

PRESS RELEASE

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Female founded Africa focused private equity co-investment vehicle makes first investment in Nigeria's pioneer manufacturer of daily personal hygiene products

Aruwa Capital Management has a focus on gender lens investing

Aruwa Capital Management ("Aruwa"), a West Africa focused Private Equity co-investment vehicle, has completed its first investment, in Wemy Industries Limited (the "Company"), Nigeria's first and only indigenous personal hygiene company.

Wemy manufactures high-quality and affordable daily, disposable, personal hygiene products predominantly for women and infants, including sanitary pads, maternity pads and baby diapers.

Aruwa provides patient growth capital to companies in the lower middle market in West Africa, applying gender lens investing principles to its investment approach (ensuring the investment helps create positive social and economic benefits for women). As part of the investment in Wemy the business will be implementing an action plan to improve its representation of women in its workforce, including at the most senior levels.

Wemy has almost 200 employees and six production lines in its factory in Lagos State. The business is over 40 years old and was founded in 1978.

Adesuwa Okunbo Rhodes, Founding Partner of Aruwa Capital Management said: "We are very excited to be making this investment in Wemy Industries, a true pioneer in its industry and local success story. Our investment will help them deliver the next stage of their growth trajectory,"

"With the rapidly growing population across West Africa and increased usage levels across its product segments due to urbanisation, the Company is uniquely placed to take advantage of the strong demand over the short, medium and long term."

"Following the re-introduction of Wemy's Dr Browns baby diaper range earlier this year, revenue for this financial year is 200% higher than last. This investment is aligned entirely with our objective of promoting locally owned and driven industrialisation, investing in indigenous manufacturing champions in import dominated industries, helping create jobs, generate taxes, export revenues and fuelling economic growth."

"In addition, in line with Aruwa's gender lens investing strategy, 80% of the Company's products have a positive effect on women, from improved hygiene for menstruating teenage girls in rural areas in Northern Nigeria and improved maternal health across the country. This investment ticks a lot of the boxes for us and we look forward to working with the management team for the exciting journey ahead."

Paul Odunaiya, Managing Director and CEO of Wemy Industries added: "I am very excited to be working with the Aruwa team, we have been working with their team in one way or another for the last three years and their dedication and vision entirely aligns with the values we also have in our company. From our experience with Aruwa over that time, they have already shown us the significant value add they can bring through their deep relationships locally and their operational expertise."

"Our long-term focus is to be the leading manufacturer of personal hygiene products across West Africa. The completion of this funding process is the first of the many steps in the achievement of our objectives. The investment will enable us increase our capacity significantly across all of our production lines and grow in both our domestic and export markets. The best is yet to come for Wemy and we are very happy to have Aruwa as our partners in that journey."

About Wemy and their brands

Wemy pioneered the manufacture of baby diapers and sanitary pads in Nigeria. The family that owns the business understood the critical need for high quality but affordable hygiene products in the Nigerian market, and the importance of further education to increase the awareness and use amongst the growing population. In the following decades, the family established its Dr Browns and Nightingale brands as household names and diversified to include baby wipes, net maternity pads, underlay hospital pads, ultra-thin sanitary pads and adult diapers.

The Company is typically the only local manufacturer in each of its product segments which are crowded by expensive imports. Wemy's products are targeted at the middle- to lower-income segment – Nigerians who are value-conscious but nevertheless loyal customers with a brand affinity to the Company's indigenous brands. Through its extensive distribution network and its long-standing distributor relationships developed over four decades, the Company has established itself as a market leader across all of its product segments.

Long term demand for the Company's products, which cover new-borns to the over 65s, are clear. The rapidly growing population, a baby is born every five seconds in Nigeria, with more babies born each year in Nigeria than the whole of Western Europe. Additionally, per capita usage of personal hygiene products are significantly lower in West Africa compared to their emerging and developed market counterparts. The Company will therefore benefit from demand growth not only from an expanding population but also increased usage levels over time.

For more information visit <http://wemydrbrowns.com/>

About Aruwa Capital Management

Aruwa Capital Management is a Lagos based, women founded and led private equity firm focused on investing equity and equity linked capital to established and fast growing companies in the small to lower mid-market segment in Nigeria and Ghana that are currently undervalued and underserved by larger financial institutions. Aruwa focuses on providing growth capital to untapped indigenous businesses with an operating history and track record of profitability. Through the Invest, Operate and Empower model, Aruwa institutionalises the businesses it invests in through active operational involvement and by taking an active role in company governance. Aruwa invests in Nigeria and Ghana, focusing on high growth sectors such as FMCG manufacturing, non-banking financial services and fintech, education, healthcare and B2B services.

For more information visit <https://aruwacapital.com/>

For Further Information, please contact

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Advisers to the deal

KPMG provided financial and tax due diligence services for the transaction, PwC provided commercial due diligence services and The New Practice provided legal due diligence and transaction advisory services to Aruwa Capital. G Elias & Co provided legal services and Libera Partners provided financial advisory services to Wemy Industries.