

Press release

Malmö, July 13, 2018

Arjo acquires ReNu Medical – a green medical reprocessor of single use medical devices

Arjo, a market-leading supplier of medical devices and solutions, today signed an agreement to acquire ReNu Medical Inc. ReNu Medical is a privately owned US company specialising in green reprocessing for single use non-invasive medical devices. The acquisition is expected to have a marginal positive effect on netsales, gross margin and earnings per share in 2018.

“The acquisition of ReNu Medical strengthens our offering in compression therapy, such as DVT* prevention, and we also see excellent opportunities for launching this offering in markets outside the US. The acquisition contributes to a more profitable business model and is also well aligned with our focus on sustainability,” says Joacim Lindoff, President & CEO of Arjo.

Arjo’s US operations have had a successful partnership with ReNu Medical since 2015. With this acquisition, Arjo is strengthening its offering to also include reprocessing of, for example, DVT garments. In addition, Arjo takes an attractive position on the growing reprocessing market, a market which is growing in the US as well as in other parts of the world. The acquisition is expected to increase profitability in the DVT product group and Arjo is expected to also expand its market shares in sequential VTE prevention** that currently accounts for about 70% of the US DVT market. In addition, the acquisition is an important step in the group’s aim of reducing its environmental footprint and contributing to sustainable development.

ReNu Medical will be consolidated with the Arjo group on July 1, 2018, and will retain the executive leadership team and personnel to continue to operate as an independent unit. The acquisition is expected to have a marginal positive effect on netsales, gross margin and earnings per share in 2018.

The transaction is subject to customary closing conditions.

About ReNu Medical

ReNu Medical specialises in green technology for reprocessing medical devices, mainly single use devices such as DVT garments. ReNu Medical’s technology is a green water-based high temperature non-toxic process that as opposed to conventional reprocessing does not make use of chemicals or carcinogens that can damage the single use devices or cause harm to patients or

healthcare professionals. ReNu Medical's solutions are currently offered on the US market. The company is based in Everett (WA), US, and has about 85 employees.

* Deep vein thrombosis (DVT) is a formation of a blood clot in a deep leg vein.

** Sequential VTE prevention is a treatment that aims to enhance the circulation of blood in the deep veins of the legs, which helps reduce deep vein thrombosis (blood clot in the deep veins of the legs).

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About Arjo

At Arjo, we are committed to improving the everyday lives of people affected by reduced mobility and age-related health challenges. With products and solutions that ensure ergonomic patient handling, personal hygiene, disinfection, diagnostics, and the effective prevention of pressure ulcers and venous thromboembolism, we help professionals across care environments to continually raise the standard of safe and dignified care. Arjo has approximately 6,000 employees worldwide and customers in over 100 countries. In 2017, Arjo sales amounted to approximately SEK 7.7 billion. Arjo is listed on Nasdaq Stockholm and its head office is located in Malmö, Sweden. Everything we do, we do with people in mind. www.arjo.com