



## EXEO Capital acquires stake in **SA's only manufacturer** of animal active pharmaceutical ingredients

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The local pharmaceutical industry has the ability to make a significant contribution to South Africa's gross domestic product as well as Africa's broader socio-economic landscape. There are, however, very few examples of successful home-grown pharmaceutical companies that address this opportunity and the national and pan-African imperative to establish an African-based pharmaceutical synthesis sector. This deep-seated conviction has underpinned the decision by pan-African alternative investment firm EXEO Capital to acquire a majority stake in cutting-edge, chemical synthesis company, Chemical Process Technologies (CPT).

EXEO Capital partner, Herman Marais, explained, "The acquisition of CPT marks the first animal pharma investment by EXEO Capital. This strategic move into new commercial territory aligns with EXEO's Agri-Vie Fund II mandate to invest in scalable businesses within the sub-Saharan agricultural and food value chains."

CPT is currently the only manufacturer of animal active pharmaceutical ingredients (APIs) on the African continent. As is the case with human APIs, South Africa, in particular, is heavily reliant on imported animal APIs manufactured in countries like China and India. With CPT having made significant headway into the development of the larger pharma sector for both humans and animals, it is one of the few companies that is opening doors for South Africa as a manufacturer and exporter of APIs.



Marais says that the investment is set to unlock CPT's latent potential to do import replacement of APIs and for international expansion. "This is possible through the globally competitive level of excellence that CPT upholds in terms of its proprietary production processes. The company represents a high-potential centre of excellence in Africa on which we can build a larger local pharma sector."

The recent establishment of an API Plus laboratory on CPT's premises is demonstrative of the company's competitive edge in the South African pharma industry. The lab, launched by Science and Innovation Deputy Minister, Buti Manamela, marks a significant milestone for API manufacture in South Africa, the establishment of which points to CPT's important role in the development of the sector as a whole. Marais says that CPT is an example of the depth of knowledge and the quality of technology that exists in South Africa. As a brand, it represents local ingenuity.

Dr Hannes Malan, CPT's chief executive officer, shares his sentiments on this acquisition, "The fact that EXEO Capital management sees the same value in CPT that the current shareholders have identified highlights the opportunity that this growing industry presents. The transaction will allow for the accelerated implementation of projects to unlock this value and growth. We look forward to starting this next phase with EXEO Capital on board and the contributions they will make to this success story."

Dr Gerrit van der Klashorst, CPT co-founder, adds, "We believe this new partnership will further improve on CPT's service quality by achieving and maintaining the quality norms of a world-class industry player. In addition to good manufacturing practice upgrades for the formulation plants, the investment will allow for the extension of the synthesis activity and also lead to the production of various new ectoparasitic as well as endoparasitic APIs," he concludes.

## About Chemical Process Technologies

Chemical Process Technologies (CPT) is a chemical synthesis and formulation company supplying formulated products to the animal health industry. This combined capacity to backward integrate the formulation of animal health products to include the synthesis of the APIs, positions CPT uniquely in the Southern African context to supply competitive products to the market.

CPT established CPT Pharma as a separate division in 2014 to focus on the synthesis of human APIs. The CPT Pharma plant is approved by the South African Health Products Authority for the manufacture of APIs, which is currently being expanded for the first commercial API manufacturing in Pretoria.

Visit [www.chemprotech.co.za](http://www.chemprotech.co.za) for more information.

## About EXEO Capital

EXEO Capital is a pan-African alternative investment firm with approximately USD 250 m assets under management. The firm operates from Cape Town, Nairobi and Mauritius. The firm's investment philosophy focuses on investing in and building businesses for sound financial returns as well as positive impact. The firm is known for its investment activities in the food and agribusiness sector through the Agri-Vie funds under its management. EXEO Capital invests additionally in strategically selected sectors including non-food fast-moving consumer goods, private education, healthcare, and logistics. EXEO, pronounced ex-AY-o, means 'go forth' in Latin.

EXEO Fund Advisors is a financial service provider authorised by the Financial Services Board, Registration number 46251. For more information visit [www.EXEOcapital.com](http://www.EXEOcapital.com).