, as it accelerates its expansion across the region. It will also enable PHI to expand its existing product range, benefitting from KELIX *bio*’s research and development capabilities, cross-selling synergies, and economies of scale it will provide.

There is significant demand in Africa for affordable speciality drugs, accessible to underserved communities that need them the most. KELIX *bio*, a \$750 million pan-African buy and build platform, was established in 2020 by DPI, CDC and the European Bank for Reconstruction and Development (EBRD), in response to this demand. KELIX *bio* has an ambitious impact-focused strategy, driven by co-founders CEO Hocine Sidi-Said, and Chief Strategy Officer, Alhadi Alwazir, to improve the quality of life for people across the continent, through the delivery of critical, life-saving drugs. Adding to the bench of experience, KELIX *bio* has recently appointed new Chairman, Jerome Silvestre, who brings significant expertise in the global pharmaceutical and branded generics industry.

**Sofiane Lahmar, Partner at DPI commented,** *“KELIX bio is a gamechanger that has the potential to transform the African pharmaceutical industry – a sector that has historically been significantly underserved and inaccessible to many. Signing this new agreement to acquire PHI demonstrates KELIX’s strong pipeline of opportunities and will enable it to continue to create significant long-term impact for communities across Africa, through delivery of essential and life-saving drugs. As a founding investor in KELIX bio, we look forward to continuing our partnership with the management team, BII, EBRD and future investors to the platform, as it progresses with its expansion.”*

**Nick O’Donohoe, Chief Executive at CDC/BII, said:** *“BII is helping to build productive, sustainable and inclusive economies for the benefit of those that need our capital the most. Providing access to affordable drug treatments is a vital part of that mandate.”*

Since its creation in 2020, KELIX bio has already seen rapid growth, demonstrated by its annual sales growing by 44% in 2021. The acquisition of PHI will be the fourth in two years, reaffirming KELIX’s commitment to Africa. The latest funding round by DPI and CDC will bring total capital invested to \$450 million, which will be supported by an additional \$300 million of planned investment over the next two years, as KELIX bio looks to fund its strong pipeline of opportunities, establish new cross-market distribution channels and support research and development of new drugs.

**Jerome Silvestre, KELIX bio Chairman, said:** *“We are pleased to have reached an agreement with Pharmaceutical Institute to join Kelix Bio, as we focus on our mission of improving access to affordable specialty drugs across Africa. PHI is a leader in the Moroccan pharmaceutical sector, with excellent manufacturing capabilities and a strong distribution network. We are confident, that subject to regulatory approvals, they will be a great addition to KELIX bio and also look forward to continuing partnership with DPI, CDC and EBRD.”*

Kelix bio used Sijilmasa Ltd (Mr Amine Rezzouk) as financial advisor and Naciri & Associés Allen & Overy as legal advisor. UGGC was legal advisor to the Sedrati family.

- ENDS -

#### **Media contacts:**

*Development Partners International (Edelman)*

Alex Simmons, Olivia Adebo, Chloe Payne

M: +44 (0)7787 284 441

E: [DPI@edelman.com](mailto:DPI@edelman.com)

*CDC Group*

Andrew Murray-Watson

M: +44 7515695232

E: [amurray-watson@cdcgroup.com](mailto:amurray-watson@cdcgroup.com)

#### **Notes to editor**

#### **About Kelix Bio**

KELIX Bio, is a specialty generic business focused on Emerging Markets which seeks to compete through innovation and cost leadership. Led by its cofounders, Hocine Sidi-Said and Alhadi Alwazir, KELIX Bio’s

mission is to develop and commercialize complex specialty products in jurisdictions historically deprived from access to such medications. Through its buy-and-build strategy, KELIX bio has manufacturing operations in India, Egypt and Malta and markets its products in over 40 countries across Africa, Asia, and Latin America. KELIX Bio's current investors include Development Partners International ("DPI"), the CDC Group, the UK's publicly owned impact investor, and the European Bank for Reconstruction and Development ("EBRD").

### **About DPI**

DPI is a premier investment firm focused on Africa, that has successfully advised funds through "up" and "down" cycles. 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. DPI currently has US\$2.8bn in assets under management across its funds and committed co-investments.

The ADP funds' strategy is to build a diversified pan-African portfolio of private equity investments in established and growing companies benefiting from the continent's fast-growing middle class, innovation, and digital transformation. Since DPI's founding in 2007, its funds have invested in 23 portfolio companies across 29 African countries and 17 industries. ADP portfolio companies employ over 49,000 people. During DPI's investment, 18,000 jobs have been created.

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 CDC/BII**

1. CDC will formally become British International Investment plc on 4 April 2022.
2. BII is the UK Government's development finance institution with over 70 years of experience of successfully supporting the sustainable, long-term growth of businesses in Asia and Africa. Under its [new five-year strategy](#) its geographical mandate will be expanded to include South East Asian countries and the Caribbean.
3. BII will transparently and fairly invest between £1.5 and £2 billion per annum between 2022 and 2026 to support the UK government's Clean Green Initiative and to create productive, sustainable and inclusive economies in Africa, parts of Asia and the Caribbean.
4. BII is a key part of the government's wider plans to mobilise up to £8 billion a year of public and private sector investment in international projects by 2025.
5. BII is also a founding member of the [2X challenge](#) which has raised \$10bn to empower women's economic development.
6. The company has investments in over 1,000 businesses in emerging economies and total assets of £6.9 billion.