

Press release  
Stockholm June 15<sup>th</sup> 2018

## **ADDvise signs Letter of Intent regarding the acquisition of Merit Cables**

- ADDvise Group AB (publ) (“ADDvise”) has signed a Letter of Intent with the shareholders of Merit Cables Inc. (“Merit Cables”) regarding an acquisition of 100 percent of the shares in Merit Cables (all together “the Acquisition”).
- Merit Cables manufactures and sells medical lead wires and systems.
- The purchase price amounts to 1.35 MUSD based on cash and debt-free basis.
- An additional earn-out of maximum 0.25 MUSD over two years may be added.
- The fiscal year 2017, Merit Cables had a revenue of 2.55 MUSD and an EBITDA of 0.25 MUSD.
- The Acquisition is expected to have a positive effect on ADDvise’s earnings per share.
- The Acquisition will be financed with own funds and existing credit line.
- The Acquisition is subject to due diligence and that the parties will agree to enter into a share purchase agreement.

### **Reasons for the acquisition**

Merit Cables is a profitable product company located in the USA with a wide customer base including several ‘Fortune 500’-companies. The Acquisition will complete and improve the product range within the field of healthcare.

- Through the acquisition of Merit Cables, we expand our product range within the business area Healthcare. We also strengthen our presence and platform in the important US market, says Rikard Akhtarzand, CEO of ADDvise Group.

### **Merit Cables in brief**

The company was founded in 1983 and has its headquarters and production facility located in southern California. Merit Cables manufactures medical lead wires and connection systems. During the fiscal year 2017, Merit Cables had a revenue of about 2.55 MUSD and an EBITDA of 0.25 MUSD.

### **Purchase price and indicative schedule**

The purchase price amounts to 1.35 MUSD based on a cash and debt free basis with an additional earn-out of maximum 0.25 MUSD that may be added to the purchase price given that certain earning targets are met. The earn-out is paid indicative in Q2 2019 and Q2 2020.

Share purchase agreement and admission is scheduled to be completed in the beginning of Q3 2018.

### **Advisor**

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

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**Important information**

This information is required for ADDvise to disclose under the EU market abuse regulation. The information was submitted for publication on July 15th, 2018 at 08:45 CEST.

**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](http://www.addvisigroup.com).