

Press Release

Affirma Capital and StonePine ACE Partners invest in Egypt based Nerhadou International for Pharmaceuticals and Nutraceuticals

1 February 2022, Singapore / Egypt – Affirma Capital and StonePine ACE Partners Limited (“StonePine”) have jointly agreed to invest USD 20 million for a significant minority stake in Nerhadou International for Pharmaceuticals and Nutraceuticals (“Nerhadou” or the “Company”), one of the largest and fastest growing nutraceutical and pharmaceutical players and a pioneer oral dispersible film (“ODF”) manufacturer in Egypt.

Affirma Capital and StonePine identified Nerhadou as a unique player due to its sizeable presence and dominant market share across key nutraceutical product subsegments and its significant technological capabilities in terms of being the first to introduce ODF technology in Egypt. Nerhadou also has an attractive product pipeline consisting of several innovative nutraceutical and pharmaceutical products, both in ODF and conventional dosage forms. With the investment proceeds, Nerhadou plans to expand the Company’s existing operations and expedite the launch of multiple innovative pipeline products in the Egyptian and regional markets.

The transaction closing remains subject to regulatory approvals including the Egyptian Drug Authority and satisfaction of certain conditions agreed between the parties.

Nerhadou will be the first joint investment by Affirma Capital and StonePine in Egypt and will also support the broader Egypt-focused investment strategy for both firms which are in the process of evaluating and jointly executing further investment opportunities in Egypt.

Affirma Capital and StonePine are committed to backing regional champions with strong management teams and founders and continue to actively seek investment opportunities in Egypt and the broader MENA region.

Mohamed Shalaby, CEO of Nerhadou, said: “We are pleased to welcome aboard global investors such as Affirma Capital and StonePine to join us on our growth journey. Affirma and StonePine have been hands-on partners and have already helped us identify and execute on several value enhancement initiatives. We believe that their investment in Nerhadou will accelerate the company’s growth plans, solidify its market position, and bring the Company to IPO standards.”

Taimoor Labib, Founding Partner and Head of MENA & Chairman of Africa at Affirma Capital, stated: “We are very excited to partner with Nerhadou and its excellent management team. The Egyptian pharmaceutical sector is growing rapidly as Egypt continues to record stellar growth as a result of a highly favorable investment environment. We look forward to working with Nerhadou and to leveraging our global franchise to help them grow, both organically and inorganically.”

Youssef Haidar, Founder and CEO of StonePine Capital Partners and Head of StonePine ACE Fund, stated: “We are incredibly proud to partner and team up with Nerhadou. We believe in the potential of the Egyptian market, and the pharmaceutical sector offers an exceptional upside. We are excited to partner with Affirma Capital on this investment and we look forward to working together on future investments in Egypt.”

Renaissance Capital acted as the exclusive financial advisor on behalf of Affirma Capital and StonePine, supported by White & Case as legal advisors. ADIB Capital (investment banking arm of ADIB Egypt) acted as the lead sell side advisor on behalf of Nerhadou, supported by Al Tamimi & Company as legal advisors.

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About Affirma Capital

Affirma Capital is an independent emerging market private equity firm owned and operated by the former senior leadership of Standard Chartered Private Equity. It currently manages c. USD 3.5 billion in assets for leading global limited partners and sovereign wealth funds. Affirma Capital has offices in Singapore, Seoul, Shanghai, Mumbai, Dubai, and Johannesburg.

About StonePine ACE Partners

StonePine ACE Partners Limited is a joint venture between StonePine Capital Partners, an investment firm with a focus on private equity investments, and ACE & Company SA, a Geneva-based and FINMA regulated global Investment company with over US\$1.6bn in AUM. StonePine draws on its founder’s extensive expertise in private equity having managed multiple funds previously in the Middle East, North Africa and India regions and its extensive MENA networks which enables it to source highly attractive proprietary deal flow.

About Nerhadou International for Pharmaceuticals and Nutraceuticals

Nerhadou (www.nerhadou.com) is one of the largest and fastest growing major nutraceutical players and a pioneer ODF manufacturer in Egypt. The Company is considered a unique player due to its sizeable presence and dominant market share across key nutraceutical product subsegments, its significant first mover advantage in terms of introducing ODF technology in Egypt, and its highly attractive product pipeline in the market coupled with upcoming launches in nutraceuticals and ODF.

For further information, please email media@affirmacapital.com

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