

## **Press Release – Cepheus Capital Investment in Lion Brands**

Cepheus Growth Capital Partners (“Cepheus Capital”) is pleased to announce an investment into East African Lion Brands Manufacturing Share Company (“Lion Brands”), one of Ethiopia’s leading domestic manufacturers of fast moving consumer goods (“FMCG”) products in the home care, personal care and food segments. With this investment, Cepheus Capital will hold a significant minority ownership stake and provide strategic, managerial, and operational support to Lion Brands.

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Lion Brands, a company under the umbrella of leading conglomerate East African Group PLC (“EAG”), based in the outskirts of Addis Ababa, is embarking upon a major expansion of its production capacity to meet growing demand for its products in Ethiopia. The equity investment by Cepheus Capital will support the company’s expansion plans and also facilitate operational enhancements as well as raise Lion Brands’ environmental, social, and governance standards.

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The Group Chairman of EAG, Dr. Buzuayehu T. Bizenu, said: “We are delighted to have Cepheus Capital as our partner in Lion Brands, as we work together to turn the company’s potential into reality”. Mr. Batuael B. T. Bizenu, Managing Director for Investments who led the deal from EAG’s side, commented: “Cepheus Capital’s determination to raise Lion Brands’ operational standards is completely aligned with our desire for the company to be the leading FMCG manufacturer in Ethiopia, with a reputation for its commitment to supporting the community it operates within. We look forward to working with the team at Cepheus Capital in the years to come”.

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Cepheus Capital’s Managing Partners, Kassy Kebede and Berhane Demissie, said in announcing the investment: “We see Lion Brands as an excellent investment opportunity that is very much aligned with our values and the growth trends and trajectory of the Ethiopian economy. As seen during the current COVID-19 pandemic, it is essential that local companies have the resilience and the resources to continue producing goods during difficult times. Cepheus Capital remains actively engaged in Ethiopia to support local businesses that provide essential goods and services within the country.”

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For Cepheus Capital, the deal was led by Tim Hill, Investment Director, who said: “Lion Brands is a company with a strong portfolio of products, many of which enjoy tremendous brand loyalty from the Ethiopian consumer. With Cepheus Capital’s investment to improve and expand the company’s operations, Lion Brands has a significant opportunity for growth. In addition, the leadership team within East African Group share Cepheus Capital’s vision of how to deliver the enormous potential of Lion Brands, and we are delighted to have such strong partners alongside us.”

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Cepheus Capital is a private equity firm that invests in Ethiopia’s most promising businesses and entrepreneurs. Besides providing capital, the firm also delivers management and operational expertise to its portfolio companies and assists them in the adoption of strong environmental, social and governance standards. Cepheus Capital is finalizing the fund-raising for its first US\$100mn fund that will be deployed across the manufacturing, agro-processing and services sectors.