

PRESS RELEASE

Delta Med S.p.A. acquires the “critical care” division of Alfamed S.r.l.

Milan, September 20, 2017 – Augens Capital, Delta Med S.p.A. (Delta Med) and Alfamed S.r.l. (Alfamed) are pleased to announce the signing of the final agreement regarding the acquisition of the “critical care” division of Alfamed by Delta Med.

With expected revenues of €2 million, mainly realized with the national healthcare system and with private clinics in Italy, this division operates in the intensive care and emergency care medical devices sector, through the sale of products such as PICCs, ports, midlines, long cannulae and fixing kits. The transaction closing is expected to take place by the end of September.

Founded in 1993, Delta Med is one of the main global producers of peripheral vascular accesses, and is also active in the production and distribution of medical devices and single-use devices for infusional therapies, procedural packs for operating rooms and other products for the pharmaceutical, healthcare and dental sectors.

The transaction fits perfectly within the strategic development guidelines set forth by Augens Capital following the acquisition of Delta Med in November 2015, which provide for the creation of a large Italian operator with a sophisticated and complete portfolio of products and technologies in the vascular access sector. The first step of this strategy was the acquisition of 100% of the shares of Tipromed S.r.l. in January 2017 from the founders Emanuele Minari and Franco Petrali, which added the closed system catheter, of which Tipromed is the largest European producer, to the group portfolio, together with a deep skill set and know-how. The acquisition of Alfamed’s “critical care” division marks an additional strategic step, with the entrance in the central system vascular accesses sector, which is experiencing significant growth globally.

Through this acquisition, Delta Med will be able to reach 2017 pro-forma revenues of more than €18 million, of which 35% realized abroad.

As in the case of Tipromed, the shareholders of Alfamed will re-invest part of the proceeds from the sale in Delta Med, entering the shareholder structure alongside Augens Capital, the SOF fund managed by DB Private Equity (private equity division of Deutsche Bank) and Delta Med’s management team.

“Delta Med is an excellent company, active in an important segment of the global healthcare market, with a great reputation thanks to the quality of its products, certified by the most prominent global healthcare authorities” said Gabriele Giovanelli, CEO of Delta Med. “With the acquisition of Tipromed and that of the “critical care” division of Alfamed”, added Marco Mantica, CEO of Augens Capital, “Delta Med can offer its clients a complete portfolio of products, technologies and know-how for several application areas, it has become a strategic partner of important international groups and features an extended pipeline of new projects.”

The acquisition will be entirely financed through a capital increase underwritten by the existing shareholders and in part by the shareholders of Alfamed. For this transaction, Delta Med has been supported by Italian law firm LMS and by EY for the financial and tax due diligence.

Augens Capital

Augens Capital is an investment firm set up in 2014 to invest in Italian mid-market companies with a specific focus on family-owned companies facing succession or generational issues, orphan companies and situations where sector consolidation and international growth can be supported by its network of relationships.