



Press Release
September 23, 2020
Gothenburg

XVIVO Perfusion to acquire the Dutch medtech company Organ Assist and finances the acquisition through a private placement of new shares

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XVIVO Perfusion AB (publ) ("XVIVO" or the "Company") has today signed an agreement to acquire 100 percent of the shares in the Dutch medtech company Organ Assist B.V. ("Organ Assist") for a cash purchase price of up to EUR 24 million, with an upfront payment of EUR 20 million and potential earn-out payments of up to EUR 4 million. Organ Assist focuses primarily on developing machines and consumables for liver and kidney perfusion. Through the acquisition XVIVO becomes the first organ preservation and evaluation company in the world to be actively involved in all major organs, which accelerates the Company's strategy of becoming a global all organ provider. The acquisition is to be financed by way of a new share issue of shares of approximately SEK 500 million directed to Swedish and international institutional investors through an accelerated book-building procedure, which is expected to commence today.

Background and the transaction

Organ Assist is a medtech company primarily focusing on developing perfusion machines for liver and kidney. Organ Assist was founded in 2005 and its research and products have since resulted in a number of patents and intellectual property rights, and its products within the area of liver and kidney transplantations are CE-marked.

The total purchase price for 100 percent of Organ Assist's shares amounts to up to EUR 24 million, whereof EUR 20 million will be paid in cash on completion of the transaction, and two additional cash milestone payments, each up to EUR 2 million, become payable based on sales target in 2021 and regulatory approval in the US for Organ Assist's kidney device, respectively.

XVIVO secures that organs are kept in optimal condition during transportation and perfusion/evaluation with focus on lungs and hearts. Organ Assist has, since the company was founded in 2005, focused primarily on developing perfusion machines for liver and kidney. The companies' synergies enable greater market opportunities for XVIVO's and Organ Assist's product portfolio through the integration of XVIVO's unique and patented STEEN Solution™ technology with the Organ Assist kidney and liver machines, and by leveraging XVIVO's international market presence.

The acquisition is in line with XVIVO's commercial strategy to strengthen the Company's product offering and accelerate the strategy of becoming a global all organ provider. The complementary product portfolio will create a unique position with presence in all major organs (lung, heart, kidney and liver). The combined offering expands XVIVO's addressable market to approximately 98 percent of the organ transplantation market and aim to position the Company as the "first choice" for all multi-organ clinics.

XVIVO has a strong presence in the US and was the first company in the world to receive an U.S. Food and Drug Administration (FDA) approval (HDE approval) for a medical device for warm perfusion of an organ. Organ Assist's products are CE marked and protected under patents and other intellectual property rights. The plan is to commercialize the Organ Assist machines in the US by utilizing XVIVO's strong market presence and commercialization- and regulatory experience, once FDA approval has been granted.

"This acquisition will enable the execution of an accelerated growth plan, both in terms of sales as well as R&D activities, while building on a solid installed base and a leading position in liver perfusion. It is a token of appreciation of the innovative work done by our employees in Groningen. We are looking forward to working with the XVIVO team building a world leading medtech company, supporting our customers to save and improve patients' lives" says Organ Assist CEO Wilfred den Hartog

"We are happy that Organ Assist becomes part of XVIVO Perfusion; it is the perfect partner to bring the Organ Assist's innovative systems to the organ transplantation community" Willem van Lawick, Organ Assist's Chairman added.

"XVIVO becomes the first organ preservation and evaluation company in the world to be actively involved with all major organs after this strategically important acquisition" says XVIVO Perfusion CEO Dag Andersson.

Financials and synergies

Organ Assist had a turnover of EUR 3.5 million and an EBITDA of EUR 0.1 million in 2019 and a turnover of EUR 1.3 million and an EBITDA of EUR 0.1 million in January – June 2020. Organ Assist has its head office and R&D center in Groningen, The Netherlands, where its 18 employees are based, and Groningen will remain as a competence center for the development and commercialization of machines and solutions for liver and kidney. Both product- and clinical development will be intensified after the acquisition.

XVIVO and Organ Assist have limited overlapping businesses within the field of thorax transplantations – lungs and hearts – and XVIVO therefore sees limited cost synergies since the companies as of today have few double costs and resources within this field. Within the field of abdominal transplantations – kidneys and livers – the businesses complement each other.

Financing and conditions

Completion of the acquisition is expected to take place during October 2020 and is conditional upon XVIVO raising proceeds to finance the purchase price through a private placement of shares on Nasdaq Stockholm. XVIVO has engaged Carnegie Investment Bank AB ("**Carnegie**") to explore the conditions to carry out a directed share issue of up approximately SEK 500 million based on the authorization granted by the annual general meeting on 31 March 2020. The price of any new shares issued in the directed share issue will be determined through an accelerated bookbuilding procedure administered by Carnegie. Further information about the directed share issue and the accelerated bookbuilding procedure, which is expected to commence today, will be disclosed through a separate press release.

Conference call

XVIVO invites to a teleconference regarding the acquisition of Organ Assist B.V. During the teleconference, the

CEO and CFO will inform about the acquisition and answer questions about the transaction. Below are the dial-in details:

September 24, 2020 14:00 (Europe / Stockholm)

Language: English

Teleconference: <https://financialhearings.com/event/13076>

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Gothenburg

XVIVO Perfusion AB (publ)

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Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is not required by law or Nasdaq Stockholm's rule book for issuers.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in XVIVO have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in XVIVO may decline and investors could lose all or part of their investment; the shares in XVIVO offer no guaranteed income and no capital protection; and an investment in the shares in XVIVO is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the directed share issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Carnegie will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in XVIVO.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in XVIVO and determining appropriate distribution channels.

This is a translation of the Swedish version of the press release. In case of discrepancies, the Swedish wording shall prevail.

For further information please contact:

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About Us

XVIVO Perfusion AB is a medical technology company which develops solutions and systems for assessing and preserving organs outside the body and for selecting usable organs and maintaining them in optimal condition pending transplantation. The company is headquartered in Gothenburg, Sweden, and has one office in Lund, Sweden and one office in the USA. The XVIVO share is listed on Nasdaq Stockholm and has the ticker symbol XVIVO. More information can be found on the website www.xvivoperfusion.com.

This information is information that XVIVO Perfusion AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2020-09-23 17:30 CEST.

Attachments

[XVIVO Perfusion to acquire the Dutch medtech company Organ Assist and finances the acquisition through a private placement of new shares](#)