

14 February 2020

**Bridgepoint to acquire German active pharmaceutical ingredients manufacturer PharmaZell**

PharmaZell, a leading independent manufacturer of niche active pharmaceutical ingredients (APIs), was acquired by Bridgepoint from DPE Deutsche Private Equity and Maxburg Capital Partners for an undisclosed sum.

PharmaZell is a market leader in the highly resilient and specialty API market where it has a diversified portfolio of over 70 APIs, and enjoys leading industry positions in several products that treat respiratory, inflammatory and liver diseases driven by changing lifestyle habits. Many of the Company's products require special handling procedures and/or technologies. Headquartered in Raubling (near Munich), PharmaZell operates four state-of-the-art production and R&D sites in Germany, Italy and India with over 900 employees globally.

The global market for small molecule APIs is estimated at over \$70bn and growing continuously, driven by rising health standards and increasing drug consumption in emerging markets. In addition, the trend to outsourcing continues driven by cost optimisation and streamlining initiatives by the pharma majors.

Commenting on the transaction, PharmaZell CEO Dr. Oliver Bolzern, said: "We welcome Bridgepoint as our new shareholder. In Bridgepoint we have found a partner who understands our business and who will work with us to help us realise our ambitions for further growth."

Carsten Kratz, Senior Partner of Bridgepoint, Frankfurt commented: "PharmaZell represents an exciting opportunity to invest in a robust platform with an experienced management team and a high-quality customer base in the growing and non-cyclical pharma market. With a strong track record of growth, the company also offers the prospect of further new products and with Bridgepoint will have the resources and reach to further develop selective acquisition opportunities."

Guido Prehn, Managing Partner at DPE Deutsche Private Equity, added: "Since our investment into PharmaZell in early 2014, the company has generated double-digit annual growth at industry-leading margins, almost doubling in size. It has been a fantastic partnership with management and we are truly happy to have found in Bridgepoint a new growth-focused home for this great company."

Advisers involved in this transaction included:

For Bridgepoint: Alantra (M&A), HSBC (M&A), Freshfields (legal), EY (financial & tax), BCG (commercial)

For DPE: Rothschild (M&A), Latham & Watkins (legal), Deloitte (financial & tax), L.E.K. (commercial) as well as ERM (ESG).

**For further information:**

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**About Bridgepoint**

Bridgepoint is an international alternative asset management firm. With over €20 billion of assets under management and over €28 billion of capital raised to date, its private equity funds typically focus on acquiring well managed companies in attractive sectors helping companies and management teams by investing in expansion, operational transformation or via consolidating acquisitions.

The Firm invests internationally in six principal sectors: business services, consumer, financial services, healthcare, manufacturing & industrials and media & tech. It has no fixed allocation to sectors or geographies, seeking instead to identify compelling opportunities ranging from high margin, niche, locally focussed businesses to world-class platforms able to capitalise on world-wide growth.

Bridgepoint has offices in Amsterdam, Frankfurt, Istanbul, London, Luxemburg, Madrid, New York, Paris, San Francisco, Shanghai, Stockholm and Warsaw.

The investment in Pharmazell is made by Bridgepoint Europe VI, a €5.7 billion middle market buyout fund.

Previous investments made by Bridgepoint in the outsourced chemical production sector include the German global provider of intermediates, diversified speciality chemicals and custom manufacturing, Cabb.

See [www.bridgepoint.eu](http://www.bridgepoint.eu)

**About DPE Deutsche Private Equity**

DPE Deutsche Private Equity is an independent German investment firm. DPE focuses on mid-sized companies in the German-speaking region that operate in industries providing long-term growth

prospects. Since foundation in 2007, DPE has invested in 28 companies that have concluded >70 follow-up investments and employ more than 9,000 people. DPE currently manages total assets of € 1.2 billion.

See [www.dpe.de/en](http://www.dpe.de/en)

### **About Maxburg Capital Partners**

Maxburg Capital Partners is an investment management company focusing on the German-speaking markets. Funds advised by Maxburg provide long-term capital to small and medium-sized companies and can invest along the capital structure both in listed and privately held companies with a flexible mandate. With €600m assets under management, the Maxburg funds currently hold a portfolio of 13 direct investments both as majority as well as minority shareholder.

See [www.maxburg.com](http://www.maxburg.com)

### **About PharmaZell**

PharmaZell is a market leading provider of APIs, supplying a diversified blue-chip pharmaceutical customer base globally. The company operates four state-of-the-art production facilities in Germany, Italy and India and enables its companies to secure the industry's supply chain as trusted drug substance supplier. PharmaZell employs over 900 people worldwide.

Key Group Facts:

- More than €190 million revenue in FY19/20
- Compound annual growth rate of >10% p.a. over the last 5 years
- A strong and competitive industry leader, ranked among the top three producers for most of PharmaZell products
- State-of-the-art proprietary, large-scale electrochemical processes
- Proprietary enzymatic route of synthesis for bile based products

See [www.pharmazell.com](http://www.pharmazell.com)