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HEALTHCARE



Lifestores Healthcare closes \$3M pre-series A round led by Health54

The round, which was oversubscribed by 50%, marks the first investment for Health54, the corporate venture arm of CFAO Group, which is the largest healthcare distribution channel in sub-Saharan Africa. Lifestores aims to increase the number of OGPharmacy registered customers from 10% to 25% of Nigeria's pharmacy market share, increasing the number of patients reached by 400% from 100,000 to 400,000 by 2023.

LAGOS, 4 October, 2022 -- [Lifestores Healthcare](#), a Nigerian health technology company, has closed a \$3 million Pre-Series A funding round. The round was led by [Health54](#), the healthcare-focused corporate venture capital arm of [CFAO Group](#), with [Aruwa Capital Management](#), an early-stage growth equity fund based in Nigeria, as a supporting lead, along with participation from other existing investors. The round was oversubscribed by 50%.

Lifestores will use the capital to fuel expansion in Nigeria, improve its software capabilities, and reach new customer segments. To achieve this, the company will expand its sales and engineering teams, as well as its senior management. Lifestores operates an online B2B pharmaceutical marketplace, [OGPharmacy](#), which provides pharmacies with 10-20% group discounts, cutting-edge supply chain software, and the confidence that medications are authentic and not dangerous counterfeits. Experiencing a 25% monthly marketplace growth to date, OGPharmacy counts more than 10% of Nigeria's pharmacies as registered customers.

Lifestores aims to increase the number of OGPharmacy customers from 10% to 25% of Nigeria's total market share, increasing the number of patients reached by 4x from 100,000 to 400,000 by 2023. To drive growth, Lifestores will open a new Lagos processing center and launch new technology features as part of its B2B offerings, including pharmacy management software, AI-driven predictive ordering, advanced credit offerings, and patient management initiatives. Additionally, Lifestores will leverage CFAO Healthcare's existing wholesale distribution capabilities in Nigeria and across Africa as well as Health54's increasing network of health services innovators and providers. Lifestores will also expand its B2C services, with pilots in patient savings, care management, and medication delivery.

Africa's \$45 billion pharmaceuticals market is expected to grow 10% CAGR to \$100 billion by 2030. Yet, the sector struggles with highly fragmented and undercapitalized supply chains rife with fake medications, which cause the death of thousands of patients each year. In Nigeria, 20-40% of medications are counterfeit. Founded in 2017, Lifestores Healthcare originated as a chain of retail pharmacies before launching its OGPharmacy service in 2020. Lifestores is unique in building out its full stack of technology in-house, using its experience as a retail pharmacy operator to beta-test new software.

"We're thrilled to have Health54 join our mission of democratizing access to quality and affordable primary healthcare in sub-Saharan Africa, together with existing investors, such as Aruwa Capital and the Lionbear consortium," said Bryan Mezue, Co-founder & CEO of Lifestores Healthcare. "The vast majority of Africans will visit their local pharmacy for treatment. We aim to support pharmacists, the unsung heroes of African healthcare, with the critical services they need to procure and provide safe and affordable medications to their patients."

"Our scope goes beyond merely distributing medicines and stabilizing prices. Essentially, pharma wholesalers are the 'banks' of the healthcare supply chain in Nigeria, and their impact on the overall



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economy is considerable. By optimizing how we extend credit to our healthcare provider partners and modernizing patient access to health financing, we are able to power the growth of our partners and increase patient access to quality care,” said Andrew Garza, COO & Co-founder of Lifestores Healthcare.

“We’re proud and happy to make our first investment with Health54 in Nigeria and in Lifestores. We were impressed with Bryan and Andrew’s on-the-ground experience of having run multiple retail pharmacies in Nigeria. In two years, they have built a first-rate distribution platform with OGAPharmacy. As a strategic investor, we’re delighted to work together and bring the benefits of our vertically integrated pharmaceutical supply chain so we can support more patients in Nigeria and beyond with quality primary healthcare,” said Côme Vercken, Managing Director, Health54.

“Following an initial investment 18 months ago, we have been impressed with Lifestores’ stellar growth rate and are proud to continue to support this hardworking team, providing market-relevant solutions. In line with Aruwa’s gender lens strategy, approximately 50% of the pharmacies on OGAPharmacy, are owned or led by women. We look forward to Lifestores’ continued success and are excited about the new strategic partnership,” said Adesuwa Okunbo Rhodes, Founding Partner and CEO, Aruwa Capital Management.

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ABOUT LIFESTORES HEALTHCARE

Based in Lagos, Nigeria, Lifestores Healthcare believes innovation can transform healthcare outcomes for underserved populations. Founded in 2017, Lifestores is on a mission to democratize patient access to core primary healthcare needs in Africa; it aims to serve a network of more than 100,000 healthcare providers via the OGAPharmacy B2B marketplace by 2027. More information at: <https://lifestoreshealthcare.com> and <https://ogapharmacy.com>.