Mohamed Mabrouk – CEO, Pharmed Healthcare, Egypt



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Dr Mohamed Mabrouk, CEO of Pharmed Healthcare, highlights how the company has evolved from only offering Hepatitis C treatment to having 112 products in the pipeline today. He also emphasises the importance of local companies for the government's 100 Million Seha campaign, while outlining Pharmed's future strategy including commercial partnerships and export ambitions.

Dr Mohamed, you are celebrating your five-year anniversary heading Pharmed this year. What do you see as the main achievement since joining the company in 2015?

Our main achievement was taking part in fighting the Hepatitis C virus in the country with one of our products. We were the first company to receive the license for the original Sofosbuvir-producing company, Gilead, in Egypt and we were able to provide Egyptian patients with this innovative product at a very low cost, due to local production. Pharmed is the first company since 2016 to decrease the price for the product by selling it at a minimal margin. While I have been fighting Hepatitis C throughout my whole career, taking over the license of Gilead has been one of my key accomplishments, as it was a breakthrough in treating the disease at an affordable price. Around the world, many countries have taken Egypt's 100 Million Seha campaign as an example of how to screen a huge part of a population and eradicate Hepatitis C, so I am very proud of being part of this program.

We have seen many MNCs contributing to the national campaigns. So how do you see the role of the local players supporting the government initiatives?

With President El-Sisi prioritizing the fight against Hepatitis C early in his first presidency, the industry has been focused on treating this disease as one of the country's most urgent issues. The National Committee of Combating Hepatitis C has done a fantastic job of streamlining the operations and nearly all national companies have been involved in the activities of fighting the disease. Overall more than two million patients suffering from Hepatitis C have been treated successfully since 2015. One has to keep in mind that the original drug produced by Gilead had a price of more than USD 1000 for "one" tablet, which presents a huge obstacle to ensure affordable treatment. With the help of the local Egyptian companies, the treatment has been offered at a very low price and even for free in urgent cases. Pharmed, in particular, has been a pioneer in this area, treating more than 300,000 patients.

What other treatment areas are you focused on apart from Hepatitis C?

By next year, we will have 25 products in our portfolio with all of them aiming to be in the Top Five of their relevant categories. Our new diabetes product, based on Linagliptin/Metformin, will be launched within the next two months, which will also help us to climb the rankings by ten positions. The patent of the original product has expired at the end of March 2019, so Pharmed is the first company to bring a generic at a significantly cheaper price to the market. Thanks to our strong track record in treating Hepatitis C, Pharmed has a great reputation and our customers trust us and the brands we are bringing to the market.

Given the pricing pressures we have seen in the last three years, how do you ensure your commitment to Egyptian patients by avoiding drug shortages as a manufacturer while also remaining profitable as a company?

All pharmaceutical companies have suffered from the devaluation, but the industry has tremendously supported the country and the patients, showing great citizenship during these tough times. Pharmed faced great problems during that time, because of the high costs for production and the low set prices for our products. Nevertheless, the chairman of the board of Pharmed recognized the difficulties the country was facing and emphasized his commitment to Egypt, putting the patient over economic interests. Thanks to this support, we have started to

recover this year from the shock we faced in 2016.

Considering the growth of the market and your manufacturing capacities, do you see any opportunities for contract manufacturing, in-licensing products or other similar partnerships?

Pharmed has established partnerships with multinational companies such as Abbott, which is co-promoting one of our products. Additionally, Acdima, one of the biggest governmental companies, is going to manufacture in our site. We also manufacture for multinationals, such as Sun Pharma and are in negotiations for contract manufacturing with Novartis and Julphar, which have audited us successfully. We are also in discussions with Abbott to manufacture some of their products in our plant.

Why is Pharmed the partner of choice for companies looking to bring their products to Egypt?

Pharmed has a new, state-of-the-art production facility in Egypt, relying on the latest technology. Our team is very experienced, with many of my employees previously working for multinational companies, so we have great expertise in how to market products. Additionally, the company is following international standards, as our main shareholder, Hetero Pharma has strong expertise in global markets.

You highlighted in a previous interview that companies need to pursue parallel options, looking at the domestic and export options. What strategy is Pharmed pursuing to access export markets?

Apart from supplying the domestic market, Pharmed is also focused on increasing its export business. In the region, we are exporting to Palestine and Yemen. Another target region, we have identified, is Latin America, in particular in Guatemala, where we have reached a distribution agreement with a local company. Here we can rely on Hetero Pharma’s global network, working from the regional office in Latin America.

Where do you want to see Pharmed in the next five years?

Four years ago, Pharmed had only Hepatitis C products, so we have grown into a company that now is serving more treatment areas both in Egypt and foreign countries. We will continue this journey, working on getting our products registered, as we have 112 products in the pipeline. We have specific marketing plans for each product, considering the complicated box registration system in Egypt, but we are very positive about our future development.

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