

Gimv and Mérieux Développement accelerate the expansion of SGH Healthcaring

Stiplastics' parent company embarks on its first external growth deals with the acquisition of Rovipharm and RR Plastiques

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Just six months after having acquired Stiplastics Healthcaring and setting up the SGH Healthcaring Group, Gimv and Mérieux Développement are pleased to announce the acquisition by SGH Healthcaring of French companies Rovipharm and RR Plastiques. These first acquisitions will enable the Group to take on a new dimension, doubling in size, and to complete its product range thanks to the complementary fit of their product portfolios.

SGH Healthcaring designs, develops and manufactures standard and smart plastic solutions for the pharmaceutical industries and the health sector. The Group structures its activities around two strategic areas:

- specific developments of devices in four main areas: the observance and administration of medication, respiratory devices, pre-analytics and e-health with IoC® [Internet of Care],
- a standard range of medical devices for the dosage and administration of medication.

Rovipharm and RR Plastiques bring their know-how in this second area, bolstering SGH Healthcaring's portfolio of dispensers for medication in liquid form. Rovipharm is a leader in Europe in medication dosage pipettes. It stands out due to its capacity to develop high-quality products in cleanrooms at a competitive cost. RR Plastiques is a leading player in droppers to dispense ear and eye care solutions and will notably bring to the table its capacity to use various specific materials (Sebs, Eva, Santoprène®, plasticised PVC, etc.). As part of this transaction, Médicos is retaining RR Plastiques' minor applications for the cosmetic industry.

When they made their joint investment in Stiplastics Healthcaring in January 2018, Gimv and Mérieux Développement wanted to create a European leader in the manufacture of medical devices, notably for the administration of medication in both liquid and solid form. This objective hinged on a buy & build roadmap that was carefully thought out well ahead of the acquisition. This preparation and the active support of the Group's shareholders – notably through discussions with the sellers - facilitated the rapid implementation of SGH Healthcaring's external growth strategy with as goal to establish a market leader in its sector.

While Gimv and Mérieux Développement had opted to make their initial investment in Stiplastics Healthcaring without LBO financing, this double acquisition was done in parallel with a refinancing process that puts SGH Healthcaring in perfect stead to pursue its buy & build strategy. Its solid shareholders and a financing package that has been put together by Bluebay will help to fulfil its ambitions.

"We are very proud to welcome these two established companies and their talented people to SGH Healthcaring, where they will join us in our ambitious plan to expand in a consolidating market. These first deals lift our turnover up to approximately EUR 40 million for 2018. These acquisitions and the external financing put in place provide a firm basis for SGH Healthcaring to pursue its development strategy" explained Benoit Chastaing, Partner Health & Care at Gimv.

“Less than six months after investing in Stiplastics Healthcaring, we are very pleased to achieve this first major milestone in the roadmap that we have put together with the management team of Stiplastics Healthcaring to form a large group that can meet the increasing demands of the healthcare industry” said Jean-François Billet, Senior Partner at Mérieux Développement.

“When the ownership structure was changed, we clearly expressed our ambition to create a European leader in medical devices, amid increasingly-stringent regulatory constraints and greater demands from clients. These two acquisitions mark a first step in our ambitious growth” added Jérôme Empereur, Chairman and Chief Executive Officer at SGH Healthcaring.

The financial details of the transactions will not be disclosed.

About SGH Healthcaring

SGH Healthcaring (Stioplastics Group Holding) is a group that is enjoying strong growth. It plans to become a European leader in medical plastics and dispensers for medication in liquid and in solid form and a partner of choice for pharmaceutical companies. It is now composed of Stioplastics Healthcaring, Rovipharm and RR Plastiques.

About Gimv / www.gimv.com

Gimv is a European investment company with over three decades of experience in private equity. It is listed on Euronext Brussels and currently has around EUR 1.6 billion under management and about 50 portfolio companies jointly realising a turnover of EUR 2.5 billion with over 14,000 employees.

Using very specific investment platforms, Gimv identifies entrepreneurial and innovative companies with high-growth potential and supports them in their transformation into market leaders. These four investment platforms are: Connected Consumer, Health & Care, Smart Industries and Sustainable Cities. Each of these platforms works with a team of specialised and skilled people across Gimv's home markets (the Benelux, France and DACH countries) and can rely on a broad international network of experts.

About Mérieux Développement / www.merieux-developpement.com

Mérieux Développement conducts growth and venture capital investments in the health and nutrition sectors. It works alongside entrepreneurs and industrial companies worldwide, whose products and services bring genuine advances in the field of health, offering them access to its expertise and global network. Mérieux Développement has an international team of close to 20 employees and regional partners based in Europe and North America. It is an affiliate of Institut Mérieux, which currently employs more than 17,000 people. Its consolidated turnover exceeded EUR 2.5 billion in 2016.

For further information please contact:

Gimv

Benoit Chastaing, Partner Health & Care
T +33 1 58 36 45 77 – Benoit.chastaing@gimv.com

Frank De Leenheer, Investor Relations & Corporate Communications Manager
T +32 3 290 22 18 – frank.deleenheer@gimv.com

Mérieux Développement

Jean-François Billet, Senior Partner
jean-francois.billet@merieux-developpement.com

Auréli Boullery, Communication Europe
aurelie.boullery@merieux-developpement.com

Alix Sipahi, Communication USA
alix.sipahi@merieux-developpement.com

SGH Healthcaring

Jérôme Empereur, Chairman and Chief Executive Officer
j.empereur@sgh-healthcaring.com

Florence Portejoie - FP2COM
fportejoie@fp2com.fr