



Partners Group

REALIZING POTENTIAL IN PRIVATE MARKETS

Press release

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GHO Capital and Partners Group invest in Sterling Pharma Solutions, a leading pharmaceutical development and manufacturing organization

- Since first partnering with GHO in 2019, Sterling Pharma Solutions has grown rapidly, tripling its revenues and quadrupling its earnings. Sterling is now the preferred partner to several leading pharmaceutical companies for handling the development of complex medicines and scaling up of manufacturing
- Partners Group acquires a significant minority stake, bringing a wealth of healthcare expertise. GHO will remain Sterling's majority shareholder and its new investment is supported by a consortium of investors, led by funds managed by AlInvest Partners and Pantheon
- The new investment will support Sterling's growth trajectory in expanding production capacity across the UK, Europe, and the US, adding complementary capabilities and pursuing further strategic acquisitions

Global Healthcare Opportunities, or GHO Capital Partners LLP ("GHO"), the European specialist investor in global healthcare, and Partners Group, a leading global private markets firm, acting on behalf of its clients, today announce an investment in GHO portfolio company Sterling Pharma Solutions ("Sterling" or "the Company"), a global Contract Development and Manufacturing Organisation ("CDMO").

Sterling provides a full range of CDMO services across the lifecycle of new, high-value active pharmaceutical ingredients ("APIs") and is an industry leader in the early-stage development of antibody drug conjugates ("ADCs"), a fast-growing class of cancer treatments. Sterling handles the development of complex APIs and subsequent scaling up of manufacturing from pre-clinical to commercial scale. Sterling has five state-of-the-art manufacturing facilities in the US, UK, and Ireland. The Company benefits from a diversified blue-chip customer base and is a supply chain partner for the majority of the largest pharmaceutical companies.

Since partnering with GHO in 2019, Sterling has grown rapidly, both organically and through acquisition. The Company has transformed from a single-site UK CDMO to a global full-service complex small molecule API platform with differentiated chemistry capabilities. Sterling has tripled in revenues and quadrupled its earnings following strategically accretive M&A focused on

capacity expansion, capability development, and a strategically relevant geographical footprint. Recently, Sterling's acquisition of Novartis' Ringaskiddy site saw the Company significantly increase its capacity, which included a long-term supply agreement with Novartis – reinforcing Sterling's outstanding reputation within the pharmaceutical industry.

Partners Group acquires a significant minority stake, bringing a wealth of international healthcare expertise to the shareholder group and helping drive future value creation. GHO will remain Sterling's majority shareholder and the current management team will continue to lead the Company. This new investment from GHO is supported by a consortium of investors, led by funds managed by AlInvest Partners, a subsidiary of global investment firm Carlyle (NASDAQ: CG), and Pantheon.

The new investment will support Sterling as it accelerates its growth plans through the expansion of production capacity across the UK, Europe, and the US. This will enable the business to meet increasing demand from both new and existing customers, supporting all stages of development from clinical to commercial stages. The new funding will also enable Sterling to pursue additional strategic acquisitions to further expand its capabilities and geographic reach and continue to advance its strong commitment to ESG initiatives.

Kevin Cook, CEO, Sterling, says: "We have achieved remarkable growth over the last four years becoming a trusted partner to the pharmaceutical and biotechnology industries. We are proud of our success in meeting the often complex and demanding manufacturing needs of our customers on an international scale. Our continued sustainable growth has been underpinned by our partnership with GHO Capital, which has been instrumental in our success to date. We are delighted to welcome Partners Group, which, alongside GHO, will support our ambitious global growth trajectory. We look forward to continuing to provide industry leading service throughout the entire product lifecycle, to an ever-expanding international customer base."

The Partners at GHO Capital comment: "We partner with management teams to deliver the healthcare of the future. Sterling is a leading example of how our deep industry expertise, combined with the GHO growth playbook, can generate long-term, sustainable value. We are immensely proud of the business that Sterling has become as a result of GHO's partnership with management in supporting exceptional transatlantic growth, operational enhancements, internationalization and transformational M&A. We are especially glad to continue our strong partnership with Kevin and the management team and we look forward to working with Partners Group, which has significant global reach and expertise and will contribute to Sterling becoming the reference innovator-focused API CDMO globally."

Pascal Noth, Head Private Equity Health & Life Europe, Partners Group, adds: "Advanced CDMOs have been a major focus of our thematic research and we have strong conviction in the growth potential of leading players that are capable of following the molecule across its lifecycle. We believe that strategic partners to innovative pharmaceutical companies will benefit from further outsourcing as well as production reshoring trends. Sterling's focus on complex APIs means it is well positioned to capitalize on rising demand for next-generation small molecule

medicines. We have been really impressed with Kevin and the management team and look forward to collaborating with them, as well as our partners at GHO, known for their extensive industry knowledge and successful growth strategies, on the Company's next phase of transformational growth."

Sterling was advised by Jefferies International Ltd as financial advisor, Macfarlanes LLP as legal advisor, L.E.K. Consulting LLP as commercial advisor, Deloitte LLP as finance, tax, and responsible investing due diligence advisor, and ERM as environmental advisor.

GHO was advised by Jefferies International Ltd as secondaries advisor, Slaughter and May and Kirkland & Ellis International LLP as legal advisors, and Deloitte LLP as structuring advisor.

Partners Group was advised by Ropes & Gray International LLP as legal advisor, Ernst & Young AG as commercial advisor, PricewaterhouseCoopers Ltd as financial, tax, and structuring advisor, Alvarez & Marsal Europe LLP as operations advisor, and ERM as environmental advisor.

About Partners Group

Partners Group is a leading global private markets firm. Since 1996, the firm has invested over USD 195 billion in private equity, private real estate, private debt and private infrastructure on behalf of its clients globally. Partners Group seeks to generate superior returns through capitalizing on thematic growth trends and transforming attractive businesses and assets into market leaders. The firm is a committed, responsible investor and aims to create sustainable returns with lasting, positive impact for all its stakeholders. With over USD 135 billion in assets under management as of 31 December 2022, Partners Group provides an innovative range of bespoke client solutions to institutional investors, sovereign wealth funds, family offices and private individuals globally. The firm employs more than 1,800 diverse professionals across 20 offices worldwide and has regional headquarters in Baar-Zug, Switzerland; Denver, USA; and Singapore. It has been listed on the SIX Swiss Exchange since 2006 (symbol: PGHN). For more information, please visit www.partnersgroup.com or follow us on [LinkedIn](#) or [Twitter](#)

About Sterling Pharma Solutions

Sterling Pharma Solutions is a global contract development and manufacturing organisation (CDMO) with more than 50 years' experience in providing small molecule API development and manufacturing services to the pharmaceutical industry, specialising in handling challenging chemistries. Sterling manages the most complex API challenges from proof-of-concept to commercial manufacture, as well as antibody-drug conjugate (ADC) research and development bioconjugation services.

Sterling has five facilities employing more than 1,300 people: its HQ in Dudley, Northumberland, UK; the new site in Ringaskiddy, Co. Cork, Ireland; a dedicated bioconjugation and ADCs facility in Deeside, North Wales, UK; and two sites in the US, in Cary, North Carolina and Germantown, Wisconsin. For more information, please visit www.sterlingpharmasolutions.com

About GHO Capital

Global Healthcare Opportunities, or GHO Capital Partners LLP, is a leading specialist healthcare investment advisor based in London. We apply global capabilities and perspectives to unlock high growth healthcare opportunities, targeting Pan-European and transatlantic internationalisation to build market leading businesses of strategic global value. Our proven investment track record reflects the unrivalled depth of our industry expertise and network. We partner with strong management teams to generate long-term sustainable value, improving the efficiency of healthcare delivery to enable better, faster, more accessible healthcare. For further information, please visit www.ghocapital.com

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