

Pague Menos Pharmacies Announces Strategic Growth Investment from General Atlantic

FORTALEZA, BRAZIL - December 22, 2015

Empreendimentos Pague Menos (“Pague Menos Pharmacies”), the third largest drugstore retail chain in Brazil, announced today that General Atlantic, a leading global growth equity firm, has committed to make a strategic growth investment of R\$600 million in the company, to support its next phase of growth.

Founded in 1981 by Francisco Deusmar de Queirós, Pague Menos is the only pharmacy chain with a presence in every Brazilian state, as well as the Federal District. The company currently has more than 820 stores in 300 cities, roughly 20,000 employees, and has been opening an average of 80 stores per year. The company expects to reach R\$5 billion in revenues in 2015.

“I founded Pague Menos Pharmacies in 1981 starting with just one neighborhood store, with the goal of meeting the healthcare needs of Brazilians in a friendly, affordable, and convenient manner. My family and I, as well as the entire team of Pague Menos employees, have worked very hard since the opening of our first store in Fortaleza and we are excited to continue to expand our footprint to serve the entire country,” said Francisco Deusmar de Queirós, Founder and Chief Executive Officer of Pague Menos Pharmacies. “As we look to our company’s future, we are very proud to welcome General Atlantic as a valued strategic partner to contribute to our next phase of growth,” he continued.

Francisco Deusmar de Queirós is a visionary entrepreneur who has built one of the most promising companies of the Brazilian drugstore retail segment,” said Bill Ford, Chief Executive Officer of General Atlantic. He continued, “Pague Menos Pharmacies has maintained a strong growth rate, opening an impressive number of stores even during challenging economic times in Brazil, highlighting the resilience and strength of the company and its differentiated value proposition for its customers. We are looking forward to partnering closely with the entire Pague Menos team.”

With General Atlantic’s support, Pague Menos Pharmacies will continue to expand its geographic footprint throughout Brazil and will continue to increase its product and service offering. For example, earlier this year, the company successfully launched “Clinic Farma,” in-store clinics for pharmaceutical consultations, in 250 of its stores. So far, Clinic Farma has helped over 6,000 patients receive pharmaceutical orientation and counsel, providing critical care on chronic conditions such as diabetes and hypertension.

Pague Menos Pharmacies will be General Atlantic’s 10th Brazilian investment since 2000, when it first entered the region. Since then, General Atlantic has invested over \$1.5 billion in Brazilian companies. The firm’s Brazilian portfolio includes Ourofino, a leading Brazilian animal health company, SAS Sistema de Ensino, a leading Brazilian learning system provider, and XP Investimentos, a leading asset management firm in Brazil.

Martin Escobari, Managing Director and Head of Latin America at General Atlantic, will join the company’s Board of Directors. With this investment, General Atlantic will hold a 17% stake in Pague Menos Pharmacies. This transaction is subject to closing conditions.

About Pague Menos Pharmacies

Pague Menos is the first pharmacy chain with a presence in every Brazilian state, as well as the Federal District. Currently, the company has more than 820 stores and 20,000 employees, working across 300 Brazilian cities. With headquarters located in Fortaleza, Pague Menos Pharmacies has been featured prominently in *Exame’s* 2015 ranking of the best and biggest companies in Brazil and is the 11th biggest company in Brazil’s North and Northeast region. www.portalpaguemenos.com.br

About General Atlantic

General Atlantic is a leading global growth equity firm providing capital and strategic support for growth companies. Established in 1980, General Atlantic combines a collaborative global approach, sector specific expertise, a long-term investment horizon and a deep understanding of growth drivers to partner with great entrepreneurs and management teams to build exceptional businesses worldwide. General Atlantic has more than 100 investment professionals based in New York, Amsterdam, Beijing, Greenwich, Hong Kong, London, Mexico City, Mumbai, Munich, Palo Alto, São Paulo, and Singapore. www.generalatlantic.com

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