

Press release
Stockholm December 12th 2018

Regulatory information- ADDvise signs Letter of Intent regarding acquisition of a Finnish Med-Tech Company

- ADDvise Group AB (publ) (“ADDvise”) has signed a Letter of Intent with the shareholders of a Helsinki based med-tech company within the Life Science Industry (“the Company”) regarding the acquisition of 100 percent of the shares in the Company (the “Acquisition”).
- The Company is a distribution company within the healthcare sector focusing mainly on sales and services of high-quality med-tech equipment.
- The Company’s financial forecast for 2018: ca. 67,0 MSEK in revenue with an adjusted EBITDA of ca. 7,2 MSEK.
- The purchase price amounts to ca. 33,0 MSEK based on cash and debt-free basis.
- An additional earn-out of maximum 11,3 MSEK over two years may be added.
- The Acquisition is intended to be financed by own funds of ca. 10,0 MSEK and a rights issue guaranteed to 100 percent by major shareholders and members of the Board of Directors. The total issue proceeds from the rights issue will be used for the Acquisition. Further information about the rights issue was published in a separate press release dated 2018-12-12.
- The Acquisition is subject to ADDvise due diligence on the Company as well as that the parties agree to enter into a share purchase agreement.

Reasons for the Acquisition

The Company has a strong position on the Finnish market within sales and services of high-quality med-tech equipment. The acquisition will strengthen our position on the Nordic healthcare market and will also increase ADDvise Group’s profitability and revenue, says Rikard Akhtarzand, CEO for ADDvise Group in a comment.

The Company in brief

The Company specializes in sales and service of business-critical high technology med-tech equipment for the healthcare industry in Finland. The Company had a revenue of ca. 65,0 MSEK and an adjusted EBITDA of ca. 7,2 MSEK 2017 and the forecast for 2018 is ca. 67,0 MSEK in revenue with an adjusted EBITDA of ca. 7,2 MSEK.

Purchase price and indicative schedule

The purchase price amounts to ca. 33,0 MSEK based on a cash and debt free basis with an additional earn-out of maximum of 11,3 MSEK that may be added to the purchase price. The earnout will be divided into two payments of maximum 5,7 MSEK each, given that certain earning targets are met. The earn-outs will be paid indicatively in Q2 2020 and Q2 2021.

Share purchase agreement and admission is scheduled to be completed Q1 2019.

Advisor

Mangold Fondkommission AB is the financial advisor and Krogerus is the legal advisor to ADDvise in conjunction with the Acquisition.

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Important information

This information is required for ADDvise Group AB (publ) to disclose under the EU market abuse regulation. The information was submitted by the abovementioned contact person for publication on 12th December 2018, at 08.45 CET.

About ADDvise

ADDvise Group AB (publ) is a leading supplier of equipment to healthcare and research facilities. The group consists of approximately 10 subsidiaries organized into two business areas, Lab and Healthcare. Sales are global. The Group has a clear acquisition strategy with the aim of raising shareholder value and expand the business – both geographically and product wise. ADDvise Group's shares are listed on Nasdaq First North and Mangold Fondkommission AB, +46 8 503 015 50, is the Company's Certified Adviser. Additional information is available at www.addvisigroup.com.