
INVESTINDUSTRIAL-BACKED ARTEREX ACQUIRES NEXTPHASE

A significant step in creating a global, multi-capability platform in a highly fragmented medical devices contract manufacturing industry in North America and Europe

London, 14 June 2023 - Medical Device, Inc. (“Arterex”), a leading medical device contract manufacturer, has signed an agreement to acquire NextPhase Medical Devices LLC (“NextPhase”, together with Arterex, the “Group”) for an undisclosed amount.

NextPhase is a class II and III medical device contract manufacturer of complex electromechanical devices, active implantable devices and single use disposables in North America. It provides design and engineering, manufacturing and assembly, quality and regulatory, and supply chain and logistics management services enabling its customers to bring low-to-medium volume complex medical devices to market.

This transaction follows Investindustrial’s original investment in Arterex – created through the combination of four complementary companies across the US and Europe (October 2022) - to build a global multi-capability medical device contract manufacturer with an industry leading management team.

Arterex’s acquisition of NextPhase doubles the size of the Group and creates a top-tier global medical device contract manufacturer with 70% of its revenues generated in the US. The combined Group comprises 7 well-capitalized end-to-end manufacturing facilities across North America, Europe and North Africa, a broad range of manufacturing capabilities and strong end-market exposure across international markets.

Arterex will be able to leverage its strong dedicated local capabilities across countries to best service its clients, which include mostly global medical device original equipment manufacturers (“OEMs”).

Charles Stroupe, Executive Chairman of Arterex, commented: *“NextPhase is an outstanding addition to the Arterex portfolio of business. NextPhase is well positioned for growth, and strategically, and adds measurably to the Arterex multi-capability business strategy to better serve and grow our customer base. This acquisition is transformational and provides highly complementary manufacturing and assembly capabilities to the Arterex platform. With the resulting capability diversification, this transaction will allow us to create significant synergies and enable us to better service our combined core blue-chip medical OEM customer base and regional specialty customers. Our combined platform will also have substantial production capabilities with a significantly diverse customer base across North America and Europe, well-positioned to continue our global growth strategy.”*

This transaction builds on Investindustrial’s strong Healthcare and Services track record in contract manufacturing, medical devices and specialty plastics including Procemsa, MTD and Benvic. It also reinforces Investindustrial’s significant expertise in identifying and completing successful, value-accretive buy and build transactions, having completed 178 add-on acquisitions to date.

Arterex is the first investment from the Investindustrial Growth III fund, focused on majority buyouts of lower mid-market companies, which announced a final closing at €1.1 billion, above its target, in May 2023.

The transaction is subject to customary approvals.

About Arterex

Arterex is a multi-capability medical device contract manufacturing platform resulting from the combination of Kabo, Formula Plastics, Luc & Bel, ModenPlast, and NextPhase. The company serves a wide range of customers, from leading global medical and healthcare OEMs to smaller regional specialty customers primarily in the United States and Europe. Arterex has a global manufacturing footprint with 7 state-of-the-art facilities across the US, Mexico, Italy, and Egypt.

Additional information is available at www.arterexmedical.com.

About Investindustrial

Investindustrial is a leading European group of independently managed investment, holding and advisory companies with €13 billion of raised fund capital. With ESG principles deeply embedded into the Firm's core approach, Investindustrial has an over 33-year history of providing mid-market companies capital, industrial expertise, operational focus and global platforms to accelerate sustainable value creation and international expansion. Certain companies of the Investindustrial group are authorised by, and subject to regulatory supervision of the FCA in the United Kingdom and the CSSF in Luxembourg. References to "Investindustrial" are of generic nature, for ease of reading, and may refer, depending on the context, to a fund or any of its independently managed subsidiaries. Investindustrial's investment companies act independently from each other and each Investindustrial fund.

Additional information is available at www.investindustrial.com.

For further information:

H-Advisors Maitland

David Sturken
Mob +44 (0) 7990 595 913
david.sturken@h-advisors.global

Jonathan Cook
Mob +44 (0) 7730 777865
jonathan.cook@h-advisors.global

Investindustrial

Vanessa Maydon
Chief Communications Officer
Tel: +44(0) 203 900 5419 / +44(0) 7802 961 902
vmaydon@investindustrial.com

Investindustrial Advisors Limited is registered in England and Wales with its registered address at First Floor, One Hooper's Court, London, United Kingdom, SW3 1AF and company number 01316019. Investindustrial Advisors Limited is authorised and regulated by the United Kingdom's Financial Conduct Authority (Financial Services Register number: 170924).

This document ("Document") has been prepared for information purposes only. Neither the whole nor any of the information hereto may be used for any other purpose without the prior written consent of Investindustrial. Any reproduction or distribution of this Document, in whole or in part, or the disclosure of its contents, without the prior written consent of Investindustrial, is prohibited. No warranty or assurance is given on the accuracy of the information. All statements of opinion and/or beliefs contained in this

Document, and all views expressed and all projections, forecasts and statements regarding future events, expectations or future performance or returns represent Investindustrial's own assessment and interpretation of information available to it at the date of this Document. Investors must determine for themselves what reliance (if any) they should place on such views, projections, statements or forecasts and no responsibility is accepted by Investindustrial in respect thereof. The term "group" in this document has been used only for practical ease of reading and does not intend to imply any specific reference to a legal definition or any activity of control by any company with respect to other companies.

Investors should not treat this Document as comprising any element of advice relating to legal, taxation, accounting or investment matters and are advised to consult their own professional advisors concerning the potential acquisition, holding or disposal of an investment. Past performance is not a reliable indicator of future performance and any past performance information contained in this Document is not an indication of future performance.

It has not been audited or verified by an independent party and should not be seen as any indication of returns which might be received by investors.

This does not constitute an offer or invitation to subscribe or purchase securities or other financial instruments and the information contained herein is subject to updating, amendment and verification. It should not be relied upon by any persons for any purpose.