

Press Release

Affirma Capital and StonePine ACE Partners announce final closing of investment in Egypt based Nerhadou International for Pharmaceuticals and Nutraceuticals

24 January 2023, Singapore / Egypt – Affirma Capital and StonePine ACE Partners Limited (“**StonePine**”) have announced the final closing of their USD 20 million investment to acquire 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.

Nerhadou has had a very strong performance over the past 12 months delivering double digit growth and continuing to grow and cement its position as a leading player across key nutraceutical product subsegments and ODF technology in Egypt. The Company has an attractive product pipeline consisting of several innovative nutraceutical and pharmaceutical products, both in ODF and conventional dosage forms. The fresh capital injected into the Company further strengthens its balance sheet for the future and will allow it to accelerate the roll-out of key growth initiatives.

Nerhadou is the first joint investment by Affirma Capital and StonePine Capital Partners in Egypt and is part of a broader Egypt focused joint investment strategy.

Affirma Capital and StonePine Capital Partners are committed to backing regional champions with strong management teams and founders and continue to actively seek suitable investment opportunities in Egypt and the broader MENA region and have already opened an office in Cairo and hired a local investment team.

Dr. Mohsen Shalaby, Chairman of Nerhadou, said: “We are excited to partner with Affirma Capital and StonePine to accelerate Nerhadou’s clear growth trajectory and bring the Company to IPO standards. Affirma and StonePine have already helped us identify and execute on a number of value enhancement initiatives and we look forward to leveraging their regional and global expertise to solidify our market leadership position.”

Dr. Mohamed Shalaby, CEO of Nerhadou, said: “We are pleased to have successfully secured all the regulatory approvals required and fulfilled the conditions for the closing of this transaction. We can now focus on executing our ambitious plan with our new partners, with an even stronger balance sheet.”

Taimoor Labib, Founding Partner and Head of MENA & Chairman of Africa at Affirma Capital, stated: “We continue to be excited to partner with Nerhadou and its outstanding management team while leveraging our global franchise to help them grow both organically and inorganically. In addition, we are very excited for our robust 2023 Egypt investment pipeline.”

Youssef Haidar, Founder and CEO of StonePine Capital Partners and Head of StonePine ACE Fund, stated: “With fresh capital and a solid balance sheet, Nerhadou is very well positioned to weather any macro-economic uncertainty and focus on executing its growth plans. We have been working closely with the management team over the past year and will continue to do so to enable those plans.”

Affirma Capital and StonePine were supported by White & Case as legal advisors. ADIB Capital (the 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 3.2 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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