

Gimv acquires Medi-Markt Homecare Service and Medi Markt Service Nord Ost: market leadership in medical supplies to be further expanded after the merger

As part of a succession plan, Gimv is investing in the two German companies Medi-Markt Homecare-Service GmbH and Medi Markt Service Nord Ost GmbH as well as a number of affiliated companies. These two leading service providers in incontinence care will continue to grow in the coming years as a newly formed group with the support of Gimv.

Antwerp / Munich / Mannheim / Isenbüttel, 18 October 2018, 07:30 am - European investment company Gimv has reached an agreement on the takeover of the majority of both Medi-Markt Homecare-Service GmbH based in Mannheim as well as Isenbüttel-based Medi Markt Service Nord Ost GmbH. These transactions are part of a succession plan for both companies. Gimv is thus expanding its Health & Care portfolio with a leading supplier of medical supplies in Germany, which is expected to continue to grow in the coming years. The remaining shares will be acquired by the newly appointed CEO of the Medi Markt Group, Markus Reichel. The transaction is subject to customary approval requirements and is expected to close within a few weeks.

The two companies and their affiliates, which together employ around 225 people, will form one group as of this transaction and will operate jointly under the Medi-Markt brand, headquartered in Mannheim. Markus Reichel, formerly managing director of Medi-Markt Homecare-Service GmbH, will become managing director of the new group and a co-shareholder. The companies are specialised mail-order providers of homecare supplies with a particular focus on absorbing incontinence. Further product groups include revulsive incontinence, diabetes control, stoma care, enteral nutrition, disinfection and protection as well as personal hygiene, supplying a total of c.12,000 different products. The companies distribute branded and private label products. Medi-Markt is one of the major providers in the country for incontinence aids and stoma care. The group has a combined annual turnover of more than 50 million EUR.

Medi-Markt supplies around 150,000 end-consumers annually. The majority of the products are reimbursed by health insurances, for whom Medi-Markt has been a reliable partner for many years.

"Together with our new growth partner Gimv, we want to further expand our product offering and advance into adjacent segments. We are also considering acquisitions of suitable companies," explains Markus Reichel, Managing Director of Medi-Markt Homecare-Service GmbH and future CEO of the group. The business benefits from the demographic change since Medi Markt primarily caters an ageing population: today c. 7 million people suffer from incontinence in Germany. This number is expected to further increase to nine million over the next 20 years. *"Medi-Markt's high quality products and the company's customer-centric approach enable many people to maintain a more independent lifestyle. At the same time, due to lean organizational structures, the company improves efficiency of care,"* says Philipp v. Hammerstein, Partner at Gimv in the Health & Care segment in Munich. *"We are looking forward to continuing the success story of these two leading specialists, while leveraging further potential related to the merger. Together with the experienced management team, we will focus on organic growth as well as on buy-and-build opportunities."*

The new investment marks Gimv's seventh acquisition in the German-speaking healthcare market. This means that Gimv currently has 20 participations in companies in the healthcare and life sciences sector. This acquisition further underpins Gimv's position as one of the most active European investors in the healthcare industry. The portfolio also includes several clinic and practice groups, medical technology and biotech companies.

Further details about the transaction will not be published.

ABOUT GIMV

Gimv is a European investment company with over three decades experience in private equity and venture capital. The company is listed on Euronext Brussels. Gimv currently manages around 1.6 billion EUR (including co-investment partnerships) of investments in about 50 portfolio companies.

As a recognized market leader in selected investment platforms, Gimv identifies entrepreneurial and innovative companies with high-growth potential and supports them in their transformation into market leaders. Gimv's four investment platforms are: Connected Consumer, Health & Care, Smart Industries and Sustainable Cities. Each of these platforms works with a skilled and dedicated team across Gimv's home markets of the Benelux, France and Germany and can count on an extended international network of experts.

More information on Gimv can be found on www.gimv.com.

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