ARCHIMED

IMPACTING HEALTHCARE

INVESTMENT BOOK

March 2024

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BOMI

MED PLATFORM I

Bomi is a leading multinational Contract Logistics Organization (CLO) with over 30 years of experience in supply chain management for the healthcare sector. The company offers over 100 multinational clients advanced supply chain solutions for the medical industry providing a wide range of services in outsourcing, managing distribution of medical devices and equipment, in vitro diagnostic equipment, reagents, medical implants and pharmaceuticals. The company operates in a highly fragmented market which is moving towards internationalization and specialization.

COMPANY DESCRIPTION

Location:	Milan, Italy
Sector:	MedTech
Activity:	Contract Logistics Organization (CLO)
Year Established:	1985
Company Website:	www.bomigroup.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	94.4% fully exited
Enterprise Value at Entry (€M):	131.6
EBITDA Multiple at Entry:	6.1x
ARCHIMED Investment (€M):	128.1
Date of Investment:	March 2019
Realized Performance:	4.0x MOIC, 57% IRR
Exit Strategy:	Strategic Acquisition

SOURCING

- **Identification:** ARCHIMED's MedTech team screened the CLO space using ARCHIMED's MedDiscover tools.
- **Approach:** ARCHIMED's Managing Partner André-Michel Ballester was acquainted with Bomi's founder Giorgio Ruini, as they had operated in the same MedTech sector for decades. André-Michel reached out during a specialized medical congress in 2017 and spoke with Giorgio and his son, Marco who was the company's CEO.
- **Choice of ARCHIMED:** Bomi entered into this partnership with ARCHIMED because of its granular knowledge of the industry and client industries, international profile, and its proven ability to act as a business development accelerator, both organically and through inorganic growth.
- **Transaction:** terms of the primary buyout were agreed with the founding family, which resulted in a successful delisting of Bomi in May 2019.

INVESTMENT RATIONALE

- Outsourcing trend in contract logistics.
- Organic growth opportunities through cross selling and cost synergies.
- Highly fragmented market.
- Appropriate platform for a buy-and-build strategy.
- Attractive financial performance and clear path to exit.

STRATEGIC VALUE DRIVERS

- **M&A:** consolidation of a highly fragmented market to become a global CLO player. Leverage on cross selling opportunities and economies of scale.
- **Internationalization:** increase market share across LATAM through organic and inorganic growth.
- **Corporatization:** professionalize the business through recruitment of experienced professional talent and expanding the team.

BOMI

MED PLATFORM I

MAIN ACHIEVEMENTS

- **M&A:** ARCHIMED and management are continuing to work in close collaboration to keep fuelling a growing build-up pipeline. After one successful acquisition completed in Q3 2021 and two in Q4 2021, management completed the carve-out of the healthcare assets from Tendron, a French player with a healthcare branch serving the leading Pharma CLO. Exclusivity was granted in Q4 2021 and closing took place on 1st of April 2022.
- **Professionalization:** Bomi made multiple recruitments to reinforce the finance team, namely a Global Controller and a CFO with international experience within large companies.
- **Operations:** management entered into definitive agreements with an external party to sustain the growth of the Italian HQ while further reinforcing Bomi's asset-light business model. The SPA for the sale and lease-back project was signed in July, with two assets sold to the third party and leased back in Q4 2021. The third asset (a warehouse expansion of the current HQ) is still under construction and will be sold, once completed in Q2 2022, and leased back similarly to the others to finalize Bomi transition into an asset-light business. Bomi has also completed an additional investment into Spino 2, an additional module of temperature-controlled warehouse space integrated into its HQ, granting an additional 11,000 sqm storage and transportation space.

EXIT

- After having received inbound interest by some potential trade buyers and having noticed favourable market dynamics, the deal team decided to prepare for an exit process during the second half of 2021.
- The selling process was launched in March 2022. 6 non-binding offers were received and ARCHIMED progressed three parties into Phase II to maintain a competitive dynamic.
- Among the three final bidders, UPS won the auction process with an offer based on an EV of €870M. For UPS, Bomi represents a strong strategic asset to combine with its global healthcare logistics business (Healthcare being the main long term growth pillar defined by UPS BoD), which aims to expand the network across Europe and Latin America, as well as an opportunity to broaden supply chain capabilities.
- UPS' offer at an EV of €870M valued BOMI at 14.3x Jun 2022 LTM EBITDA. This is marginally above listed comparables and represents a healthy multiple expansion versus ARCHIMED's 6.1x entry EBITDA multiple. This multiple expansion proves once again ARCHIMED's ability to identify companies with unexploited potential and to support their accelerated growth through a combination of operational and financial support.

EXIT PERFORMANCE

- Bomi delivered a MOIC of 4.0x [(1)] and an IRR of 57%.

(1) Excluding SPV expenses. Including SPV expenses MOIC = 3.8x.

MICROMED

MED I

Micromed is the European leader in the design and manufacture of equipment and maintenance services used in brain diagnostics. The company is headquartered in Lyon, France (sales and logistics) with R&D and manufacturing in Treviso, Italy. It has a global presence across more than 40 countries, including USA and China, through a network of specialist distributors and agents. The company has a deep technological expertise in the design and production of high precision hardware, control software and related platforms dedicated to brain, muscle and nerve electrical activity monitoring.

COMPANY DESCRIPTION

Location:	Lyon, France / Treviso, Italy
Sector:	MedTech
Activity:	Neurodiagnostics
Year Established:	1982
Company Website:	www.micromedgroup.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	MedTalent® (direct)
ARCHIMED % Ownership:	95.0% incl. co-investors
Enterprise Value at Entry (€M):	18.0
EBITDA Multiple at Entry:	6.9x
ARCHIMED Investment (€M):	24.3 (28.9 incl. COI)
Date of Investment:	July 2016
Realized Performance:	3.0x MOIC(1), 21% IRR
Exit Strategy:	Strategic Acquisition

SOURCING

- **Identification:** ARCHIMED generated the opportunity through its proactive sourcing method MedDiscover in the Neurodiagnostics MedSeg space.
- **Approach:** Leveraging on its MedTalent®network, ARCHIMED secured an introduction to Micromed's co-founder, Cipriano Castellaro, who was well-known within the network.
- **Choice of ARCHIMED:** The founders recognised ARCHIMED as a healthcare specialist that could offer liquidity while leveraging on its in-depth sector expertise to further support Micromed's development.
- **Transaction:** Given ARCHIMED's deep sector knowledge and diverse MedTalent® network, ARCHIMED was able to secure a primary buyout investment without other potential bidders being contacted, despite the sellers appointing PwC to assist in the execution of the transaction.

INVESTMENT RATIONALE

- Diversified customers/ connections to global leading neurology centres.
- Highly cash generative business model.
- Steady growth driven by a differentiated product offering.
- Clear path to exit with a defined action plan to implement strategic value drivers.

STRATEGIC VALUE DRIVERS

- **Internationalization:** expand geographical coverage by accelerating growth opportunities outside Europe.
- **Product & Service Expansion:** expand the product/ service offering, both organically and through M&A.
- **M&A:** scale and integrate all acquisitions.
- **Corporatization:** strengthen management and processes.

(1) Excluding earnout, leakage and transaction costs.

MICROMED

MED I

MAIN ACHIEVEMENTS

- **Professionalization:** Cristiano Rizzo, the former Head of Sales was appointed as Group Chief Executive Officer. An R&D project replaced hard to source components with more easily available alternatives and an extended approved vendor list for electronic sub-components counteracted strong pressures on supply chains. The Micromed site in Mogliano was refurbished with a focus on the manufacturing and warehouse areas.
- **Internationalization:** both US entities (Moberg and Micromed LLC) built a strong pipeline in the US. Several Moberg products were sold to clients through the Micromed organization in Europe. Micromed continued to penetrate international markets without a direct presence, including the first project in Australia, and a big tender was won in Austria for a Long Term Monitoring (LTM) and Cerebral Multimodality Monitoring (MMM) installation as well as in Slovenia and Bahrain.
- **COVID-19:** activities in Europe and the US have mostly returned to pre-COVID levels. Operations in all locations have continued to run safely in compliance with government regulation and employee concerns.
- **Operations**: Micromed have continued to perform without any major delivery delays. A decision was made in November 2022 to review the prospect of increasing inventory further to have certainty of inventory throughout 2023. Product redesigns were implemented, negating component shortage issues, and major R&D projects were kept in line with target timelines. The initial MDR quality assessment as an example was passed with zero non-conformities.

EXIT

- Natus' acquisition of Micromed closed in mid-January 2023, strongly enhancing Natus' European presence.
- By joining the Natus business, Micromed will have increased negotiation power with suppliers and will offer a more complete product portfolio during tender processes.
- Micromed's strength in long-term epilepsy monitoring and multi-modal intensive care monitoring will complement Natus' current product portfolio.
- Micromed will become part of the overall Natus ESG strategy, with Natus sitting in an Article 9 Fund.

EXIT PERFORMANCE

- Micromed delivered a MOIC of 3.0x[(1)] and an IRR of 21%.

(1) Excluding earnout, leakage and transaction costs.

AD-TECH
MED II

Ad-Tech provides consumable electrodes for the surgical treatment of intractable epilepsy and devices for neurodiagnostic and neurosurgery. Among the products manufactured by Ad-Tech are intracranial electrodes used during epilepsy procedures, for Long Term Monitoring (LTM) and electrodes for Intra Operative Neuro Monitoring (IONM). The company is a market leader in this niche; its products are approved for use in more than 80 countries and have a strong reputation among the neurosurgeon's community.

COMPANY DESCRIPTION

Location:	Oak Creek (WI), US
Sector:	MedTech
Activity:	Neurodiagnostic/Neurosurgery
Year Established:	1983
Company Website:	www.adtechmedical.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	100.0% incl. co-investors
Enterprise Value at Entry (€M):	47.1
EBITDA Multiple at Entry:	12.0x
ARCHIMED Investment (€M):	21.2 (26.5 incl. COI)
Date of Investment:	November 2020

IMPACT ON HEALTH

- Ad-Tech manufactures intra-cranial monitoring devices (“electrodes”) used in neurodiagnostic and neurosurgery of epilepsy.
- Ad-Tech’s products are essential to ensure proper diagnosis and treatment of this chronic brain disease.
- The company’s R&D focus aims to develop innovative products that increase effectiveness in treating patients.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	698.5 tCO2eq
GHG emissions (scope 3 - estimate):	5,303.9 tCO2eq
GHG intensity (emissions/revenue):	262.0 tCO2eq/€M
Share of recycled waste:	10.0%
Employee engagement survey:	Y
Data protection policy:	Y
Responsible procurement charter:	N
Share of revenue invested in R&D :	3.0%
Sustainability Roadmap with objectives:	Since 2022

SOURCING

- **Identification:** the company was identified in the neurology sub-sector by ARCHIMED’s MedTech team. The sub-sector was prioritized following a sector research effort using the proprietary sourcing method MedDiscover. Ad-Tech was recognized as a perfect target for an investment in the MED II fund.
- **Approach:** ARCHIMED initially met the then-CEO of Ad-Tech at a conference and built the relationship thereafter while continuously monitoring their progress.
- **Choice of ARCHIMED:** due to ARCHIMED’s industry knowledge and interactions with the extensive network of MedTalent® experts, the Ad-Tech board viewed ARCHIMED as their preferred strategic partner for their next phase of growth.
- **Transaction:** ARCHIMED signed a long exclusivity period in November 2019 to complete in-depth due diligence before securing the direct investment 12 months later.

INVESTMENT RATIONALE

- Gold standard and clear market leader in a niche market with dominance in the established subdural electrode market and a leading position in the developing depth electrode market.
- Attractive financial profile with strong EBITDA margins and stable cash flow generation.
- Further growth potential with room for product innovation and potential consolidation via M&A.

STRATEGIC VALUE DRIVERS

- **Corporatization:** building a management structure through CEO and CFO, non-executive directors and additional company headcount in regulatory and quality teams.
- **Innovation:** expand the product portfolio and further improve existing solutions.
- **Operational Improvement:** focus on regulatory monitoring and open communication with the FDA.

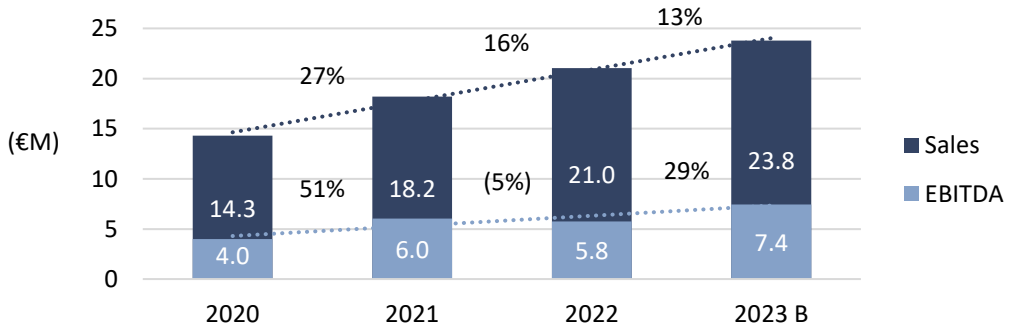
AD-TECH
MED II

MAIN ACHIEVEMENTS

- **Strategy:** Management has implemented supply chain initiatives including close monitoring of inventory, raw materials, and backorders which has assisted the operations team in achieving average on-time deliveries of 95% in 2023, despite the challenging supply chain environment. Improvements in finished goods inventory management and cross-training flexibility have driven a reduction in overtime of 55% in 2023 for the production floor and 52% overall.
- **Business Development:** Ad-Tech's sales team continues to drive revenue through competitor conversion, end user engagement, and demand for macro-micro depth electrodes. A targeted territory approach at small and large hospitals has been successful, leading to new customers in 2022 and €0.5M in increased sales YTD September 2023 compared to same period last year.
- **Product Development**: the FDA granted approval of MR conditionality for Ad-Tech's depth electrodes in Q2 2023 which is a significant milestone for management. Multiple other projects are underway to improve functionality and efficiency of Ad-Tech's products, including reducing time for standardizing depth electrode spacing and enhancing bipolar probe electrical continuity. Progress continues on the EU MDR submission for multiple products. M&A opportunities continue to be reviewed to increase presence and diversify the product portfolio.
- **Operations:** Ad-Tech has a fully staffed Quality Engineering team to address open NMR internal audit items and CAPA closures. EU MDR compliance continues to advance and is on track for the 2024 deadline. Ad-Tech has been focused on penetrating the EU market and is leveraging its European relationship with Micromed to redefine distributor relations.
- **Sustainability & Impact**: A sustainability and impact assessment conducted in 2022 led to a roadmap with dedicated KPIs to implement initiatives such as formalizing a diversity charter for equal employment, employee engagement events, quarterly cross-functional meetings with the Safety Committee, electric vehicle adoption with charging stations, energy tracking, waste management and supporting the Epilepsy Foundation of Wisconsin through sponsorship and board involvement.

FINANCIALS

- Ad-Tech has seen continued commercial and financial momentum with YTD September revenue increasing 8.5% compared to the same period last year, driven by increased order volume from distributors, sales growth in key domestic accounts and a successful price increase.
- EBITDA margin has grown to 33% in YTD September vs the same period last year (32%). This increase was attributable to lower costs from reduced overhead and professional services costs due to strengthened operational efficiencies.



EXIT & ROADMAP

- The company is expected to reach important milestones before targeting an exit between 2024 and 2026. These include:
  - Enlarging the product portfolio and improving product quality.
  - Optimizing the regulatory processes to achieve cost savings and improve efficiency.
  - Increase its presence in Europe organically and inorganically by acquiring competitors or technology in Ad-Tech's niche market or adjacencies (in Germany, France, Italy, and the US).

CARDIOLINE

MED III

CARDIOLINE

Cardioline is a leading manufacturer of on-site cardiology devices and services and a renowned provider of cardiology-focused telemedicine. Using proprietary online technology and software, the company offers remote testing and diagnostics for cardiologists, GPs & pharmacies as well as Clinical Research Organizations (CROs). The company provides resting electrocardiographs (ECG), holter systems, stress exercises, software solutions and accessories.

COMPANY DESCRIPTION

Location:	Trento, Italy
Sector:	MedTech
Activity:	Cardiology Diagnostics
Year Established:	1962
Company Website:	www.cardioline.it

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	94.0%
Enterprise Value at Entry (€M):	18.7
EBITDA Multiple at Entry:	6.9x
ARCHIMED Investment (€M):	23.4
Date of Investment:	December 2021

IMPACT ON HEALTH

- Cardioline prevents mortality through early detection and targeted treatment. The products offer diagnosis and monitoring of disorders affecting the heart, contributing to better safety for patients, by ensuring adequate treatment and promoting patient-centered care.
- The diagnostic data management and telemedicine solutions enable disease tracking over time, which facilitates preventive approaches and reduces treatment burden over time. Cardioline's remote digital solutions result in better accessibility for care providers and reduce direct healthcare costs of cardiovascular diseases.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2[(1)]):	77.9 tCO2eq
GHG emissions (scope 3 - estimate):	2,624.1 tCO2eq
GHG intensity (emissions/revenue):	193.0 tCO2eq/€M
Share of recycled waste:	60.0%
Employee engagement survey:	N
Data protection policy:	Y
Responsible procurement charter:	Y
Share of revenue invested in R&D :	15.0%
Sustainability Roadmap with objectives:	Since 2023

SOURCING

- **Identification:** Cardioline's segment of cardiology diagnostics was identified in MedSeg as a very attractive industry. Following the MedDiscover process, Cardioline was identified in 2016 during the mapping of Sofimac, a MedTech VC fund.
- **Approach:** in 2017 ARCHIMED was introduced by a MedTalent® to the new Cardioline management team. Despite good interest for the company's product range and M&A potential, ARCHIMED decided not to submit an offer at that time as the company was unprofitable. At the end of 2020, Cardioline shareholders launched a sale process, but the indicative offers did not match shareholder expectations and the process was put on hold. ARCHIMED stayed in contact with Cardioline and re-launched negotiations in mid-2021. Good performance and a strong outlook eventually helped to bridge the valuation gap.
- **Choice of ARCHIMED:** sector knowledge and the historical relationship with the shareholders made ARCHIMED the preferred buyer and allowed ARCHIMED to enter an exclusive negotiation with the shareholders.
- **Transaction:** the deal closed in December 2021 at an entry multiple considerably below market comparables.

INVESTMENT RATIONALE

- The most innovative product portfolio in ECG (9 products launched in 5 years).
- Unique strategic platform with a leading position in Italy as well as very good brand recognition across Europe.
- Double-digit organic growth due to gaining of market share in the traditional cardiology market and moving toward fast-growing Telecardiology segment.
- Contributes to SDG 3.4 as well as better safety, accessibility and efficiency for patients & care providers.

STRATEGIC VALUE DRIVERS

- **Market Focus:** strengthening Cardioline's presence in Telemedicine ECG diagnostics and entering the clinical research market.
- **Internationalization:** growth in Europe through market share expansion in hospitals.
- **M&A:** consolidating Cardioline's position in its sector through a dynamic M&A program focused on enlarging the portfolio offering (especially with new technologies around data analysis and services) and entering new geographies.

(1) Scope 2 emissions data not available

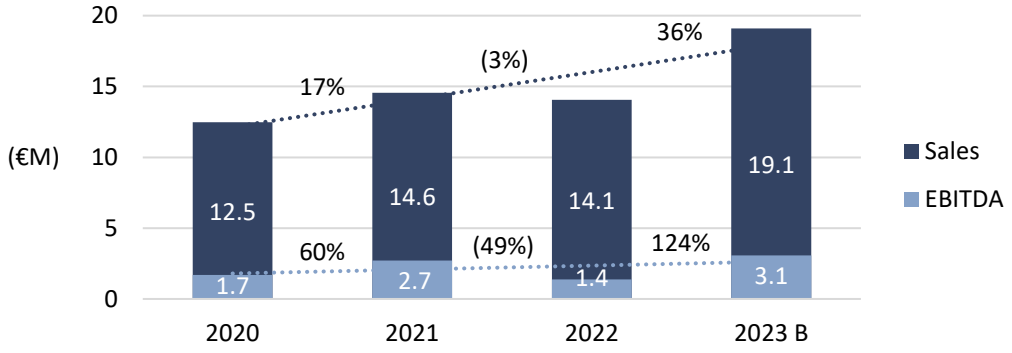
CARDIOLINE

MAIN ACHIEVEMENTS

- **M&A:** the M&A Committee continues to review over 40 targets; however, acquisitions are on hold to focus on enhancing operational structure and sales strategy. There are four key focus areas for inorganic growth: i) strengthening the ECG core for new technologies around data acquisition and analysis, ii) verticalizing into services, iii) market penetration into certain geographies, and iv) promoting telemedicine solutions.
- **Operations:** Led by new CTO Luis Meireles, Cardioline is focused on more proactive product lifecycle management (LCM) and new product development (NPD) projects to prioritize improved Holter devices, the launch of new ECG devices, and the development of the data management platform. The company continues to accelerate on quality and regulatory topics and has a robust plan to tackle the main objectives such as the MDR submission.
- **Business Development**: obtained FDA approval for HD+ product in Q2 2023 and established long-term contracts with a tier-1 US company, leading to a threefold increase in unit orders and raised sales projections. Strategic partnerships in South Africa, Brazil, and Spain were established to help international expansion, bolstering management's confidence in achieving the 2023 budget.
- **Sustainability & Impact**: in 2022, Cardioline worked on a sustainability and impact roadmap, defining relevant KPIs that will drive the impact strategy. The 2022 ESG scorecard in H1 2023 yielded positive results, rating the company as "Low Risk" with strengths in Impact on Health. The company conducted a mid-year review in July 2023 for a detailed approach to completing the ESG roadmap and is on track to achieving its objectives.

FINANCIALS

- Cardioline's September YTD revenue was 46% higher compared to the same period in 2022 and slightly above budget. This reflects the company's execution abilities and operational improvements implemented in the first half of 2023 by the new CEO.
- The gross margin of 53% is above the level seen in 2022 (50%), but still slightly below budget (54%) mainly due to product mix.
- The company delivered an EBITDA of €1.5M as of YTD September 2023, which is 366% above that of 2022 (€315k) and in line with budget.



EXIT & ROADMAP

- Building upon the growing interest of companies in the 'Connected Care' market, ARCHIMED has focused its efforts on building a technologically differentiated products and services company with appealing financials across geographies and distribution channels to target the following potential buyers:
  - Competitors;
  - Companies seeking to add ECG to their portfolio;
  - Service providers willing to verticalize to strengthen positions in telemedicine and CRO;
  - Conglomerates willing to get into patient diagnostics and monitoring.

CITIEFFE

MED I

Citieffe is an extremity orthopedics player providing materials for trauma management, particularly for internal and external fixation, prosthesis and general surgical instruments. The company develops, manufactures and sells innovative and patented products such as intramedullary nails or sophisticated reconstruction-focused external fixation devices.

COMPANY DESCRIPTION

Location:	Lugano, Switzerland
Sector:	MedTech
Activity:	Orthopaedics/Trauma
Year Established:	1962
Company Website:	www.citieffe.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	MedTalent® (direct)
ARCHIMED % Ownership:	66.0%
Enterprise Value at Entry (€M):	24.0
EBITDA Multiple at Entry:	7.9x
ARCHIMED Investment (€M):	18.1
Date of Investment:	July 2014

IMPACT ON HEALTH

- Citieffe's products contribute to patients' healing after orthopedic trauma injuries (bones, joints, or soft tissues).
- These serious injuries are often life-changing. By fostering a better reconstruction and faster rehabilitation, Citieffe's products help patients regain their mobility and autonomy.
- Citieffe has a significant R&D budget focused on niche products (paediatric external fixator, external fixator for battlefield, etc) making a real difference.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	255.9 tCO2eq
GHG emissions (scope 3 - estimate):	2,419.1 tCO2eq
GHG intensity (emissions/revenue):	193.0 tCO2eq/€M
Share of recycled waste:	Not available
Employee engagement survey:	N
Data protection policy:	Y
Responsible procurement charter:	Not applicable
Share of revenue invested in R&D :	5.2%
Sustainability Roadmap with objectives:	No

SOURCING

- **Identification:** ARCHIMED identified Citieffe as an opportunity while proactively monitoring the Orthopaedics sector using the MedDiscover proprietary method.
- **Approach:** ARCHIMED had direct access to the board of Eqval, the orthopaedics company that merged with Medistream to create Citieffe. This was facilitated by one of ARCHIMED's MedTalents®.
- **Choice of ARCHIMED:** ARCHIMED was selected by Citieffe's board as the most credible partner due to several key factors, including understanding of the company's business development opportunities, the extended network of MedTalent® industry experts, and alignment of interests with management.
- **Transaction:** No organized deal process occurred, and no M&A advisor was appointed by the sellers. ARCHIMED secured exclusivity in May 2014 to buy-out passive shareholders, acquiring majority ownership.

INVESTMENT RATIONALE

- Attractive market positioning in the growing Trauma Orthopedics sector.
- Innovative, differentiated, high quality Trauma product range.
- Significant, additional growth potential through Generic Reconstruction implants.
- Perfect alignment with a proven and talented CEO.
- Attractive entry price and clear exit route.

STRATEGIC VALUE DRIVERS

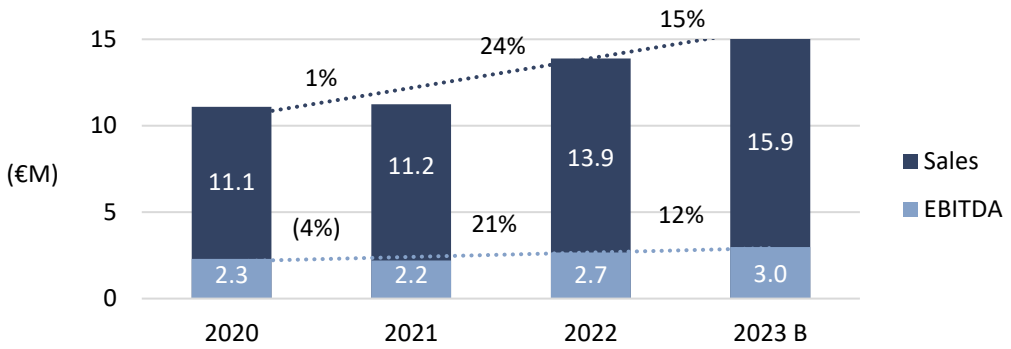
- **Internationalization:** growing sales in the US with highly innovative products.
- **Market Focus:** gaining market share in Italy from recently released products.
- **Customer Base:** implementing a direct sales approach in targeted countries with the opening of two direct subsidiaries in Mexico and in the US.

MAIN ACHIEVEMENTS

- **COVID-19:** The orthopedic market has exhibited signs of stability post-COVID, with key markets opening and a projected 4.5% CAGR anticipated between 2023 to 2030.
- **Operations:** With the help of ARCHIMED, the newly appointed CFO implemented working capital control measures across new geographies like LATAM, which led to a reduction of Days Sales Outstanding (DSO) by c.30 days. Citieffe is improving overdue receivables collection and has implemented new policies with selected customers to accelerate their repayment plans. ARCHIMED is also focused on strengthening the operational cash-flow level in 2024. Citieffe is evaluating a price increase to pass-through inflation to customers, which will be felt swiftly through distributors.
- **Human Resources:** 15 new US surgeons have been recruited to drive sustainable and diversified growth. A new Head of Marketing was recruited in 2023, and a new marketing campaign is expected to positively impact top-line performance.
- **Product Development:** In 2023, Citieffe unveiled multiple new products in line with dynamic global customer demand to the latest Trauma meeting, receiving positive response from surgeons. Additionally, Citieffe is developing a new module for surgical navigation of a guide wire (patented technology) to extend its Atlas offering.
- **Business Development**: Citieffe received formal feedback of MDR authorization on all dossiers submitted. Diversified in Italy, US, and LATAM, Citieffe is winning market share and shows a strong recovery versus last year with the reinforced customer presence. ARCHIMED is negotiating distribution contracts in Paraguay, Chile and Panama to support further expansion. A distribution agreement was signed with a North American trauma player dedicated to pediatric surgeries which will likely drive performance in 2024, and additional OEM contracts are expected from tier-1 customers in 2024.
- **Sustainability & Impact**: Citieffe engaged third-party experts for a thorough ESG assessment and benchmarking against peers' ESG practices. This initiative will steer Citieffe's on-going and future ESG roadmap. In 2022, Citieffe conducted an analysis of its products' effects on healthcare outcomes, identifying key indicators for ongoing monitoring of their impact on health.

FINANCIALS

- Revenue increased by 7.4% in YTD September 2023 compared to the same period last year with the largest improvement in Mexico (+56%) and the US (+22%).
- YTD September 2023 EBITDA was above budget due to favorable product and geographical mix which allowed the EBITDA margin (22%) to improve strongly compared to the same period in 2022 (17%).



EXIT & ROADMAP

- An exit is being targeted for 2024. Exit preparation targets include:
  - Reaching $5M of sales in the US and achieving sales growth in Italy.
  - Further professionalizing the business to position it as a strategic build-up in the orthopedic market.

DIRECT HEALTHCARE GROUP (DHG)

MED PLATFORM I

Moving Health Forward

Direct Healthcare Group (DHG) manufactures medical devices for acute and post-acute markets. The primary focus is the R&D of Pressure Area Care (PAC) technologies. Product range includes PAC mattresses, specialist seating and moving & handling equipment including rental and service solutions. DHG is the first company to market a hybrid pressure care product. These products are frequently adopted across the industry and are popular due to cost efficiency and proven clinical outcomes.

COMPANY DESCRIPTION

Location:	Cardiff, UK
Sector:	MedTech
Activity:	Pressure Area Care (PAC) Equipment
Year Established:	2009
Company Website:	www.directhealthcaregroup.com

INVESTMENT DESCRIPTION

Investment Type:	Secondary buyout
Sourcing:	MedTalent® (direct)
ARCHIMED % Ownership:	83.9%
Enterprise Value at Entry (€M):	71.1
EBITDA Multiple at Entry:	8.5x
ARCHIMED Investment (€M):	97.8
Date of Investment:	December 2019

IMPACT ON HEALTH

- DHG develops, produces, and sells installations adapted to individuals with reduced movement (e.g., moving, handling, specialist seating, in-bed, or out-of-bed solutions).
- These products aim at preventing risks linked to reduced movement, notably pressure ulcers. They also enable safer and more efficient working conditions for care providers, allowing them to dedicate more time to care.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	Not available(1)
GHG emissions (scope 3 - estimate):	25,740.0 tCO2eq
GHG intensity (emissions/revenue):	198.0 tCO2eq/€M
Share of recycled waste:	24.0%
Employee engagement survey:	Y
Data protection policy:	Y
Responsible procurement charter:	Y
Share of revenue invested in R&D :	1.0%
Sustainability Roadmap with objectives:	Since 2020

SOURCING

- **Identification:** Pressure Area Care (PAC) Equipment was identified as an attractive MedSeg sub-sector. Research was conducted using the MedDiscover process and DHG was determined to be the ideal target.
- **Approach:** ARCHIMED was able to build a strong relationship with management outside of the auction process due to its extensive MedTalent® network.
- **Choice of ARCHIMED:** through the close relationship with DHG's board members, the team established a common perspective and was able to align its interests.
- **Transaction:** Despite Brexit related challenges, ARCHIMED orchestrated a seamless acquisition, securing a majority stake in the company with DHG's key board members reinvesting a significant portion of their proceeds into the transaction.

INVESTMENT RATIONALE

- A comprehensive range of products, providing diversification and R&D potential.
- Strong market positioning with a clear path for expansion and visibility to continue its market leading position in mobility-enabling solutions.
- Solid pipeline to execute a buy-and-build investment strategy.

STRATEGIC VALUE DRIVERS

- **Innovation:** create a comprehensive product portfolio of mobility-enabling solutions. Introduce patient monitoring technology.
- **Internationalization:** enter key European markets.
- **Category Leadership:** build a pan-European leader dedicated to mobility solutions.

(1) Breakdown per scope not available as the company does not monitor energy consumption.

DIRECT HEALTHCARE GROUP (DHG)

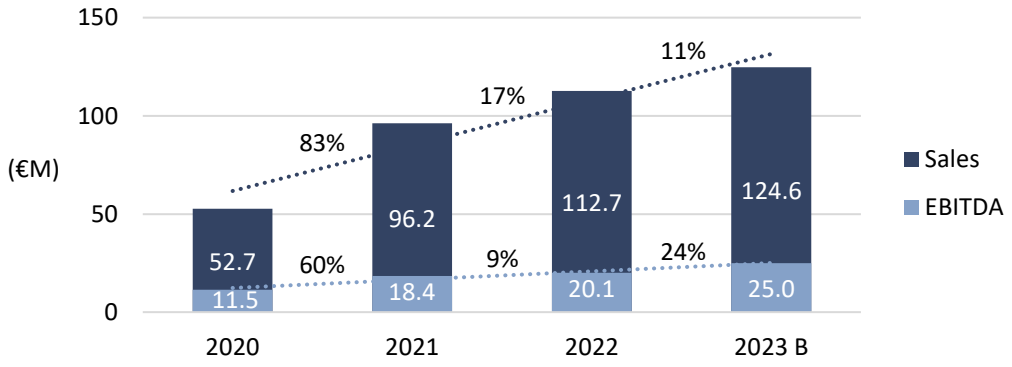
MED PLATFORM I

MAIN ACHIEVEMENTS

- **M&A:** DHG has completed ten add-on acquisitions since 2019. The two most recent ones include a Spanish-based distributor, Medicauce, in December 2023, for DHG's expansion into a new direct market in Europe; and a UK-based leading biariatric rental specialist, Benmore Medical, in September 2023, to further enhance DHG's service and rental business, as well as its bariatric portfolio. Two add-on acquisitions were completed in 2022 and successfully integrated into DHG - Danish-based Vendlet and a patient handling business unit as a carve-out from the Danish firm, LiftUp.
- **Internationalization:** DHG is leveraging cross-selling synergies from its add-ons, leading to an increase in pipeline, specifically across Sweden, Denmark, Finland and the Netherlands. DHG is looking to hire a European Commercial Director for distribution to support internationalization.
- **Product development:** following the launch of SmartResponse (DHG's innovative sensor-based system for active monitoring and intervention for pressure ulcer prevention), the first sales have been realized and the team has built a pipeline of 19 new products. Internal product development remains strong with new launches expected until 2028.
- **Operations:** Personally led by the CEO and COO, DHG launched the "Moving Quality First" initiative to improve compliance of customer services, improve first-time accuracy with dispatch monitoring and track online product quality (an initiative successfully piloted in Caerphilly). The company is working on the completion of a profitability analysis (notably on gross margin) and preparing the 2024 budget.
- **Sustainability & Impact**: DHG carried out a carbon footprint assessment for its UK manufacturing sites with assistance from a climate partner and aims to extend the analysis to other European sites once completed, and then define net-zero targets. DHG has also launched an education platform and collaborated with key opinion leaders to deliver free clinical training to its customer base. DHG has aligned with the UN SDGs and instigated a new partnership with Humanity and Inclusion, a non-profit organisation, and initiated the assessment process for the B-Corp certification. DHG published a 2022 sustainability report, developed policies to limit air travel, and is changing its car fleet with the goal of reaching 100% EVs by 2024.

FINANCIALS

- During YTD September 2023, DHG continues to grow both organically and inorganically with 8% top-line and 19% bottom-line growth (13% top-line growth with the add-on of Benmor Medical included) and at an improved margin (up 160bps to 18.2%), despite a wider market slowdown



EXIT & ROADMAP

- The anticipated exit date is 2025 or beyond, allowing the company to execute on strategic value drivers. At exit, the company will have:
  - Achieved strategic attractiveness for US-focused players looking to acquire a European leader in the mobility care space.
  - Completed a combination of well-integrated add-on acquisitions, operational excellence and development of a technologically driven product portfolio. This will allow DHG to command a size premium, enabling multiple expansion between the blended entry and exit multiples.

NORTH AMERICAN SCIENCE ASSOCIATES (NAMSA)

MED PLATFORM I

NAMSA is the global industry-leading Contract Research Organization (CRO) for preclinical and clinical medical device companies, and a global market leader in preclinical and biocompatibility testing. The company provides a comprehensive range of medical device CRO services like Testing, Consulting, Clinical Services, and IVD.

COMPANY DESCRIPTION

Location:	Toledo (OH), US/ Lyon, France
Sector:	MedTech
Activity:	CRO
Year Established:	1967
Company Website:	www.namsa.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	86.1% incl. co-investors
Enterprise Value at Entry (€M):	380.6
EBITDA Multiple at Entry:	11.1x
ARCHIMED Investment (€M):	105.0 (191.1 incl. COI)
Date of Investment:	September 2020

IMPACT ON HEALTH

- NAMSA is the only CRO focused exclusively on end-to-end services for medical devices, offering consulting, testing and project management through every development stage, from conception to commercialization.
- The company has a global quality management system (QMS) aligned with industry standards, and actively monitors customer satisfaction using Net Promoter Score (NPS) and collects customer testimonials.
- NAMSA offers safe and efficient medical devices, enabling adequate treatment while optimizing development costs for medical devices.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	7,917.4 tCO2eq
GHG emissions (scope 3 - estimate):	52,789.4 tCO2eq
GHG intensity (emissions/revenue):	198.0 tCO2eq/€M
Share of recycled waste:	10.0%
Employee engagement survey:	Y
Data protection policy:	Y
Responsible procurement charter:	Y
Share of revenue invested in R&D :	0.0%
Sustainability Roadmap with objectives:	Since 2022

SOURCING

- **Identification:** ARCHIMED has always been attracted to the medical device CRO space, due to its high-growth and opportunities for consolidation. The team utilised the proprietary approach MedDiscover to source targets in this space since inception.
- **Approach:** NAMSA's founders expressed their desire to exit and engaged an advisor with whom ARCHIMED had an existing relationship. ARCHIMED established direct contact with the founders to front run a formal process.
- **Choice of ARCHIMED:** ARCHIMED's unique MedTalent® network, intimate knowledge of potential add-on targets and understanding of the MedTech CRO industry helped facilitate a trusting relationship with the owners of the company.
- **Transaction:** ARCHIMED executed the buyout (including co-investment from a pool of MED Platform I investors) establishing full alignment with the Gorski family, rolling over a substantial part of their proceeds.

INVESTMENT RATIONALE

- Fast-growing market with low polarization and substantial barriers.
- Global leader in pre-clinical and biocompatibility testing with consistent historical growth.
- Buy-and-build strategy, adjusting cost structure, capital for global expansion and M&A.

STRATEGIC VALUE DRIVERS

- **M&A:** execute on strategic add-on acquisitions across various geographies.
- **Internationalization:** continuing to expand the leading US and pan-European presence.
- **Operational Improvement:** strengthen the commercial capabilities of the clinical division.
- **Innovation:** invest in growth initiatives in the testing division.

NORTH AMERICAN SCIENCE ASSOCIATES (NAMSA)

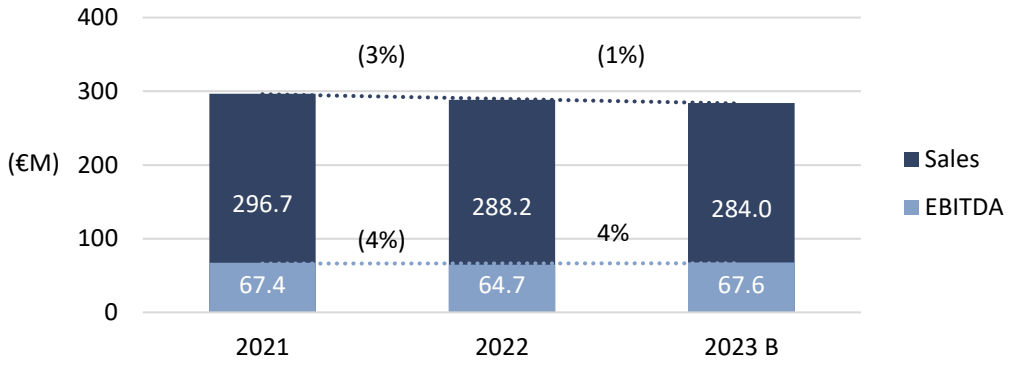
MED PLATFORM I

MAIN ACHIEVEMENTS

- **Liquidity event:** ARCHIMED arranged a distribution event less than a year after acquiring the company, returning more than a third of the purchase price to shareholders, including MED Platform I's limited partners, the founding family and management. The combination of organic growth and acquisitions allowed NAMSA to re-leverage with no change in the net debt ratio. The debt package came with improved terms and conditions, including interest more than 10% lower than the original financing.
- **M&A**: NAMSA continues to actively pursue its buy-and-build strategy, and has closed 8 acquisitions in the past 3 years. The historical acquisitions include Syntactx (Dec 2020), APS (Feb 2021), Clinlogix (Jul 2021), AKRN (Apr 2022) and Medanex (Apr 2022) and Perfectus, a UK Pre-Clinical CRO, in October 2022 to further develop its testing capabilities in Europe. CRI (Germany based CRO) was acquired in Q2 2023 to strategically strengthen clinical capabilities, as well as its presence in Germany. Several strategic add-ons are being pursued across North America, Europe and APAC to further expand capabilities in these key geographies.
- **Business Development**: NAMSA has been able to increase in clinical scale, due to combination of capabilities between NAMSA and the acquired businesses of Syntactx, Clinlogix and AKRN. NAMSA announced a clinical partnership with Aethlon Medical (AEMD-NASDAQ) to oversee Aethlon's clinical trials investigating the Hemopurifier, Aethlon's immunotherapeutic device for oncology indication.
- **Operations**: NAMSA successfully finalized the strategic pricing project that for the lab testing business. NAMSA is currently shutting down all the activities in China (1% of revenue). Management has also put in place a cost saving plan and identified c. €25M of improvements that are expected to be fully achieved by the end of 2023.
- **Sustainability & Impact**: the NAMSA ESG committee has launched key impactful ESG initiatives, including an ESG scorecard, ESG governance, a new environmental policy, eNPS (Employee Net Promoter Score), an employee engagement index and an internal equity study to assess its Diversity, Equity and Inclusion practices.

FINANCIALS

- Despite broader market slowdown, topline YTD September 2023 performance was only 1% lower relative to the same period last year.
- As a result of management's cost-cutting initiatives, EBITDA margin remained constant and the EBITDA performance for YTD September 2023 was flat compared to last year.



EXIT & ROADMAP

- NAMSA has shown resilience despite the broad market softness. A refinancing in 2021 provided liquidity in the first 12 months of ownership. ARCHIMED has demonstrated strong historical performance and is evaluating additional liquidity opportunities in the short and medium term.

NATUS
MED PLATFORM II

Natus Medical ("Natus") is a leading medical device solutions provider for the diagnosis and treatment of patients with central nervous and sensory systems disorders. The company products are in neuro products (neurodiagnostic supplies, neurosurgery and neurocritical care) and sensory solutions (hearing assessment & fitting systems, jaundice management and eye imaging). The customer base includes hospitals, clinics, laboratories, physicians, audiologists, and governmental agencies. They are positioned in more than 80 countries worldwide with a leading position in the US.

COMPANY DESCRIPTION

Location:	Middleton (WI), US
Sector:	MedTech
Activity:	Neurodiagnostics
Year Established:	1987
Company Website:	www.natus.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	100% incl. co-investors
Enterprise Value at Entry (€M):	1,093.0
EBITDA Multiple at Entry:	12.0x
ARCHIMED Investment (€M)[(1)]:	385.8 (894.6 incl. COI)
Date of Investment:	July 2022

IMPACT ON HEALTH

- As a provider of medical equipment, software, supplies and services for the diagnosis, monitoring, and treatment of brain disorders, Natus directly contributes to SDG 3.2 by reducing newborn mortality and SDG 3.4 by reducing premature mortality from noncommunicable diseases through its treatment solutions.
- Natus' high-quality medical equipment contributes to better patient safety as it advances the standard of care and improves patient health outcomes.
- Further, the company tracks the number of patients treat by country and by business segment across both neuro and sensory divisions.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	1,320.3 tCO2eq
GHG emissions (scope 3 - estimate):	102,946.1 tCO2eq
GHG intensity (emissions/revenue):	228.0 tCO2eq/€M
Share of recycled waste:	59.6%
Employee engagement survey:	Y
Data protection policy:	N
Responsible procurement charter:	Y
Share of revenue invested in R&D :	11.0%
Sustainability Roadmap with objectives:	Planned for 2023

SOURCING

- **Identification:** the broad multi-segmented nature of Natus' neuro business made it well-known to the MedTech team, leading to a number of interactions between ARCHIMED and Natus over the years. Vincent Guillaumot and Denis Ribon have had several interactions with Natus' former CEOs as well.
- **Approach:** In February 2022, ARCHIMED expressed interest in taking Natus private, leading to the board granting ARCHIMED access to non-public information for a detailed assessment of the company's operations and valuation. Upon executing the NDA, the deal team initiated due diligence with a focus on operational (commercial, operations, and R&D) and financial aspects.
- **Choice of ARCHIMED:** ARCHIMED worked with its MedTalents® and leveraged ARCHIMED's MedValue matrix in building a roadmap to pursue the company's financial development and strengthen its strategic value.
- **Transaction:** The transaction closed in July 2022, following the standard NASDAQ take-private process.

INVESTMENT RATIONALE

- Opportunity for portfolio optimization through divestment of non-core products and acquisitions in core markets to strengthen the remaining business.
- Strong market fundamentals driven by a diverse neurodiagnostic and monitoring solutions platform.
- Proven ability to consistently generate cash due to its asset light business model.
- Attractive valuation with potential multiple arbitrage.
- Contributes to achieving SDG 3.2 and 3.4, as well as better safety at the patient and hospital level.

STRATEGIC VALUE DRIVERS

- **Market Focus:** increased strategic focus through organizational re-alignment and active product lifecycle management.
- **Internationalization:** international revenue growth increase by enhanced or direct go-to-market strategy.
- **Operational Improvement:** profit margins expansion through cost optimization initiatives (strategic sourcing approach, complexity reduction, economies of scale).
- **M&A:** expansion in core markets with a buy & build strategy.

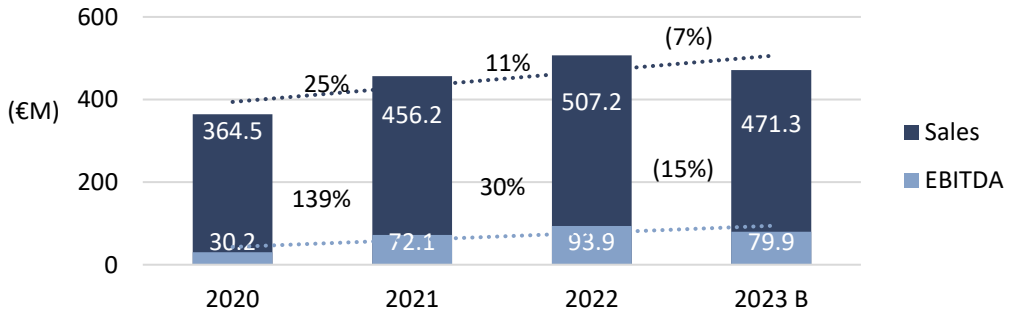
(1) Investment amount using FX rate at entry.

MAIN ACHIEVEMENTS

- **Human Resources**: Successful management transition with the new CEO overseeing the global organization, focusing on Sensory business growth. The President leads the Neuro business, and the new Group CFO, appointed in October, oversees the Sensory business. Natus welcomed a new Global Head of HR, also serving as CAO for the Sensory business unit.
- **Business Development**: ARCHIMED has accelerated Natus' separation plans in 2023 for increased strategic focus by successfully segmenting the business into two core divisions of Neuro and Sensory to maximize efficiencies and increase strategic and operational focus of each business unit, with dedicated teams including senior executives to take advantage of market opportunities. Central corporate functions remain and were streamlined in 2022, mainly across IT, payroll and external finance functions.
- **M&A**: in H1 2023, Natus closed the acquisition of Micromed and Optima. Micromed is a leading neurodiagnostic and neuromonitoring company based in Italy. Optima is a supplier of neurodiagnostic devices and supplies to hospitals in the UK and Ireland. These acquisitions are expected to be very strategic for Natus to increase its direct presence in key European markets and further penetrate the ICU market. Natus sold the Nursery Essentials business unit in 2022, following its strategy to divest the non-core products outside of Neuro and Sensory. Other non-core products are expected to be divested going forward. Negotiations are live with a European Neuro consumables business as the next acquisition.
- **Sustainability & Impact**: Natus implemented an ESG dashboard for monthly reporting, tracking hazardous materials, waste, emissions, recycling, water, and energy usage. The company has also formalized a DEI roadmap internally and a Product Lifecycle Review policy for energy efficiency and sustainable materials. Natus is currently working with PwC on a Sustainability Roadmap.

FINANCIALS

- The first year for Natus saw outperformance driven by a solid top-line and a focus on G&A cost improvements. The subsequent effect of reduced spend at hospitals and private practices impacted the Neuro EEG market and lengthened sales cycles, leading to an 8% YoY reduction in Natus' revenue. However, PSG and EMG sales in the US have been trending positively, and is expected to continue through Q4.
- OPEX remained stable, with reductions in hiring, Sales & Marketing (down €2.1M) and G&A costs (€3.0M) offsetting the R&D cost increases supporting the innovation; Natus implemented a hiring freeze and cost-saving measures, resulting in total savings of €5.2M since March 2023.



EXIT & ROADMAP

- Natus needs to achieve several key objectives set at acquisition before an exit, including:
  - Complete the segmenting of the two high margin products, Neuro and Sensory, into two separate business units and divesting of non-core products
  - Implementing cost structure optimization and focus on SG&A efficiency, workforce consolidation and R&D improvements.
  - Successfully conducting a buy & build M&A expansion strategy in the core Neuro and Hearing & Balance spaces.
  - Increasing international revenue growth by reducing reliance on distributors and establishing direct go-to-market strategies.
- Following these accomplishments Natus will be well-positioned as a target for a trade buyer looking to build out on neuro and sensory solutions or a PE player looking for a high cash flow generative strategic platform in the neuro & sensory spaces.

SOEST MEDICAL GROUP (SMG)

MED I

Soest Medical Group (SMG) is a market leader in the production and distribution of medical adhesive tapes for reusable and disposable garments used in the operating room. Headquartered near Amsterdam in the Netherlands, SMG began as a manufacturer of adhesive tapes for the reusable drapes industry with the Eurotape brand. SMG has developed a global presence with a diversified customer base across more than 40 countries, including most Western European countries, the Americas and the Middle East.

COMPANY DESCRIPTION

Location:	Soest, Netherlands
Sector:	MedTech
Activity:	General Surgery
Year Established:	1990
Company Website:	www.soestmedicalgroup.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	57.8%
Enterprise Value at Entry (€M):	19.0
EBITDA Multiple at Entry:	7.3x
ARCHIMED Investment (€M):	9.0
Date of Investment:	March 2018

IMPACT ON HEALTH

- Through its brand Eurotape, SMG develops and promotes the use of products for reusable surgical covering materials (e.g., reusable surgical drape) allowing hospitals and clinics to better manage their material, which in turn increases their efficiency and reduces costs.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2[(1)]):	6.5 tCO2eq
GHG emissions (scope 3 - estimate):	2,369.8 tCO2eq
GHG intensity (emissions/revenue):	267.0 tCO2eq/€M
Share of recycled waste:	10.0%
Employee engagement survey:	Y
Data protection policy:	N
Responsible procurement charter:	Y
Share of revenue invested in R&D :	1.2%
Sustainability Roadmap with objectives:	Since 2020

SOURCING

- **Identification:** SMG was directly identified by ARCHIMED's team during a sourcing exercise using the MedDiscover screening process, in the prioritized sub-sector of MedTech for General Surgery.
- **Approach:** discussions with the CEO began in July 2017 and allowed ARCHIMED to pre-empt a sales process, which was scheduled to start at the beginning of 2018 to seek out a strategic partner.
- **Choice of ARCHIMED:** SMG's Board acknowledged the industry expertise of ARCHIMED and the alignment of shared views, the business plan and the common goals for the company.
- **Transaction:** ARCHIMED secured an initial three-month exclusivity period, to perform commercial due diligence, site visits and management interviews. The deal was completed in March 2018.

INVESTMENT RATIONALE

- Proven technological advantage in product offering and solid customer base.
- Fast-growing market with low risks, significant business and sales opportunities.
- Attractive financial profile based on high gross margins, EBITDA margins and high cash flow.
- Experienced and scalable management team.
- Attractive entry multiple & exit scenarios.

STRATEGIC VALUE DRIVERS

- **Market Focus:** maintaining legacy Eurotape business while developing new growth opportunities in SoMed and SoFilm segments.
- **Innovation:** increasing R&D to develop new products.
- **M&A:** expansion in wound care and general surgery.
- **Internationalization:** lobbying hospitals to accelerate transition towards disposable and reusable products vs. cotton products in less developed countries.

(1) Scope 2 emissions data not available

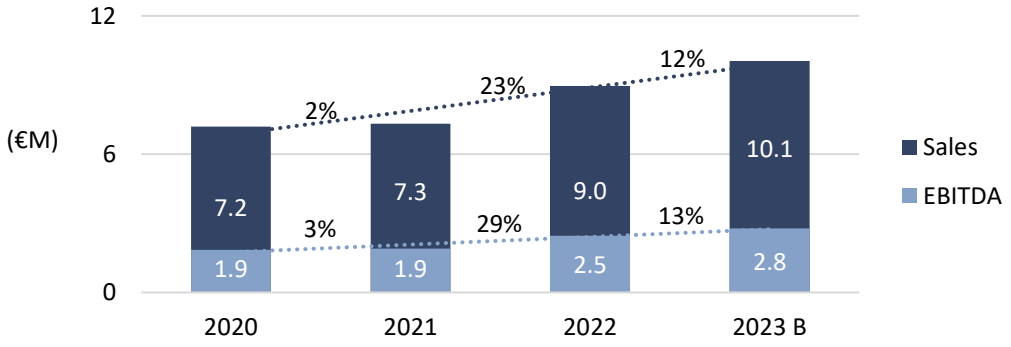
SMG

MAIN ACHIEVEMENTS

- **Operations:** ARCHIMED actively assisted in facility expansion of SMG's polymerization reactor which will be operational and validated in H1 2024. Together with investments its key manufacturing equipment, SMG aims to lower downtime, greater capacity, lower operational costs and waste percentages.
- **Internationalization:** SMG is engaging with potential Chinese partners and foresees sizeable orders from a key client by end 2023/early 2024, driving its geographic expansion into China.
- **Strategy:** Following his success as CCO, Henri Laitervo was appointed by shareholders as the new group CEO, bringing with him significant business development expertise paired with strong industry knowledge. ARCHIMED and management are also working closely with customers, finding widespread acceptance of the price increase strategy, and expects to make additional price increases in 2024 to enhance profitability. ARCHIMED, jointly with other shareholders, decided to enlarge the pool of beneficiaries of the LTIP, while providing enough financial incentive in case of successful exit in the medium term.
- **M&A:** SMG signed with Lohmann during Q3 2021. After the successful carve-out of specific assets related to the reusable drape adhesive tapes business, SMG has reinforced relationships with all acquired customers and is exploring additional partnerships, while managing a transition to its legacy Eurotape products. ARCHIMED and management are scouting for investment opportunities in several targeted market niches, including adjacent businesses like surgical textile manufacturing.
- **Sustainability & Impact:** SMG is collaborating in sustainability working groups as a member of AFERA (European Adhesive Tape Association) on a project to calculate the carbon footprint of adhesive tape products. SMG has strengthened its reusable product offering and defined Strategy 2026 which covers CSR commitments and waste as part of overall equipment effectiveness (OEE). Following its employee satisfaction survey, SMG improved on employee benefits (flexible working hours, sick leave, and profit-sharing schemes). In 2022, SMG engaged in charitable initiatives such as providing free-of-charge products to Ukrainian clients and monetary donations towards earthquake relief in Turkey.

FINANCIALS

- The successful execution of the European expansion and price increase strategy by management has played a critical role in driving revenue growth as YTD September 2023 revenue was 9% above the same period in 2022.
- The industry is facing challenges to protect the bottom-line due to rising costs. Management anticipated this in advance and have prepared a cost-savings plan capable of generating up to €500k in savings to further protect margins. Despite the macroeconomic challenges, SMG was resilient, and the bottom-line performance was flat.



EXIT & ROADMAP

- ARCHIMED is drafting an exit strategy for 2024, for which an M&A advisor has been appointed. Before divestment, the company plans to achieve:
  - An increase in critical mass and reach to reinforce its market dominance and position.
  - Finalize the diversification plan for both the product portfolio and the customer base.
  - Diversify the product range through organic and inorganic means to position itself as the primary target for industry strategic build-ups.

POLYPLUS

MED I, MED II, & POLYMED

Polyplus is the leading biotechnology company that supports gene and cell therapy, biologics manufacturing and life science research with innovative nucleic acid transfection solutions. Its strengths include 20 years of experience in manufacturing transfection solutions and offering tailored scientific and regulatory support to clients to accelerate their research. Polyplus has focused its research on chemical transfection vectors as opposed to electroporation that can subject cells to significant stress.

COMPANY DESCRIPTION

Location:	Strasbourg, France
Sector:	Life Sciences Tools & Biologic Services
Activity:	Cell & Gene Therapy/Nucleic Acid Delivery
Year Established:	2001
Company Website:	www.polyplus-transfection.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	89.9%
Enterprise Value at Entry (€M):	8.0
EBITDA Multiple at Entry:	4.5x
Exit Strategy:	Strategic Acquisition

	MED I	MED II	PolyMED
Investment (€M):	8.0	16.1	173.8
Date of investment:	Jul 2016	Sep 2020	Sep 2020
Realized MOIC:	69.2x(1)	4.6x	4.6x
Realized IRR:	221%	75%	75%

SOURCING

- **Identification:** since inception, Cell and Gene Therapy was identified in MedSeg as a very attractive industry. Following the MedDiscover process, it appeared Polyplus was the strongest candidate.
- **Approach:** Ludovic Alonzi developed a very close relationship with MedTalent® (Polyplus Chairman). It transpired that Polyplus was seeking a new shareholder as the existing owner was passive.
- **Choice of ARCHIMED:** the management sought to realize the company's full potential with a healthcare specialist shareholder with expertise in Cell & Gene Therapy rather than a generalist. ARCHIMED rapidly received exclusivity due to the commitment of ARCHIMED's team, and the first-hand understanding of this very complex technology and market. Loïc Kubitza, Partner at ARCHIMED, had particularly relevant experience, among others, holding a PhD in Biology and Transfection.
- **Transaction:** Since there were no competing bidders, and no advisors were enlisted for the transaction, ARCHIMED achieved a straightforward and seamless closing, aided by the assistance of several MedTalents® from ARCHIMED.

INVESTMENT RATIONALE

- Industry leadership with very positive market dynamics identified in MedDiscover process.
- High customer stickiness and clear visibility on future growth.
- External and internal growth opportunities with several potential add-ons identified at an early stage.
- Alignment of interests with senior management who rolled-over 50% of their proceeds.

STRATEGIC VALUE DRIVERS

- **Innovation**: launch the new generation product FectoVir and continue developing product pipeline.
- **Operational Improvement**: grow capacity through the construction of a new lab.
- **Professionalization/corporatization**: bring the company to the next stage with new leadership, internalize APAC salesforce and build out the business development function.

(1) The original equity in MED I retained after the 2020 partial exit contributed to an additional €100M realized for the fund, 300x that original equity piece.

POLYPLUS

MED I, MED II, & POLYMED

MAIN ACHIEVEMENTS

- **Professionalization:** the recently hired CCO is leveraging his deep market knowledge to professionalize the customer approach and create better synergies between the Marketing, Sales and Scientific Support departments.
- **Innovation:** active R&D has brought new products to the market. FectoVir® is the most important development to date, which enjoyed an impressive launch and commercial uptake with €1.9M sales in the first year (2020) and c. €4.0M revenue and six new customers in 2021.
- **M&A:** in Q4 2022, Polyplus closed the acquisitions of Xpress Biologics, a Belgian company operating in plasmid manufacturing, to internalize plasmid manufacturing capabilities for a novel plasmid they intend to bring to market. BioElpida, a French company active in the fill & finish space, was also acquired representing a significant step for FectoHEK upstream process economics. Polyplus also completed the investment in e-Zyvec (plasmid) as well as the acquisition of Polyplus' distributor in APAC.
- **Real Estate:** the administrative departments moved into the new building "Vectura" (3,900m²) in June 2021. The construction of an additional facility has been approved to enable the in-housing of critical supply activities under GMP grade, namely chemical synthesis and fill & finish.

EXIT

- The business doubled in size every year from 2016 to 2020. As a result, Polyplus grew into an outsized percentage of MED I. To de-risk the fund, ARCHIMED made the decision to realize some of its gain in Polyplus.
- With the support and approval of its investors, MED I sold half of its stake in the company to Warburg Pincus in September 2020 at a €550M valuation in an equal co-lead structure.
- ARCHIMED syndicated a significant part of the remaining equity to MED II and a newly created single asset vehicle, PolyMED.
- In Q1 2023, the board approved the full acquisition proposal from Sartorius AG ("Sartorius"), a German life science company, at al enterprise value of €2.4 billion.
- Sartorius and Polyplus combined cover the full value chain from upstream to downstream bioprocessing to address market needs. This creates synergies at customer and operational levels from early-stage development to commercial applications.
- The transaction closed in July 2023 after standard regulatory approval processes.

EXIT PERFORMANCE

- At closing, the sale of Polyplus to Sartorius delivered a 69.2x MOIC and 221% IRR for MED I, and a 4.6x MOIC and 75% IRR for MED II. The original equity in MED I retained after the 2020 partial exit contributed to an additional €100M realized for the fund, 300x that original equity piece.

XPRESS BIOLOGICS

MED II

Xpress Biologics is a Biologics Contract Development and Manufacturing Organization (CDMO) providing development and manufacturing services of plasmid DNA (pDNA) and proteins to preclinical and clinical stage biotechnology companies and the co-development of novel therapeutics and vaccines. The company has a hybrid CDMO and co-development business model allowing for the development of new know-how, technology platforms, IP and a portfolio of co-proprietary molecules.

COMPANY DESCRIPTION

Location:	Liege, Belgium
Sector:	Life Science Tools & Biologic Services
Activity:	Bioprocessing Consumables
Year Established:	2014
Company Website:	www.xpress-biologics.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	MedTalents® (direct)
ARCHIMED % Ownership:	78.0%
Enterprise Value at Entry (€M):	6.1
Revenue multiple at entry:	2.6x
ARCHIMED Investment (€M):	8.9
Date of Investment:	August 2021
Realized Performance:	3.7x [(1)] MOIC, 185% [(1)] IRR
Exit Strategy:	Strategic Acquisition

SOURCING

- **Identification:** ARCHIMED connected with Xpress Biologics back in 2018 through discussions with MedTalent®, an advisor to the board of Xpress, after engaging in the Cell & Gene therapy market.
- **Approach:** Loic Kubitza met two of the founders at a conference in Pennsylvania, US. At this point, the business was considered too small for a stand-alone investment, yet ARCHIMED reconnected after learning about the scarcity and importance of DNA plasmid supply and Xpress' prime positioning in this field.
- **Choice of ARCHIMED:** Loïc Kubitza and Michael Sneijers visited the company, while Xpress Biologics was looking for an investor to fund its GMP manufacturing expansion plan and positioned ARCHIMED as the preferred partner for this growth strategy.
- **Transaction:** ARCHIMED negotiated the buyout of historical shareholders as well as a capital increase to fund the GMP expansion plan.

INVESTMENT RATIONALE

- Attractive positioning to become an emerging leader in DNA plasmid manufacturing.
- High-value innovation in the manufacturing process could represent significant value creation beyond the business plan.
- Actionable and well-planned GMP expansion will immediately drive growth, which is currently constrained by limited capacity.

STRATEGIC VALUE DRIVERS

- **Operational Improvement:** successful execution of the GMP expansion strategy with a post-completion plan, driving the formalization of the founder-run business.
- **Customer Base:** onboarding new, higher-value, blue-chip customers, in more advanced stages of the development pipeline.
- **Corporatization:** enriching the management team of scientific background with operational experience.

(1) Including earnouts. When including first earn-out paid in Q1 2023, but excluding the pending second earn-out, MOIC = 3.5x and IRR = 183%

XPRESS BIOLOGICS

MED II

MAIN ACHIEVEMENTS

- **Facilities:** the expansion to the Accessia facility was completed in 2022. Improvement of the internal infrastructure including the onboarding of a new, high-quality CFO and a new Business Developer also boosted commercial efforts.
- **Services:** the business is successfully transitioning more into plasmid activities representing 58% of the weighted pipeline. The protein production activity remains similar to its historical level. Successful execution of the GMP expansion strategy saw concurrent growth in headcount, to unlock new capacity at Xpress for plasmid manufacturing.
- **Strategic development:** Xpress has signed a first agreement with Trilink Biotechnologies, a subsidiary of Maravai Life Sciences, to provide an mRNA plasmid. The move into mRNA marks a significant strategic development for Xpress with demonstration of rare capabilities. Xpress is finalizing an agreement with a big pharma, also to provide mRNA plasmid.
- **M&A:** given the strong pipeline of organic opportunities, inorganic growth is not seen as a high-priority at this stage, but the deal team continues to evaluate small, synergistic assets, including the ongoing evaluation of a partnership with a player in the synthetic plasmid manufacturing.
- **Business Development**: Xpress successfully onboarded new, higher-value, blue-chip customers capable of rapidly scaling up demand.

EXIT

- Xpress nearly doubled top line from 2021 to 2022.
- The company was sold to Polyplus in Q4 2022 to benefit from the internalization of their plasmid manufacturing capabilities.
- This will grant in-house manufacturing capabilities for a novel plasmid they intend to bring to market in 2023.
- A first indicative offer was submitted in May 2022 (by Polyplus management and co-leading shareholder Warburg Pincus) and was declined by the Xpress Biologics board for valuation reasons.
- After discussions, a second indicative offer was submitted in August 2022 and accepted by the Xpress Biologics board.
- A thorough and exhaustive due diligence process was launched.
- With the clearance of the MED II advisory board, the SPA was eventually signed by sellers and buyers at the end of November 2022, with closing in December 2022.

EXIT PERFORMANCE

- Xpress Biologics delivered a MOIC of 3.7x(1) and an IRR of 185% (1).

(1) Including earnouts. When including first earn-out paid in Q1 2023, but excluding the pending second earn-out, MOIC = 3.5x and IRR = 183%

CLEAN BIOLOGICS

MED II

Clean Biologics specializes in Viral and biological safety of biopharmaceuticals, GMP-grade production and storage of starting materials and GMP-grade manufacturing of drug substances for clinical trials, including viral vaccines and oncolytic viruses. The company's viral vaccines and oncolytic virus activity is branded under "Naobios", following the acquisition that increased Clean Biologics' expertise in the biopharmaceutical industry and added production capacity.

COMPANY DESCRIPTION

Location:	Nantes, France
Sector:	Life Science Tools & Biologic Services
Activity:	Biosafety Testing & CDMO services
Year Established:	2000
Company Website:	www.clean-biologics.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	56.9%
Enterprise Value at Entry (€M):	17.2
EBITDA Multiple at Entry:	6.6x
ARCHIMED Investment (€M):	15.7
Date of Investment:	October 2018

IMPACT ON HEALTH

- Clean Biologics' entities offer biological safety and purity tests (e.g., assessment bacteria or virus absence, development of therapy), development and manufacture of virus- and protein-based biopharmaceuticals (e.g., production of viral vaccines).
- Clean Biologics' services also include substance storage (e.g., virus, cells) for clinical trial purposes.
- Through its activities, the group contributes to increasing the safety of treatments or directly preventing diseases.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	368.0 tCO2eq
GHG emissions (scope 3 - estimate):	4,976.0 tCO2eq
GHG intensity (emissions/revenue):	167.0 tCO2eq/€M
Share of recycled waste:	21.4%
Employee engagement survey:	N
Data protection policy:	N
Responsible procurement charter:	N
Share of revenue invested in R&D :	9.4%
Sustainability Roadmap with objectives:	Since 2020

SOURCING

- **Identification:** the opportunity was sourced by the screening and research team during the review of the MedSeg Bioprocessing & Biosafety Testing sub-sector, as defined by ARCHIMED's MedDiscover proprietary sourcing method.
- **Approach:** ARCHIMED gained unique access through direct contact with management at a specialized trade fair in Amsterdam, where the team attended with MedTalents® to engage direct discussions with pre-identified potential targets.
- **Choice of ARCHIMED:** ARCHIMED was able to secure an exclusivity based on its sector credentials, industry expertise and common views on a business plan.
- **Transaction:** ARCHIMED was able to secure a majority investment in the company at an attractive entry multiple.

INVESTMENT RATIONALE

- Market space: a large, growing biologic market with solid barriers to entry.
- Reputation: the company is considered as the gold standard in biosafety testing.
- Customer base: diversified, with customers providing recurring business.
- Fast organic growth: track record of high profitability and cash generation.

STRATEGIC VALUE DRIVERS

- **Innovation & M&A:** grow market share through organic and external growth.
- **Category leadership:** secure a leading position in the phage production space.
- **Product & Service Range Expansion:** add viral clearance services to the biosafety testing product portfolio in order to complement the offering and reinforce Clean Cells' leading position in biosafety testing.

(1) Scope 1 emissions data not available

CLEAN BIOLOGICS

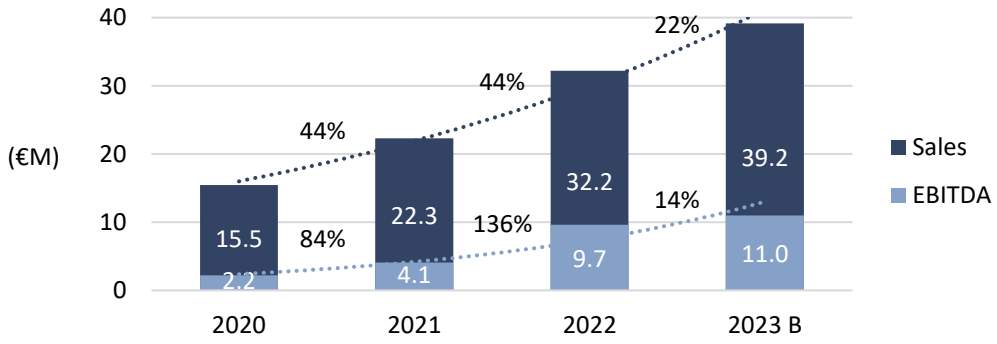
MED II

MAIN ACHIEVEMENTS

- **M&A:** the company acquired BE Vaccines which increased the production capacity to meet the strong order book. The Canadian CDMO, Biodextris, was also acquired to extend capabilities in analytical testing and GMP-grade production of protein therapeutics and creating a physical presence in North America.
- **Human Resources:** To further strengthen its position, the group bolstered its business development teams with new recruitment at Clean Cells, Naobios, and Biodextris. The business development initiatives brought solid customer and project leads, which provide confidence into next year start with solid pipelines including both CDMO businesses.
- **Operations:** professionalization of the finance function, especially through the CRM system, allowing faster invoicing and collection of client receivables and a positive effect on the group's net debt position. A €15M refinancing was finalized in 2022.
- **Facility Expansion**: Clean Cells has completed its move to a new 5,300 m² state-of-the-art GMP-grade facility, quadrupling testing capacity and expanding production suites from 5 to 9 for cell banks. The transition was successful, passing audits from European and American regulatory agencies, facilitating the phasing out of the former site. Meanwhile, Biodextris is on track to move into its facility in Q2 2024.
- **Sustainability & Impact**: Clean Biologics appointed a Head of Sustainability in 2022 and defined a sustainability/ESG roadmap. Initiatives include a carbon footprint assessment, an action plan focused on waste and energy consumption, and HR monitoring for professional pay-gap equality. Naobios is analysing ways to reduce or eliminate on-site autoclaving of DASRI (reduction of energy consumption) and improve the company's waste management. Biodextris implemented a carpooling/public transport bonus in 2023.

FINANCIALS

- Clean Biologics remains poised for substantial growth in the biopharmaceutical, bio safety, and analytical testing services market. For the YTD September period, the group demonstrated resilient financial performance, achieving sales of €23.6M and an EBITDA of €6.7M despite higher operating costs following the transition into brand new state-of-the-art facilities.
- In Q3 2023, the Group's quality control testing activities (Clean Cells) demonstrated both revenue growth (+12%) and EBITDA growth (+21%) compared to the same period last year.



EXIT & ROADMAP

- Following multiple offers from interested parties, ARCHIMED is contemplating the launch of a continuation vehicle in 2024 to:
  - Expand capabilities through the extension of the services offering and the extension of manufacturing capabilities into all subsidiaries.
  - Continue looking for external growth to increase market share and enlarge geographical footprint.
  - Reinforce industry leading position to become a prioritized target for acquisitions in the biopharma segment.

CUBE
MED II

Cube Biotech

Cube is positioned as a specialist for the expression of membrane proteins and a developer and manufacturer of products designed to purify and stabilize proteins, sold to pharmaceutical, biotech and academic customers. Cube addresses the need of its customers to access precise membrane protein structure information to develop efficient drugs. The company offers a wide variety of products through its product sales division, enabling researchers to access the proteins' structure information, but also acts as a service provider to deliver expression, purification and stabilization of membrane proteins to customers.

COMPANY DESCRIPTION

Location:	Monheim, Germany
Sector:	Life Science Tools & Biologic Services
Activity:	Membrane Protein Products & Services
Year Established:	2012
Company Website:	www.cube-biotech.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	76.7%
Enterprise Value at Entry (€M):	14.0
EBITDA Multiple at Entry:	13.2x
ARCHIMED Investment (€M):	14.7
Date of Investment:	September 2021

IMPACT ON HEALTH

- Cube provides products and services which allow for the extraction of purified and stable membrane proteins from genetic code (purification and stabilization are important for membrane proteins to stay functional).
- Since membrane proteins are key receptors for drugs, Cube is a trusted partner for the pharmaceutical and biotechnological industries in the development of new and more efficient drugs.

SUSTAINABILITY METRICS

GHG emissions (scope 1[(1)]&2):	55.2 tCO2eq
GHG emissions (scope 3 - estimate):	534.2 tCO2eq
GHG intensity (emissions/revenue):	192.00 tCO2eq/€M
Share of recycled waste:	10.0%
Employee engagement survey:	N
Data protection policy:	N
Responsible procurement charter:	N
Share of revenue invested in R&D :	Not available
Sustainability Roadmap with objectives:	Since 2023

SOURCING

- **Identification:** the opportunity arose during the MedDiscover build-up screening process for a potential acquisition of an early-stage drug discovery service provider. Identified at a trade fair in the UK in 2019, the team concluded that Cube was a more suitable standalone investment.
- **Approach:** after the deal team's networking efforts at a UK trade fair, direct communication was established for a potential acquisition and a site visit was planned.
- **Choice of ARCHIMED:** an initial site visit failed due to COVID restrictions in 2020 but discussions were revived in 2021 through our partner Loïc Kubitza and operating partner Klaus Maleck, leading to a site visit and a workshop on the business plan which positioned ARCHIMED well with the management team.
- **Transaction:** ARCHIMED led a smooth process, securing a majority stake in the company after an extensive exclusivity period.

INVESTMENT RATIONALE

- Strong market fundamentals driven by the increased demand for protein structure services.
- Attractive product business and services mix reducing dependence on customer projects.
- Proof of concept for business model as the company has been able to attract renowned Tier 1 customers repeatedly.

STRATEGIC VALUE DRIVERS

- **Operational Improvement:** expand capacity, improve efficiency, and boost margins through value chain expansion.
- **Innovation:** pursue portfolio expansion to capture more market share
- **Customer Base:** improve sales channels, increase customer retention and become a larger protein preparation player

CUBE
MED II

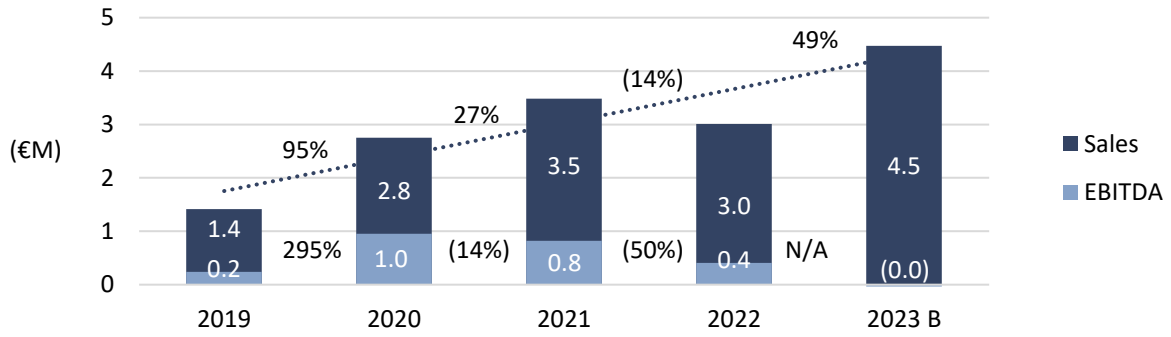
Cube Biotech

MAIN ACHIEVEMENTS

- **Integration:** the profit and loss transfer and service agreements were implemented. Change of seat from Munich to Monheim for Cell Analysis GmbH and Holding was been completed. Three board members were appointed.
- **Operations**: Cube has strengthened its sales function, with one new hire in the US explicitly focusing on the US market and key customers. Cube has implemented HubSpot, a CRM tool that offers real-time sales insights across product categories, enabling improved budgeting, enhanced tracking, and efficient execution on backlog and pipeline.
- **Product Launch**: since March 2022, Cube launched two stabilization agents which gained a lot of attention from the membrane protein community, with a couple of larger orders coming in from well-known academic institutes (i.e., Yale University) which invited Cube to give lectures at their Universities and institutes. Cube has launched a new Cryo-EM product, which will also be used internally to improve Cryo-EM performance.
- **Business Development**: Various business development workstreams are underway, including marketing initiatives, strategic repositioning, a broader go-to-market approach with a new sales process, and the implementation of PowerBI for enhanced sales analysis. Cube is actively expanding its service and product business by increasing participation in conferences, trade fairs, and adopting a more direct sales approach with heightened outreach to Pharma prospects.
- **Sustainability & Impact**: In 2022, Cube underwent a sustainability and impact assessment, formulating a roadmap with dedicated milestones and KPIs. Cube invests in online education for employee certifications and offers a two-day leadership seminar for senior team members. Cube transitioned to a local packaging supplier, with 10% FSC-certified paper used in its packaging. There are ongoing initiatives for increased biodegradable options.

FINANCIALS

- Cube has been strategically investing in its structure and commercial activities in 2023, impacting EBITDA due to operational investments, yet yielding a healthy 5.1% topline growth vs. last year, primarily driven by increased service-related sales.
- Despite increased operational expenses, the company foresees a robust Q4, projecting a significant double-digit growth for the full year and building a strong order book for H1 2024, reflecting positive momentum and potential for improved financial performance in the upcoming quarters.



EXIT & ROADMAP

- Whilst an exit is not expected before 2025, there are a variety of possible exit routes for Cube:
  - CROs looking to expand their service offering and specialist know-how in membrane proteins.
  - Specialist for drug discovery and protein structure determination.
  - OEM customers to add differentiated product and service capabilities.
  - Life sciences tools group interested in some niche products.
  - Secondary buy-out by a healthcare specialist.

PLASMIDFACTORY

MED PLATFORM II

PlasmidFactory is a contract manufacturing organization (CMO) for plasmid and minicircle DNA. The company manufactures large-scale plasmid DNA in three different grades: high-quality grade that is used in mRNA vaccine production for commercial purposes, ccc grade and research grade that are used for transfections and virus production in preclinical applications and early research studies. The customer base includes pharmaceutical and small to large biotech companies as well as research institutes.

COMPANY DESCRIPTION

Location:	Bielefeld, Germany
Sector:	Life Science Tools & Biologic Services
Activity:	Plasmid DNA Manufacturing
Year Established:	2000
Company Website:	www.plasmidfactory.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	74.7% incl. co-investors
Enterprise Value at Entry (€M):	100.0
EBITDA Multiple at Entry:	11.4x
ARCHIMED Investment (€M):	77.4 (80.1 incl. COI)
Date of Investment:	September 2022

IMPACT ON HEALTH

- Plasmid DNA is used for vaccines and CGT treatments, thus contributing to SDG 3.3 and SDG 3.8 as it improves access to safe, effective, and affordable vaccines for all.
- PlasmidFactory provides better accessibility for patients, helping improve access to essential therapeutics, and better patient safety as vaccines reduce global disease spread, preventing health risks of epidemics/pandemics.
- Essential vaccines such as mRNA vaccines decrease the strain and cost on society, thus providing better efficacy at the medical industry level.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2[(1)]):	15.4 tCO2eq
GHG emissions (scope 3 - estimate):	1,685.6 tCO2eq
GHG intensity (emissions/revenue):	162.0 tCO2eq/€M
Share of recycled waste:	95.0%
Employee engagement survey:	N
Data protection policy:	N
Responsible procurement charter:	N
Share of revenue invested in R&D :	5.0%
Sustainability Roadmap with objectives:	Planned for 2023

SOURCING

- **Identification:** Plasmid DNA Manufacturing was identified in MedSeg as a very attractive industry. Following the MedDiscover process, the company was identified in 2017 by the investment team.
- **Approach:** Loic Kubitza initially met with the management team in March 2017. The deal was considered too early as the company did not yet have GMP capability and production processes were not mature enough. The investment team reconnected in early 2022 when the company was more established and planned a site visit.
- **Choice of ARCHIMED:** ARCHIMED's extensive experience in the space, successful track record developing GMP facilities, use of relevant MedTalents® and ability to expand the business to North America contributed to securing the transaction.
- **Transaction:** ARCHIMED was able to secure a majority investment in the company at an attractive entry multiple.

INVESTMENT RATIONALE

- Positive market tailwinds as pDNA can be used as a starting material to produce mRNA-based vaccines.
- Clear path towards additional production capacity and GMP manufacturing.
- Next generation technology as the Company exclusively owns key technology patents for the production, use and distribution of minicircle DNA.
- Strong financial growth with healthy margins.
- Contributes to achieving better accessibility and safety for patients and efficacy for medical industries.

STRATEGIC VALUE DRIVERS

- **Corporatization:** increase marketing efforts, trade fair presence and international customer outreach in conjunction with the business development team.
- **Operational Improvement:** increase capacity by expanding current surface area and build additional GMP facilities.
- **M&A:** expand technology and enter adjacent areas such as synthetic pDNA and cell culture media through M&A acquisitions.

(1) Scope 2 emissions data not available

PLASMIDFACTORY

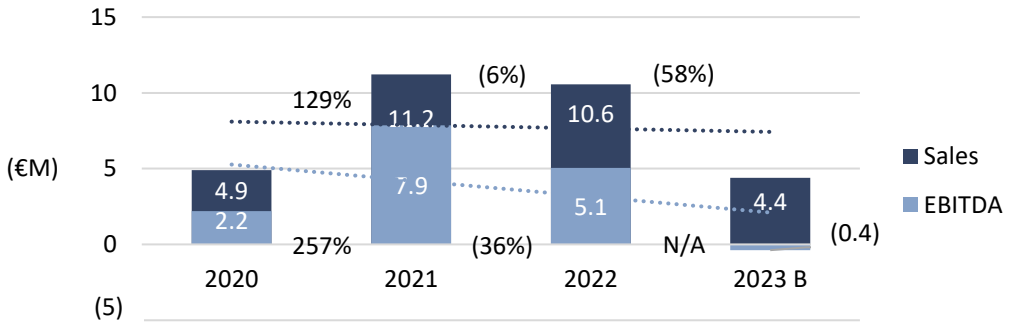
MED PLATFORM II

MAIN ACHIEVEMENTS

- **Business Development:** continuous orders are coming from top customers with multiple already demanding GMP grade plasmid. The pipeline is strong, gaining traction with the customer base, growing at 23%. High Quality (HQ) plasmid off-the-shelf material is currently being produced, which would more than double the order volume. ARCHIMED's Operating Partner, Didier Dargent, will move on-site to improve business development and increase presence in international trade fairs.
- **Facility Expansion**: construction of the new GMP facilities is expected to be finalized by Q2 2024. IE Group, a German specialist of industrial construction, has been appointed as an advisor to the project.
- **Operations:** PlasmidFactory's expansion of GMP capabilities is progressing faster than initially anticipated. Consequently, costs related to this expansion are accelerated and negatively impact the company's planned EBITDA. The increase in personnel costs due to key hirings, augmented by expenses related to rentals, maintenance, and sales & marketing (including additional conference participation and advertising costs) all contribute to the acceleration of the value creation plan. The rapid advancement of the GMP facility's timeline is expected to facilitate further operational enhancements, leading to improved financial performance in the long run.
- **Human Resources**: seven people were hired in 2022, including two FTEs for normal plasmid production and two FTEs for High Quality plasmid production. A CFO, Business Development executive and a GMP manufacturing head were hired in H1 2023. The company is looking to hire a COO and head of Quality Manufacturing (QM) to further increase professionalisation.
- **Governance**: In Q1 2023, Berthold Hackl was appointed Chairman of the Board and Eduard Ayuso as Board Member.
- **Sustainability & Impact**: PlasmidFactory initiated the ESG questionnaire on the Reporting21 platform to set out a sustainability roadmap by the end of Q3 2023. As part of its energy-efficiency initiatives, PlasmidFactory is using 100% renewable energy sources such as solar, wind and hydropower for its electricity production. PlasmidFactory also recycles 95% of its waste.

FINANCIALS

- Q3 2023 YTD topline reached €3.3M, a below last year's level due to the setbacks with the CureVac project. Costs associated with the expansion of GMP capabilities and increase in operational and marketing expenditure also impacted EBITDA, however order volume is very promising (c. €3.3M confirmed projects) for an H2 2023 increase.
- The company is positioned to benefit from strong positive market and geographical tailwinds (plasmid DNA market forecasted to grow 15% CAGR to c.€1.5B by 2031 from €0.6B in 2022) coupled with premium quality positioning and path to GMP manufacturing.



EXIT & ROADMAP

- Before an exit is considered, PlasmidFactory will need to achieve several key objectives identified at acquisition. The targeted timeline is 2026 and current post-investment initiatives include:
  - Substantially increasing revenue by expanding the customer base in North America and Europe.
  - Finish the construction of GMP facilities with the goal of increasing current production across all product lines.
  - Implement a strategic and cohesive M&A strategy to acquire new capabilities and achieve economies of scale.
- Following these accomplishments PlasmidFactory will be well positioned as a target for a trade buyer looking to enter the pDNA market or a financial sponsor looking for a high cash flow generative strategic platform in the plasmid manufacturing space.

EUROLYSER
MED II

Eurolyser is a leading diagnostics company that engineers and designs point-of-care testing devices as well as test kits sold primarily in Germany, Austria, France as well as in the US and Japan. The company develops analyzers that are best suited for physician office use, with no maintenance or calibration, simple blood sampling, and connected software. Eurolyser's patented cartridge technology is based on the use of the same gold standard reagents that are used in leading laboratories.

COMPANY DESCRIPTION

Location:	Salzburg, Austria
Sector:	In Vitro Diagnostics
Activity:	Point of Care
Year Established:	2005
Company Website:	www.eurolyser.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	85.0% fully exited
Enterprise Value at Entry (€M):	25.1
EBITDA Multiple at Entry:	8.8x
ARCHIMED Investment (€M):	18.1
Date of Investment:	February 2019
Realized Performance:	6.0x (1) MOIC, 79% (1) IRR
Exit Strategy:	Strategic Acquisition

SOURCING

- **Identification:** the opportunity was identified by the research team of ARCHIMED through the proprietary sourcing method of MedDiscover.
- **Approach:** ARCHIMED connected with the founder of Eurolyser due to ARCHIMED teams strong experience in In Vitro Diagnostics. The team provided the founder with strategic, value-enhancing recommendations highlighting ARCHIMED's expertise in the field to optimize for the company's future growth prospects, including an ambitious buy-and-build plan.
- **Choice of ARCHIMED:** ARCHIMED emerged as the favored partner, aligning well on the company's future vision, possessing in-depth expertise in the IVD sector, and benefiting from Denis Ribon's background as a veterinarian.
- **Transaction:** ARCHIMED was able to provide alignment of interest with the sellers and the managers. In addition, the fund invested via equity and a shareholder loan, while securing downside protection in form of a liquidity preference.

INVESTMENT RATIONALE

- Eurolyser is well positioned in the fast-growing market of point-of-care device testing.
- The company has strong topline growth and cash generation.
- High barriers to entry are driven by regulation and development cycles of instruments.
- Attractive entry price and clear path to exit.

STRATEGIC VALUE DRIVERS

- **Internationalization:** strengthen position in key countries such as the US and Japan in both human and veterinary markets.
- **Corporatization:** build scale of the human and veterinary capabilities to develop two efficient businesses.
- **Innovation:** enlarge the product offering of the human business line and develop strategic tests that differentiate the vet analyzer.

(1) Excluding SPV expenses. Including SPV expenses MOIC = 5.8x and IRR = 76%.

EUROLYSER
MED II

MAIN ACHIEVEMENTS

- **Internationalization:** a partnership with a new OEM client began through the launch of a drug monitoring system related to the dosage of an anti-psychotic medication. There was good sales traction in 2020 and 2021 in the US and Europe driven by Progesterone and SDMA.
- **Professionalization:** a board member who lacked active involvement was replaced by Michael Williams, the former Head of International from Idexx, the global leader in Vet Diagnostics. Internal processes were institutionalised, as a new detailed reporting and tracking tool was conceived. SAP was updated to provide for a more detailed reporting and management control.
- **Product development:** the SDMA test (a vet test to diagnose kidney disease) was launched in Europe in October 2020. Further tests in development and were launched for human and veterinary use in 2021. One human test is fully developed and feasibility studies for another veterinary test showed better than expected results. Eurolyser signed agreements with and received first orders from top customers in Europe and one in the US to sell its SDMA test.

EXIT

- The deal team was approached in the second quarter of 2021 by two large strategic buyers for a potential acquisition.
- Antech Diagnostics was introduced to ARCHIMED by Eurolyser board member Michael Williams, who is a strategic advisor to Mars Petcare. As a result, Eurolyser managed to gain Antech as key reference lab customer for its SDMA tests. As of Q3 2021, Antech was already a top-2 customer and expected to emerge as the top customer by 2022.
- The deal team granted Antech access to the data room at the end of September 2021 and received a confirmatory offer shortly after.
- The sale closed in January 2022.

EXIT PERFORMANCE

- Eurolyser delivered a MOIC of 6.0x(1) and an IRR of 79% (1).

(1) Excluding SPV expenses. Including SPV expenses MOIC = 5.8x and IRR = 76%.

CARSO
MED PLATFORM I

CARSO is a testing service provider with a shared market leading position in France with activities in adjacent countries. The large range of analyses provided includes water and environment testing, occupational hygiene and building health, food, genetics and pharma analyses. Since its inception in 1992, CARSO has grown steadily to reach more than €200M revenue.

COMPANY DESCRIPTION

Location:	Lyon, France
Sector:	In Vitro Diagnostics
Activity:	Testing Services/Public Safety
Year Established:	1992
Company Website:	www.groupecarso.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	72.8% incl. co-investors
Enterprise Value at Entry (€M):	422.9
EBITDA Multiple at Entry:	12.1x
ARCHIMED Investment (€M):	111.1 (221.3 incl. COI)
Date of Investment:	November 2021

IMPACT ON HEALTH

- CARSO provides analyses of pesticides, metals, drug residues, bacteria, parasites, viruses, eco-toxicology, radioactivity, etc. and associated services including audits, consulting, testing, and sampling.
- This contributes to the environmental risks related to water, food, industrial sites, genetics, cosmetics, and pharmaceuticals as well as underlying health impacts.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	1,091.8 tCO2eq
GHG emissions (scope 3):	20,007.0 tCO2eq
GHG intensity (emissions/revenue):	99.4 tCO2eq/€M
Share of recycled waste:	23.80%
Employee engagement survey:	N
Data protection policy:	Not available
Responsible procurement charter:	N
Share of revenue invested in R&D :	1.5%
Sustainability Roadmap with objectives:	Planned for 2023

SOURCING

- **Identification:** CARSO's segment of testing services, public safety and preventive healthcare, has been a long-term focus for ARCHIMED. A market study and target search yielded CARSO as an ideal platform. Specific comfort came as CARSO is well-known to ARCHIMED as 3i was a minority shareholder between 2005 and 2011. Denis, Vincent and Antoine actively managed this deal, executing 7 acquisitions to open new geographies and markets. The deal generated 3.4x MM and 23% IRR for 3i.
- **Approach:** the team has maintained close observation of the sector and company as well as a good relationship with the CEO. This provided the necessary connection and credibility to propose a pre-emptive offer in June 2021.
- **Choice of ARCHIMED:** the sector knowledge, historical relationship with majority shareholder and founder and a credible outlook on swift and smooth execution allowed ARCHIMED to secure this opportunity ahead of a competitive auction.
- **Transaction:** MED Platform I (incl. COI) invested in November 2021 based at a discount of approximately 20% to the average transaction observed in the market and up to 40% discount to comparable platform acquisitions in Europe.

INVESTMENT RATIONALE

- Very attractive non-cyclical market with a resilient 4-5% p.a. growth.
- Unique strategic platform due to its leading position in France as well as renowned quality across its vast portfolio of testing provided.
- Primary buyout situation with significant potential for financial and operational improvements.
- Reasonable price and good timing for the acquisition (no dependency on one division, CEO willing to retire).

STRATEGIC VALUE DRIVERS

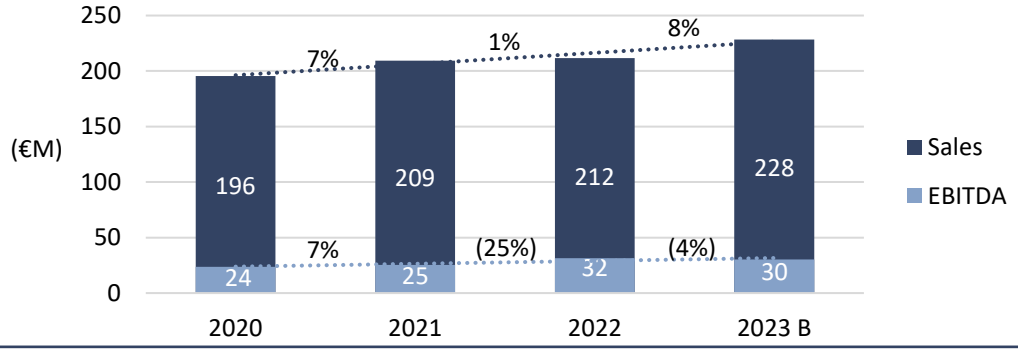
- **Corporatization:** build a group management organization to integrate the company, boost the organic growth and improve the margins.
- **M&A:** strengthen the position inorganically in selected European markets aggressively.
- **Market Focus:** enter or accelerate performance in the most promising testing segments, both organically and inorganically.

MAIN ACHIEVEMENTS

- **Human Resources:** The executive committee was restructured with a redefined scope of responsibilities to strengthen the group further and enhance synergies. Relevant managers are to be incentivized with a long-term incentive plan and an alignment of interest with minority shareholders. CARSO has already secured an IT Director, Chief Accountant and further second-level management roles, including a newly appointed Managing Director for the Water and Environment Business Unit in 2023 to improve productivity. A Chief of Human Resources Officer started in end of 2022, with the next additions to be a COO/Industrial Director to continue to strengthen the operations and commercial excellence.
- **Operations**: a transformation plan was designed with the help of an external advisor, Alvarez & Marsal, to increase the operational performance of the building division (ITGA). The implementation is underway.
- **M&A:** CARSO acquired Agrobiolab, its first add-on acquisition since ARCHIMED's investment in Q1 2023. Agrobiolab strengthens CARSO's footprint in food testing in Italy (a strategically important market), bringing incremental EBITDA and additional expertise in food contaminant testing. Later, CARSO acquired Analy-Co to strengthen position in Water testing in France in Q2 2023. CARSO's pipeline of opportunities remains active with currently two targets under exclusivity. Local buy-side M&A advisors have been appointed in France, Italy, Germany and Spain.
- **Sustainability & Impact**: CARSO has defined an ESG steering committee with the first meeting taking place in January 2023. This committee includes members of the CARSO team and shareholders. CARSO's 30-year anniversary was the occasion to organize ESG workshops and collect ideas and initiatives regarding sustainability improvements. Furthermore, a benchmark was prepared to measure CARSO's performance against their main competitors, highlighting ESG priorities as a differentiating factor. CARSO had been awarded the EcoVadis bronze metal concerning the ESG risk assessment of its two main sites and follows a structured policy on improvement provided by EcoVadis.

FINANCIALS

- Top-line and EBITDA performance for the YTD September 2023 period was roughly in line with the budget as the company continues to see challenges in the Water & Environment, Food, and Building Business units.
- In Q3 2023 CARSO transitioned from the French Generally Accepted Accounting Principles (GAAP) system to the International Financial Reporting Standards (IFRS). At the end of Q3 2023, CARSO aligned with the established budget regarding both sales and EBITDA. While the net debt currently surpasses the budgeted figure by 2%, it is anticipated to ultimately realign with the budget as initially planned.



EXIT & ROADMAP

- ARCHIMED's preferred exit route remains to sell the company to a trade buyer.
- The co-leadership position in France and the ambitious roadmap to develop CARSO into a pan-European powerhouse (with a concise regional focus), are set to present the group as a unique strategic asset for built-up strategies and large sector behemoths.
- Nevertheless, the resilient and recurring business model together with the improved cashflow productivity should generate substantial interest from financial bidders. At this stage, due to the short holding period, an exit is not contemplated yet.

DIESSE
MED II

Diesse is an Italian industry pioneer in the development of innovative In Vitro Diagnostics (IVD) systems. Diesse has two core business lines: Seroimmunology (tests for the diagnosis of autoimmunity and infectious diseases) and Haematology (tests for the diagnosis of body inflammation - measuring the erythrocyte sedimentation rate) fields. Diesse sells its products in more than one hundred countries and counts over forty international patents and 150 FTEs. Diesse has three production sites and a research centre.

COMPANY DESCRIPTION

Location:	Milan, Italy
Sector:	In Vitro Diagnostics
Activity:	Immunoassays & Erythrocyte Sedimentation Rate (ESR)
Year Established:	1980
Company Website:	www.diesse.it

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	96.6%
Enterprise Value at Entry (€M):	38.1
EBITDA Multiple at Entry:	7.8x
ARCHIMED Investment (€M):	23.3
Date of Investment:	May 2019

IMPACT ON HEALTH

- Diesse helps to diagnose inflammatory, infectious, and autoimmune diseases quickly and reliably by developing and producing in vitro diagnostic systems.
- All the product components are properly tracked and traced once manufactured, from the raw materials up to the packaging materials, from their entry to the selling of finished products.
- Through the continuous integration of advanced research, Diesse continues to enable the improvement of medicine.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	453.2 tCO2eq
GHG emissions (scope 3 - estimate):	6,429.0 tCO2eq
GHG intensity (emissions/revenue):	218.0 tCO2eq/€M
Share of recycled waste:	49.7%
Employee engagement survey:	Y
Data protection policy:	Y
Responsible procurement charter:	Y
Share of revenue invested in R&D :	10.0%
Sustainability Roadmap with objectives:	Since 2020

SOURCING

- **Identification:** IVD has been a Tier-1 sector monitored by ARCHIMED since 2014 under the leadership of Loïc Kubitza, PhD in Biologics, who has strong experience in the IVD space.
- **Approach:** Loïc established direct contact with Diesse's CEO, Stefano Marchese over the years, through key industry events he attended with a number of ARCHIMED MedTalents®.
- **Choice of ARCHIMED:** Loïc quickly built a strong relationship with the company owners and founders, advising them on key strategic initiatives based on is highly qualified and demonstrated experience in the sector.
- **Transaction:** Loïc's relationship paved the way for ARCHIMED to secure exclusivity with the founders ahead of a formal process.

INVESTMENT RATIONALE

- Robust fundamentals: recognized brand worldwide, well established product portfolio, very solid and increasing profitability.
- Client base: diverse customer base, low customer concentration.
- Products: bloodserum and saliva tests for COVID-19, very strong pipeline of products to be launched over the next three years.

STRATEGIC VALUE DRIVERS

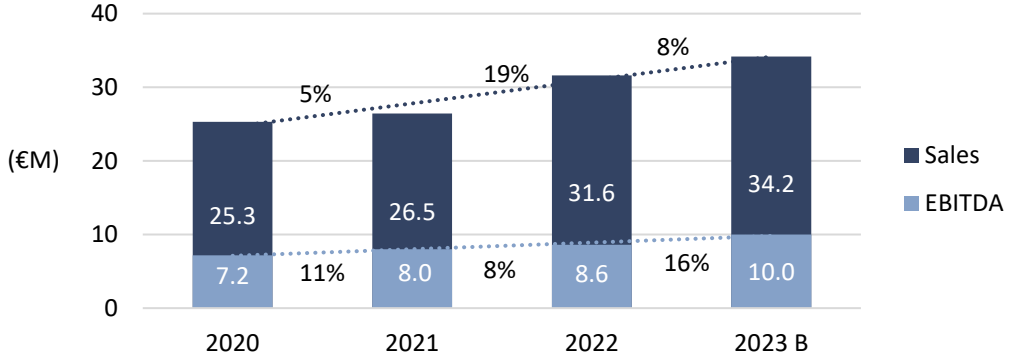
- **Market Focus:** ESR business relaunch and upgrade.
- **Innovation:** develop Chorus CLIA analyzer.
- **Internationalization:** increase US market penetration.
- **Operational Improvement:** upgrade the manufacturing plant to increase production capacity.
- **M&A:** strategic expansion in Europe and North America.

MAIN ACHIEVEMENTS

- **Business Development:** DIESSE started increasing their presence at trade fairs such as MedLab (Europe and Middle East), CORA, AMCLI and KOFF (Italy) and AACC (US/global) to promote their new triple technology instrument and yielded positive interest from potential buyers. The company is progressing well in R&D to enforce tests development and product migration of ELISA to CLIA and the creation of the first multiplex macroarray test.
- **Facility Expansion:** The seamless relocation of employees and the successful transition of production to the DIESSE Biotech Campus have been completed, along with the requisite qualifications. This state-of-the-art facility has had a positive impact on the workforce and has piqued the interest of potential new talent. Total CAPEX of €8.0M has been spent on this project in 2022. The new building is designed as self-sufficient with two photovoltaic systems and a water well, further adding to the CSR activities of the company.
- **Product Development:** Diesse installed its first Ves-Matic 5 instruments at key laboratories and hospitals. A new software upgrade was released for the Promonitor Progenika kit and hardware modifications were made on Chorus prototypes. The Janus project is ongoing to develop an innovative instrument that will perform both ELISA and CLIA testing.
- **Management:** Diesse's key management have co-invested alongside ARCHIMED in Diesse. Relevant additions have been or about to be hired to the team to support the organic growth including a specialist for China, IT specialist, Warehouse operator and Junior Portfolio Managers.
- **Sustainability & Impact**: in 2022, Diesse obtained the CSR status of a Societa Benefit, a company which combines the goal of profit with the purpose of positive impact for society and the environment. As a result, an impact and CSR manager was appointed responsible for implementing ESG initiatives and reporting on relevant KPIs. In 2022, Diesse delivered 3,000 hours of training on soft skills, including communication, stress and conflict management, wellbeing and mental health. Additionally, Diesse implemented social initiatives focused on renumeration and career and personal development based on the results of the 2021 employee engagement survey. As of Q3 2023, Diesse is conducting its first-ever Carbon Footprint Assessment.

FINANCIALS

- In Q3 2023, Diesse exceeded sales expectations by 7% over the budget and achieved a remarkable 16% growth compared to Q3 2022. The company set new sales records in August and September 2023, driven by strong performances in Europe and APAC as well as high demand for Erythrocyte Sedimentation Rate (ESR) products, specifically VesMatic5 and MiniCube.
- Diesse's EBITDA for the quarter reached €7.2M, surpassing budgeted targets by 12% and demonstrating a substantial 23% increase over the previous year, attributed to effective pricing strategies.



EXIT & ROADMAP

- Diesse’s value creation plan includes organic and strategic add-on growth to be completed before a sale. An exit is anticipated between 2024/25, with the goal of successfully achieving the following objectives:
  - Augmentation of the team with the incorporation of a new Commercial Director and Business Manager for North American operations.
  - Investment in marketing of the new VES Matic-5, receiving acclamation from the scientific ESR community.
  - Launch of the CLIA analyzer, validating its dominant position in the ESR, ELISA and CLIA markets.
  - Increased penetration in North America through a direct sales and M&A strategy.

ZYTO GROUP

MED II

ZYTO™

ZytoGroup is a combination of 3 leading companies headquartered in Berlin and Northern Germany offering consumables for Immunohistochemistry (IHC) and In-Situ Hybridization (ISH). The group is a niche manufacturer and supplier of specialty antibodies and probes that complement the testing capabilities of the most used instruments in the market. The group directly sells to pathology labs in Germany and through distributors internationally (over 1,500 direct clients in Germany and more than 80 distributors worldwide, none of which represent more than 10% of sales).

COMPANY DESCRIPTION

Location:	Berlin, Germany
Sector:	In Vitro Diagnostics
Activity:	Tissue Diagnostics
Year Established:	2005
Company Website:	www.zytomed-systems.com www.zytovision.com www.42ls.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	83.4% incl. co-investors
Enterprise Value at Entry (€M):	46.0
EBITDA Multiple at Entry:	8.1x
ARCHIMED Investment (€M):	31.9 (33.5 incl. COI)
Date of Investment:	December 2020

IMPACT ON HEALTH

- ZytoGroup enables practitioners to perform tests that identify DNA anomalies.
- The pathologies that can be diagnosed through these tests are mainly cancers, as well as viral diseases such as hematological malignances and solid tumors.
- ZytoGroup has an impact on patient health by helping to improve cancer prevention and treatment.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	151.1 tCO2eq
GHG emissions (scope 3 - estimate):	5,384.3 tCO2eq
GHG intensity (emissions/revenue):	230.0 tCO2eq/€M
Share of recycled waste:	Not available
Employee engagement survey:	N
Data protection policy:	Y
Responsible procurement charter:	N
Share of revenue invested in R&D :	Not available
Sustainability Roadmap with objectives:	Since 2022

SOURCING

- **Identification:** the IVD sector team identified Tissue Diagnostics and Cancer Tests as priority MedSeg sub-sectors, alongside Point-of-Care and Immunoassays where ARCHIMED had existing investments.
- **Approach:** ARCHIMED had been monitoring Zytomed's progress and reconnected during the COVID lockdown, granting visibility on final 2019 performance. The team facilitated scientific discussions between Zytomed and MedTalents®, and revitalized discussions of a merger with ZytoVision and 42 lifesciences.
- **Choice of ARCHIMED:** management was attracted by ARCHIMED's track record in IVD, scientific knowledge around Precision Medicine, its vast German network and proven ability to grow companies internationally.
- **Transaction:** ARCHIMED structured the deal as a 30% equity and 70% shareholder loan to take a majority position.

INVESTMENT RATIONALE

- Exposure to attractive and fast-growing pathology markets, driven by therapeutic innovations and automation.
- Leading industry position with strong distribution channels and a complete product offering.
- Double digit top-line growth and steady cash generation.
- Fragmented and sticky customer base.

STRATEGIC VALUE DRIVERS

- **Operational Leverage:** capturing the strategic value and synergies from the combination of the three companies.
- **Corporatization:** pursue best-in-class QA/RA to attract tier-1 clients.
- **Category leadership:** expand its leadership position in Tissue Diagnostics.

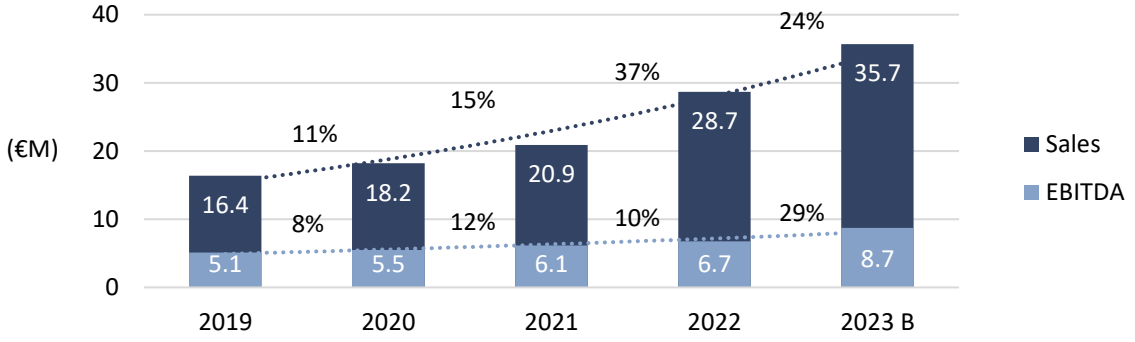
ZYTO™

MAIN ACHIEVEMENTS

- **Integration:** core group functions have been built including HR, RA&QA as well as Marketing to further harmonize processes and standards across the group. Financial reporting continues to be improved, with monthly cash-flow statements. Direct distribution has progressed with both its own products and those of ZytoVision and 42 life science in Austria and Switzerland.
- **M&A:** the company closed the first add-on acquisition in France of Diagomics which is ZytoMax's main distributor for IHC (Immunohistochemistry) consumables used in fields of cancer diagnostic. The acquisition supports ZytoMax's ambition to become a leading European platform through providing direct market access in France and Belgium
- **IVDR Certification:** The Quality Management Systems (QMS) have been harmonized across the group, with all entities progressing in the IVDR certification process. The project is on track at all entities, with ZytoVision and 42 Lifesciences expecting the certification end 2024 and Zytomed systems within Q4 2024. IVDR deadline for Class C devices was postponed to 2025 by the European Commission.
- **Business Development**: international expansion represents a key strategy to become a pan-European immunohistochemistry leader. While the company is integrating its latest acquisition in France, the team is actively working on new partnerships and potential acquisition targets to expand its product portfolio and strengthen market positioning.
- **Sustainability & Impact**: In 2022, ZytoGroup completed a sustainability and impact assessment, and defined a roadmap with key improvement objectives. The first KPIs have been developed, including some around the HR strategy to further strengthen employee satisfaction. Furthermore, salaries have been harmonized between sites and subsidiaries, a training program has been initiated and annual employee appraisals were introduced. ZytoGroup also adopted several data protection initiatives.

FINANCIALS

- YTD September, Zyto Group generated sales of €25.1M, marking a 17.7% YoY increase. All product categories, including the recent addition of Diagomics in France, contributed to this growth.
- Gross margin remains at a higher level of 70% compared to 65% last year, primarily driven by FX effects and price increases. The resulting EBITDA, normalized for one-off effects is €7.5M (13% above budget). Overperformance is primarily driven by strict cost management as well as timing effects through expanding cost structure later than anticipated.



EXIT & ROADMAP

- A targeted timeline is for 2025, and preparation initiatives include:
  - Expand its leadership position in the long-tail antibodies niche in Germany.
  - Enter adjacent markets in Europe with a direct sales presence.
  - Enlarge the product offering organically and inorganically, to increase client stickiness and the international customer base.
- These accomplishments will position Zyto Group as a very attractive target for strategic buyers from antibody manufacturing, control reagents or IVD market participants who lack a direct pathology presence. A secondary buy-out is also a credible exit path, with the company's healthy cash generation.

FYTEXIA

MED I

Fytexia

Fytexia is a life science company focused on scientifically supported micronutrients for healthcare products. In the value chain of the nutrition industry, the company has a leading market position as formulator, blender and marketer of ingredients. Fytexia offers ready-to-use solutions for the international health supplement industry with a specific focus on polyphenol. Fytexia has developed a unique offering around a range of five proprietary ingredients with demonstrable efficacy supported by clinical studies.

COMPANY DESCRIPTION

Location:	Montpellier, France
Sector:	Consumer Health
Activity:	Health Ingredients
Year Established:	2003
Company Website:	www.fytexia.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	MedTalent® (direct)
ARCHIMED % Ownership:	52.6% fully exited
Enterprise Value at Entry (€M):	23.4
EBITDA Multiple at Entry:	9.4x
ARCHIMED Investment (€M):	10.9
Date of Investment:	June 2016
Realized Performance:	4.0x MOIC, 28% IRR
Exit Strategy:	Strategic Acquisition

SOURCING

- **Identification:** Health Ingredients has been a prioritized subsector in MedSeg since inception. Fytexia was identified by the team as a strong opportunity following the MedDiscover market screening led in 2016.
- **Approach:** with the assistance of the former Head of M&A at Fytexia, who is now a part of ARCHIMED's MedTalent® network, the firm established initial contact with Fytexia's CEO and majority shareholder, Lionel Schmitt.
- **Choice of ARCHIMED:** ARCHIMED's comprehensive industry expertise, coupled with an ambitious growth strategy for Fytexia, led the management to grant exclusivity for the deal.
- **Transaction:** ARCHIMED seamlessly facilitated the ownership transition, securing a majority stake.

INVESTMENT RATIONALE

- Clear growth drivers: internal success drivers are notably Fytexia's marketing, sales and R&D capabilities.
- Leader in polyphenol industry: Fytexia has a leading position in the fastest-growing segments within the polyphenol market.
- Attractive financial profile: high sales growth in the last years, strong EBITDA increase with a lean, efficient and scalable cost structure.

STRATEGIC VALUE DRIVERS

- **Innovation:** maintain R&D in Sinetrol (core product) with clinical studies to reinforce product attractiveness.
- **Customer Base:** upgrade Fytexia's brand communication and notoriety to penetrate more strategic accounts.
- **M&A:** implement inorganic growth strategy through strategic acquisitions.

Fytexia

MAIN ACHIEVEMENTS

ARCHIMED invested €11M in Fytexia in June 2016 through a Primary Buyout and off-market transaction. Most of ARCHIMED's MedValue levers were activated to grow strategic and financial value, especially Internationalization, Innovation, Product range expansion, Corporatization and M&A. ARCHIMED also sourced off-market and executed the acquisition of B Natural which strengthened Fytexia's global leadership on polyphenols category.

- **R&D:** the product innovation pipeline was robust and on track. The joint care project generated substantial interest from clients who requested to participate in developmental costs in exchange for limited exclusivity (by geography). Clinical studies to demonstrate efficacy was launched in H1 2022. Fytexia decided to accelerate investment into the research of B Natural's propolis ingredient and to position it for the immunity treatments markets.
- **Customer Base:** ARCHIMED helped on-board blue-chip with a better recurrence and higher average sales per project. New distributors established in selected geographies like Italy & Korea. This allowed Fytexia to enlarge its product offering on new therapeutic aera (Cremare, Kitozyme).
- **M&A:** in May 2021 Fytexia acquired a 70% stake in B Natural. B Natural is the leader in Europe for the extraction and refinement of brown propolis – a compound with health benefits created by bees when building their hives. Propolis is a recognized source of polyphenols with numerous health benefits. This acquisition reinforces the strategic positioning of Fytexia as the European leader in polyphenols. There are major opportunities for synergies between Fytexia and B Natural, some of them immediately applicable, including access to new clients, new therapeutic areas, new geographies and industrial capabilities. The strategic alignment of both companies positioned them favorably amongst leading ingredient companies.

EXIT

- After having been approached by potential trade buyers in 2020 and 2021, the deal team decided to retain the M&A boutique Potomac, which has an excellent track record in the Nutraceuticals space and particularly strong experience in branded ingredients (NH.CO, Herbarom, etc.).
- Extensive preparation was launched including Vendor Due Diligence, Financial, Tax, Legal and ESG (Indefi) documents.
- At the end of the first auction process, 8 non-binding offers were received.
- Subsequently, the deal team, together with management and Potomac, decided to allow 5 parties to enter the second auction phase. The parties then had the chance to meet management in person and attend presentations and participate to onsite visits in Beziers and Milan.
- Following the onsite, ABF, a diversified international food, ingredients and retail group was retained.
- We believe ABF is well-positioned to unlock the full value of Fytexia thanks to its international footprint and access to global food and beverage, human and pet nutrition as well as the health ingredients market segment.

EXIT PERFORMANCE

- Fytexia delivered a MOIC of 4.0x and an IRR of 28%.

NATURAL ORIGINS (HIS)

MED I

Natural Origins, formerly Herb's International Service ("HIS") is a leading provider of medicinal plants from the International Pharmacopeia for the nutraceutical and pharmaceutical industries. HIS sources, transforms and delivers almost all existing medicinal plants in all possible forms to end-product manufacturers. The company has developed a unique expertise in medicinal botany and built direct relationships with suppliers around the world.

COMPANY DESCRIPTION

Location:	Lyon, France
Sector:	Consumer Health
Activity:	Health Ingredients
Year Established:	1999
Company Website:	www.mynaturalorigins.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	MedTalent® (direct)
ARCHIMED % Ownership:	95.3% fully exited
Enterprise Value at Entry (€M):	12.7
EBITDA Multiple at Entry:	6.6x
ARCHIMED Investment (€M):	8.4
Date of Investment:	June 2016
Realized Performance:	2.4x MOIC, 368% IRR
Exit Strategy:	Strategic Acquisition

SOURCING

- **Identification:** the opportunity was identified through a deep market analysis carried out together with ARCHIMED's MedTalents®, highlighting Health Ingredient's positive trends and attractive features.
- **Approach:** ARCHIMED's team directly approached the executive board of HIS, quickly identifying its strengths and deciding to further explore the opportunity. The founder of HIS was looking for an exit and ARCHIMED was able to present a full transition and development plan, which was highly appealing.
- **Choice of ARCHIMED:** ARCHIMED's industry expertise, extended professional network and deep understanding of the company's business were factors in gaining exclusivity.
- **Transaction:** the primary buyout was structured through a dedicated Luxembourg holding (due to the seller's reinvestment via a vendor loan) with an MBI candidate sourced from ARCHIMED's MedTalents® network.

INVESTMENT RATIONALE

- Optimal market positioning, both at geographical and product levels.
- Differentiated product offering with a longstanding focus on quality and traceability.
- Attractive financials and risk profile.
- Clear value creation path, with clear exit route.

STRATEGIC VALUE DRIVERS

- **Corporatization:** professionalization of the management team and processing better reporting.
- **Innovation:** increase production capacity and product testing.
- **Operational Improvement:** improvement of industrial tools and process efficiency improvements.

NATURAL ORIGINS (HIS)

MED I

MAIN ACHIEVEMENTS

ARCHIMED embarked on a considerable transformation effort to take Natural Origins from a best-in class provider of natural health ingredients, to a solution provider for the nutraceutical and pharma industries. The investment in HIS proved successful thanks to:

- **Management:** ARCHIMED installed new leadership in the CEO, COO and R&D head from Naturex, along with a new board with a corporate and process focused culture. A Management Committee was also created along with HR processes to professionalize the company.
- **Strategic sourcing approach:** ARCHIMED was able to identify, approach and acquire a hidden champion in a hot healthcare vertical, following internal industry screening, and outside of an auction process.
- **Strategic grooming:** potential acquirers were identified early on, and ARCHIMED focused on their requirements to transform HIS into a plug-and-play target for large corporates. This included developing a pipeline of the most interesting acquisition targets for HIS to grow its capabilities inorganically.
- **New tools:** there was a significant investment in industrial tools to develop new end-markets and increase production capacity. Investment in product traceability, purchasing guidelines and outsourced product testing strengthened quality control resulting in higher value-add products being delivered to clients.

EXIT

- Shortly after closing the transaction, ARCHIMED was approached by Döhler, a German family-owned group. ARCHIMED had discussed HIS with Döhler Group prior to investing, to better assess strategic buyers' appetite for the company.
- When Döhler's CEO contacted ARCHIMED with a significant offer in early October 2016 looking for an equity partnership with HIS or a full acquisition, ARCHIMED, together with Natural Origins management's support, decided to progress with a full sale of the company.
- In the rapid process overseen by ARCHIMED, Döhler concluded its due diligence, while ARCHIMED implemented a new management package with Döhler as the new owner and operator.
- While ARCHIMED consistently aims to maximize the MOIC performance, the attractive MOIC and outsized IRR was such that ARCHIMED's Exit Committee sanctioned the proposed trade sale, garnering full support from ARCHIMED's LPs.
- The transaction valued Natural Origins at a slight premium versus listed comparables and represented a very significant arbitrage versus ARCHIMED's EBITDA entry multiple.

EXIT PERFORMANCE

- HIS delivered a MOIC of 2.4x and an IRR of 368%.

PROLLENIUM
MED PLATFORM I

PROLLENIUM[MD]

Prollenium operates as a developer, manufacturer and distributor of medical aesthetics products. The company's product expertise and technical knowledge covers the field of facial aesthetics products, ingredients optimization and technical quality testing. Prollenium's flagship product Revanesse is a line of cross-linked hyaluronic acid ("HA") dermal fillers. A product made from sugars found naturally in the body that degrade over time requiring repeat product usage. In 2005, the business was granted approval to begin distribution of their first injectable dermal filler in Canada and in 2017 was granted FDA approval to sell in the US.

COMPANY DESCRIPTION

Location:	Toronto (ON), Canada/Luxembourg
Sector:	Consumer Health
Activity:	Aesthetics Medicine/Dermal Fillers
Year Established:	2002
Company Website:	www.prollenium.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	60.7% incl. co-investors
Enterprise Value at Entry (€M):	437.6
EBITDA Multiple at Entry:	7.7x
ARCHIMED Investment (€M):	114.6 (204.5 incl. COI)
Date of Investment:	September 2021

ESG BEST PRACTICE

- In 2019, Prollenium removed all plastic wrapping from boxes and replaced it with glue leading to savings of 108,106 square feet of plastics (August 2021-May 2022).
- Prollenium encourages employees to speak up on issues of concern through its whistle-blowing mechanism facilitated by EthicsPoint, an Ethics Hotline and Incident Management Software.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	759.8 tCO2eq
GHG emissions (scope 3 – estimate):	16,824.2 tCO2eq
GHG intensity (emissions/revenue):	157.0 tCO2eq/€M
Share of recycled waste:	Not available
Employee engagement survey:	N
Data protection policy:	N
Responsible procurement charter:	N
Share of revenue invested in R&D :	4.1%
Sustainability Roadmap with objectives:	Since 2022

SOURCING

- **Identification:** Aesthetics Medicine, including Dermal Fillers, was identified as an attractive MedSeg sub-sector within Consumer Health.
- **Approach:** ARCHIMED initially connected with Prollenium at a 2019 trade fair for dermatology, plastic surgery & aging science.
- **Choice of ARCHIMED:** the unique MedTalent® network, hands-on expertise in the industry, European footprint, and the ability to close the transaction during the pandemic made ARCHIMED the right partner for Prollenium.
- **Transaction:** ARCHIMED executed the buyout (including co-investment) after approximately one year of negotiation and a relationship of almost two years with the founders. Full alignment with the founders Ario Khoshbin and Khasha Ighanian was established through a substantial roll over of their proceeds.

INVESTMENT RATIONALE

- Superior product offering with nearly non-existent post-injection swelling provides a clear differentiation against competitors.
- Large and fast-growing market opportunity in the US filler market.
- Very sticky customer base with 70-85% of repeat purchases in the mature Canadian market.

STRATEGIC VALUE DRIVERS

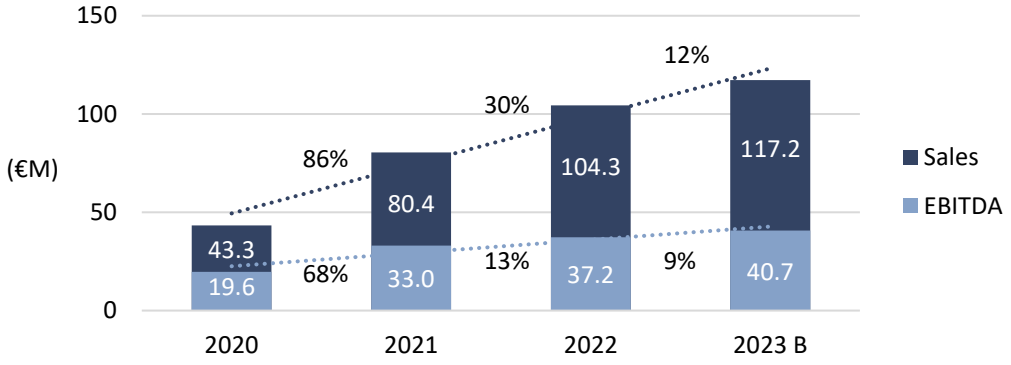
- **Internationalization:** supporting the company's organic growth into the North American and European MedSpa channel with leveraging the brand recognition.
- **Innovation:** product portfolio expansion and adding product adjacencies which will lead to competitive advantages.
- **M&A:** explore expansion opportunities in toxins, aesthetic adjacencies and delivery devices.

MAIN ACHIEVEMENTS

- **IT & Cybersecurity:** Prollenium has been working with IT providers to adopt a new CRM system which is expected to significantly improve the productivity of its sales representatives. The company is working on a detailed preventive action plan to ensure a high level of cybersecurity (including security awareness training and an incident response plan).
- **Business Development**: Initiated in 2022, Prollenium continues to participate in numerous trade fairs in both North America and Europe as part of the firm's on-going commitment to networking within the industry to identify potential acquisition targets and establish new distributor partnerships. Appointed in September 2023, the new Head of International Marketing will play a key role in developing the international marketing strategy, improving existing North America marketing, and instituting more KPI tracking related to marketing and advertising spend.
- **M&A:** the Softil (headquartered in France) add-on was closed at the end of May 2022. In H1 2023, SoftFil cannulas have been launched in Canada and the US. There are ongoing analysis of add-on acquisitions and transformative opportunities that would help to accelerate Prollenium's geographic presence, customer base and product portfolio.
- **Sustainability & Impact:** Prollenium is monitoring sustainability progress bi-annually at the Board level, based on a formalised Sustainability Roadmap and implemented waste management initiatives in line with its waste policy, such as digitalizing paper-heavy operations and removing plastic wrapping from packaging. Prollenium is also investing in employee development through training in quality management, personality and communication styles, and team effectiveness and organizes conferences offering specialized training and knowledge sharing opportunities with partner doctors and nurses.

FINANCIALS

- Prollenium has displayed remarkable resilience, achieving sales on par with those of last year, maintaining a stable gross margin of 87.7% and market share expansion as other major players (Allergan and Galderma) faced declines.
- The company reported €30.7M EBITDA in Q3 2023, compared to €29.7M in the same period last year, and surpassing this year's budget of €29.4M. This was achieved through exercising financial prudence by deferring R&D expenditure and releasing commission accruals.



EXIT & ROADMAP

- Prollenium was acquired in September 2021 and an exit is not expected before 2025. After adding product adjacencies to the portfolio such as toxins, dermacosmeuceticals, or other physician-driven medical aesthetic products, the company will be highly attractive for different exit routes and buyers may include:
  - Direct competitors in the fillers space to increase their footprint in North America or Europe.
  - Trade acquirers from adjacent markets such as neuromodulator, skin care, energy-based devices.
  - Global financial investor willing to push a matured business towards global expansion.

WIQO
MED III

WiQo is a skin health company offering non-invasive topical products. WiQo engages in R&D, formulation, manufacturing and distribution of innovative skincare products, both medical devices for professional use and cosmeceuticals. The company's core products include PRX, a new generation chemical peel based on TCA and hydrogen peroxide and WiQo One, a chemical peel based on TCA salts to meet rigorous APAC market regulations.

COMPANY DESCRIPTION

Location:	Trieste, Italy
Sector:	Consumer Health
Activity:	Aesthetic Medicine
Year Established:	1995
Company Website:	www.wiqo.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	73.0%
Enterprise Value at Entry (€M):	80.0
EBITDA Multiple at Entry:	8.2x
ARCHIMED Investment (€M):	43.5
Date of Investment:	March 2023

SOURCING

- **Identification:** the deal was sourced directly by ARCHIMED's Consumer Health team after being identified as an attractive player in the Aesthetic Medicine MedSeg sub-sector.
- **Approach:** Dr. Castellana (dermatologist, 72), founder and majority owner, was looking for a partial cash-out and a strong partner to support the next phase of fast growth. Jean-Yves Desmottes, and Magda Jurkiewicz personally met Dr. Castellana at a trade fair in Europe and initiated partnership discussions. The deal team held numerous meetings with her, ultimately persuading her that ARCHIMED is the ideal partner.
- **Choice of ARCHIMED:** Dr. Castellana was motivated to sell given her need for a partner to scale the company internationally for the next phase of growth, and her confidence in ARCHIMED as the right partner to do so. Additionally, the company requires operational support for the transition of the current CEO, who is nearing retirement - an area where ARCHIMED excels and can provide valuable assistance.
- **Transaction:** the transaction was completed in March 2023. A Long-Term Incentive Plan (LTIP) will be put in place to incentivize key people in the company. The founders rolled over 27%.

INVESTMENT RATIONALE

- Strong USP of the 'hero' product, with scientifically tested efficacy in skincare treatments.
- Leading global player with a presence in major markets in Europe, the US, and Japan.
- Strong reputation with well-renowned product efficacy among dermatologists and physicians.
- Unique capacity to develop new products, demonstrating the company's capacity to innovate starting from its core products and formulations.

STRATEGIC VALUE DRIVERS

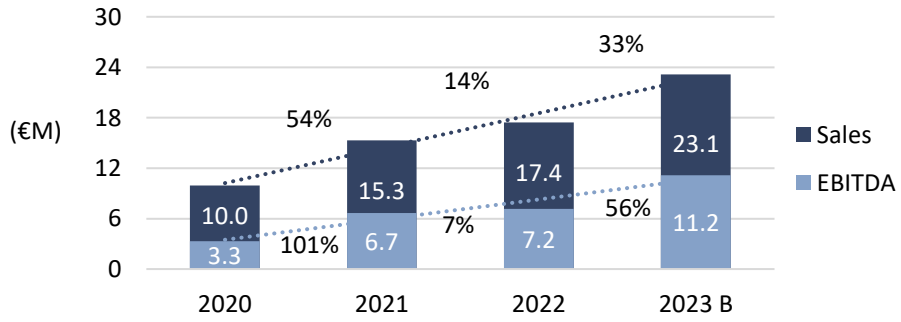
- **Operational improvement:** strengthen medical edge by conducting more trials to provide products with strong clinical evidence and improve communication around medical themes.
- **Internationalization:** accelerate in North America and key Asian markets, with a strong focus on Japan and the US, and develop key markets in Europe.
- **Corporatization:** strengthen regulatory and quality control expertise.
- **ESG/Impact:** formulate and execute the sustainability roadmap.

MAIN ACHIEVEMENTS

- **Business Development**: WiQo is reviewing their North American distribution model to evaluate alternative approaches, whilst simultaneously implementing a direct distribution model in France. This review has also prompted changes to their distributor network in South Korea, with the introduction of a new distributor who brings substantial expertise and know-how.
- **Strategy:** The firm is conducting a price sensitivity analysis to refine and optimize the firm's pricing strategy across different regions to ensure competitiveness and strategic alignment.
- **Operations:** WiQo conducted a thorough review of its production and supply chain processes in collaboration with an external consultant, which helped identify and implement process improvements designed to boost productivity. Following a review of their ERP system, the firm decided to retain their current system, and is instead focused on streamlining and improving integration among all departments to enhance operational efficiency. In addition to these initiatives, WiQo is optimizing their IP strategy and is in the process of establishing a comprehensive corporate governance, compliance and cybersecurity framework for effective risk management.
- **Human Resources:** WiQo hired a new Head of Marketing (internal promotion) to implement a global marketing strategy and a Key Account Manager to support sales strategies in key markets.
- **Sustainability & Impact:** ARCHIMED is working alongside management to establish a clear vision and implement KPIs for monitoring purposes.

FINANCIALS

- As of YTD September 2023, the firm's total revenues have remained consistent, with a modest 1% increase compared to last year.
- Despite a 21% decline in cosmeceutical sales due to underperformance in the Japanese and US markets, Europe, led by Italy with an impressive 33% growth, has effectively offset these declines. Additionally, WiQo's medical devices segment contributed to its stability with a 9% growth.



EXIT & ROADMAP

- 22 strategic investors in the chemical peels, mesotherapy, energy-based devices, injectables, and cosmetics/pharma space were contacted on an anonymous basis to test their appetite for a target offering a chemical peel sold to aesthetic doctors and dermatologists with no downtime, no exfoliation and sales in the US, Japan, and Europe.
- Three distinct buyer categories (chemical peels, mesotherapy, injectables) expressed interest due to complementarity with their existing portfolios, cross-selling opportunities, and potential expansion into new geographies. With pharmaceutical companies, strong clinical evidence could further heighten their interest, given its potential to complement their clinical aesthetics offerings.
- ARCHIMED intends to capitalize on prevailing trends by maintaining the focus on the medical aesthetic products sold in clinics and leveraging bundling strategies for cosmeceutical sales.
- Secondary PE deals also seem plausible because of the high cash flow and strong growth generated by WiQo.

PROVEPHARM

MED II

Provepharm

Provepharm is a leading biopharmaceutical company that uses its expertise in fine chemistry for the revitalization of known molecules. The company develops the only injectable methylene blue product approved by the US Food & Drug Administration (FDA) and has received the orphan drug designation for the treatment of methemoglobinemia in the US. Provepharm's strategy is currently focused on developing Proveblue®/Provayblue™/BLUDIGO™ for new indications, applying its expertise for the revitalization of other molecules in promising niche markets and strengthening its international reach.

COMPANY DESCRIPTION

Location:	Marseille, France/Philadelphia (PA), US
Sector:	Biopharma Products
Activity:	Specialty Pharma/Molecule Revitalization
Year Established:	1998
Company Website:	www.provepharm.com

INVESTMENT DESCRIPTION

Investment Type:	Minority Investment
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	6.3%
Enterprise Value at Entry (€M):	270.5
EBITDA Multiple at Entry:	8.1x
ARCHIMED Investment (€M):	16.5
Date of Investment:	March 2018

IMPACT ON HEALTH

- Provepharm develops innovative medicines from existing molecules and participates in therapeutic progress for patients.
- Its expertise in the revitalization of molecules and its focus on R&D enables it to create new treatments, while simultaneously shortening the time to market, thus effectively improving patient lives.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	116.0 tCO2eq
GHG emissions (scope 3):	8,526.0 tCO2eq
GHG intensity (emissions/revenue):	112.1 tCO2eq/€M
Share of recycled waste:	96.0%
Employee engagement survey:	Y
Data protection policy:	Y
Responsible procurement charter:	Y
Share of revenue invested in R&D :	23.0%
Sustainability Roadmap with objectives:	n/a

SOURCING

- **Identification:** the opportunity was identified by the research and screening team of ARCHIMED through the systematic proprietary sourcing method of MedDiscover. Provepharm has been a long-term target of ARCHIMED since October 2014, and market developments led to the company becoming the perfect investment for MED II three years later.
- **Approach:** in 2017, ARCHIMED Partner Vincent Guillaumot approached Michael Feraud, the CEO directly, who opened the door for a transaction since his co-founder was stepping back operationally.
- **Choice of ARCHIMED:** Provepharm's management recognized ARCHIMED as a top-tier strategic and financial partner due to its market expertise and extended network of industry professionals.
- **Transaction:** the transaction was financed fully with equity and ARCHIMED was able to gain a 20% priority dividend after year 4, offering the fund significant downside protection.

INVESTMENT RATIONALE

- A cash generative business model and strong financial performance.
- Opportunistic minority transaction with upside and attractive downside protection.
- A credible platform in the growing, global injectables market.
- Strong intellectual property position.

STRATEGIC VALUE DRIVERS

- **Innovation**: develop Proveblue®/Provayblue™ for new indications.
- **Internationalization**: reinforce the company's presence in Europe and expand market share in North America.
- **Product & Service Range Expansion:** apply Provepharm's expertise to the revitalization of other molecules.

PROVEPHARM

MED II

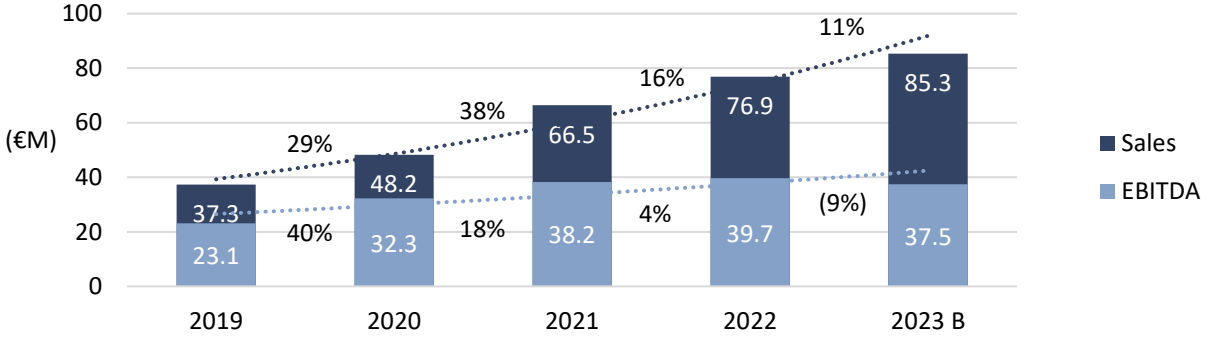
Provepharm

MAIN ACHIEVEMENTS

- **Professionalization:** Provepharm is now a well-structured organization with key hires including a Medical Director, a BD Director, an HR Director, an Industrial Director, an IT Director and a Commercial Director.
- **Business Development:** 2022 saw the first US delivery of the Methylene Blue packaging in vials. The group also received market authorization from the FDA to launch BLUDIGO™, the first injectable Indigo Carmine in the US, and the second Provepharm injectable product approved by the FDA (after Methylene Blue). Provepharm recruited new employees in 2022 dedicated to increasing direct sales in key countries, such as France and UK. Earlier milestones in 2021 included Indigo Carmine's successful launch in Europe and the filing of the Project Topaze patent.
- **M&A:** Nepalm was acquired in 2018, and Apollo in 2020. This was a corporate carve-out from Canadian company SteriMax, which was directly sourced and executed by ARCHIMED's team.
- **Operations**: since 2019, Provepharm has enjoyed a larger market share in the US. Competitors like Akorn were not allowed to sell their products as Provepharm proved it can deliver successfully without supply chain risk. In consequence, Akorn filed for bankruptcy in May 2022. Sales in Europe and the rest of the world are progressing faster than budget, with significant growth in UK, France and Germany driven by direct sales.
- **Sustainability & Impact**: Provepharm redesigned its governance to better integrate CSR principles. Provepharm is continuing its philanthropic missions through its endowment fund which aims to support projects with a strong societal impact. In 2022, Provepharm carried out a carbon assessment covering all 3 scopes and has used the ADEME methodology to draft a carbon reduction trajectory. In addition, the "Climate Strategy" project studying the risks related to climate change and ecological transition was finalized. Provepharm also implemented their "Well-being at Work" plan and conducts regular employee engagement surveys to define relevant actions. This practice helped them gain a 91/100 rating on the French Professional Equality Index, win the Great Place to Work award for 2022-2023, and gain recognition by l'Indice Vert for its CSR commitment.

FINANCIALS

- The YTD September 2023 sales witnessed a boost, growing by 7% from the previous year but fell behind the budget by 11%. Key contributing factors are a €10.2M drop in BLUDIGO™ sales, increased competition for Apollo products, and hold-ups in deliveries across EUR/ROW due to product availability concerns at CMOs. However, this was somewhat offset by a surge in Methylene Blue sales in the US which exceeded the budget by 28%.
- EBITDA remained below expectations and was at 19% beneath the budget. However, a moderated EBITDA growth is projected by the management team, given the 80% investment spike in the US sales & marketing team and a 21% upturn in R&D expenditures for 2023.



EXIT & ROADMAP

- An imminent exit could occur in the next 18 months. Before a realization event, the company will benefit from achieving the strategic goals set at ARCHIMED's investment in order to maximize exit multiples, including:
  - Developing Proveblue® / Provayblue™ for new indications.
  - Reinforcing its international market position.
  - Reinforcing the core business through M&A to anticipate generic drugs arrival.

STRAGEN

MED PLATFORM I

stragen

Stragen is a developer of hard-to-make, complex generic drugs for the treatment of patients with life-threatening conditions that require comprehensive care and monitoring, usually in intensive care units. Stragen is active in niche markets with more than 100 formulations developed and a portfolio of 40 products commercialized in several areas namely cardiology, anti-infectives and women's health. The company has a global presence in over 60 countries with a direct footprint in key markets, predominantly France, Germany, Nordics, the US and Canada, and a growing presence in emerging markets such as Algeria, Vietnam and others.

COMPANY DESCRIPTION

Location:	Geneva, Switzerland/Lyon, France
Sector:	Biopharma Products
Activity:	Specialty Pharma/Generics
Year Established:	1990
Company Website:	www.stragen.ch

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	81.6%
Enterprise Value at Entry (€M):	67.2
EBITDA Multiple at Entry:	8.1x
ARCHIMED Investment (€M):	75.6
Date of Investment:	June 2021

IMPACT ON HEALTH

- Stragen develops and distributes pharmaceutical products dedicated to critical care (i.e., life threatening conditions) across a wide range of specific needs as well as for women's health (e.g., treatment of intimate health diseases, etc.).
- As a generic medicine provider, Stragen provides savings to healthcare systems and patients by offering products at a lower price than brand-name drugs, with the same curative properties.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	Not available(1)
GHG emissions (scope 3 - estimate):	14,097.6 tCO2eq
GHG intensity (emissions/revenue):	198 tCO2eq/€M
Share of recycled waste:	Not available
Employee engagement survey:	Y
Data protection policy:	N
Responsible procurement charter:	Y
Share of revenue invested in R&D :	Not available
Sustainability Roadmap with objectives:	Since 2022

SOURCING

- **Identification:** the opportunity was identified by screening the Biopharma Products sector. ARCHIMED met the founder and owner at a trade fair in 2015.
- **Approach:** Founder redirected ARCHIMED towards the mandated sell-side advisor at that time, which ARCHIMED decided not to pursue. ARCHIMED reconnected with Stragen in 2019 via a pre-existing relationship with the Financial Controller.
- **Choice of ARCHIMED:** ARCHIMED entered a newly started sales process in 2020 and was able to secure a leading position through its long-term relationship with management.
- **Transaction:** Following several management meetings and working session, the deal team was able to submit an offer that was accepted by the founder.

INVESTMENT RATIONALE

- Strong expertise to focus on niche and hard-to-make drugs with various delivery forms.
- Strong development ability to improve generics to bring added value.
- Focus on low level competition segments (only 50% of products in direct competition).
- Opportunity to acquire a pharma asset with high barriers to entry at a low entry multiple.

STRATEGIC VALUE DRIVERS

- **Innovation:** build an international pharma platform and launchpad focused on niche molecules in the critical care space.
- **Operational leverage:** leverage the above-market commercial abilities to address the hospital market business model (tender-based).
- **Internationalization:** reinforce the strong market position in the EU-6 countries.

(1) Breakdown per scope not available as the company does not monitor energy consumption.

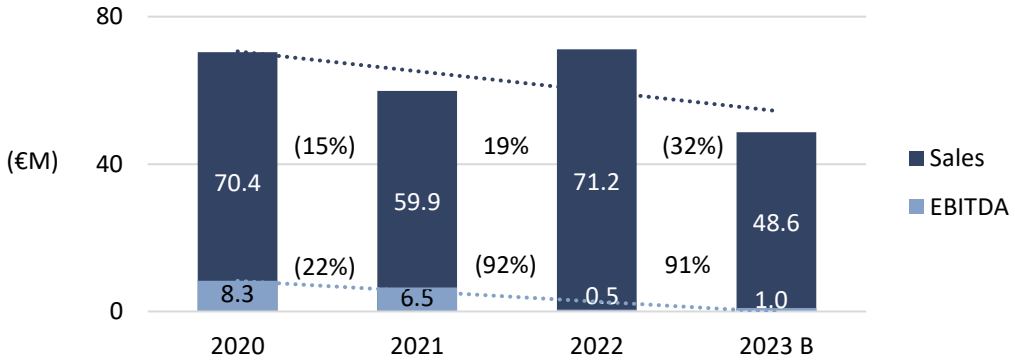
stragen

MAIN ACHIEVEMENTS

- **Corporatization/Professionalization:** Denis Ribon joined the Board in June 2023; seconded 2 investment professionals; enlisted support from ARCHIMED's Biopharma Products team (asset disposals and in-licensing), Finance, and HR (organizational restructuring and coaching); initiated weekly strategy monitoring and monthly 4-hour sessions since June 2023.
- **Human Resources:** Stragen's CEO was replaced by Jean-Yves Desmottes, a Partner at ARCHIMED. This transition has been supported by an increased role of Stragen's Head of Sales and Ludovic Alonzi, Principal at ARCHIMED. An Interim CFO has also improved dynamics within the Finance team, immediately prioritizing the 2024 Budget to be finalised Q4 2023.
- **Strategy:** Beyond the tactical cost-cutting measures already taken (like shutting down unprofitable subsidiaries, staff reductions, and downsizing office spaces), new initiatives aimed at preserving profitability are underway. This includes a voluntary resignation scheme coupled with dismissals projected to result in annual savings of €3.6M. There are also identified savings in operational expenses, marked by a decrease in consultancy support, reduced market authorizations, and further office space reductions. The management team is currently evaluating more comprehensive restructuring plans with potential implications starting from 2024.
- **Supply Chain:** A remediation plan, which includes identifying the root cause of the Urapidil Caps production challenges, has been agreed upon with the Contract Manufacturing Officer (CMO) and is currently progressing, with the goal is to restart full production by H2 2024. Stragen is also evaluating secondary CMO sources for dual sourcing.
- **Business Development**: to increase topline, Stragen has accelerated development and licensing initiatives to focus on value added hospital products. Multiple levers to protect profitability have been implemented, such as the shutdown of loss-making subsidiaries and the reduction of unnecessary office space. Additionally, to compensate for COGS inflation, the sales price is being monitored to be increased in late 2023.
- **M&A:** the first add-on, OHRE Pharma (a French pharmaceutical company focused on hospital generic drugs), was closed in Q3 2021. Stragen is working on several other M&A opportunities.

FINANCIALS

- In Q3 2023, Stragen faced the continuing challenges from supply chain disruptions, recording a revenue of €40.9M for the YTD period. This was a decline of 28% compared to the previous year but exceeded the budget by 7%.
- Gross Profit for the period was €12.3M, below the €17.0M of the same period the prior year. Product mix variations, coupled with external factors, led to a margin of 30%, 6% below the forecasted 36%. EBITDA for YTD Q3 2023 settled at €1.1M.



EXIT & ROADMAP

- During due diligence, ARCHIMED identified likely exit routes and potential trade acquirers of Stragen based on a 5-year horizon.
- Stragen could be acquired by a mid-size player specialized in critical care or a generic drug platform with a critical care business unit.
- The company must achieve important milestones before targeting an exit date, mainly to achieve market recognition as the leading critical care player with a strong presence in the European hospital market.
- ARCHIMED has received several strategic buyers interest for acquiring Stragen. Buyer interest validates investment thesis and strategic value of asset.

SUANFARMA

MED PLATFORM I

SUANFARMA

SuanFarma supplies all types of pharmaceutical and nutraceutical companies with active ingredients, acting as a vertically integrated distribution powerhouse and manufacturer of selected Active Pharmaceutical Ingredients (merchant APIs) and an emerging developer and manufacturer of selected APIs (CDMO). The pharmaceutical division operates two sites across Portugal and Italy and offers over 890 complex APIs. The nutraceutical division offers over 1,100 high-quality nutraceutical ingredients.

COMPANY DESCRIPTION

Location:	Madrid, Spain
Sector:	Biopharma Products
Activity:	API and Veterinary
Year Established:	1993
Company Website:	www.suanfarma.com

INVESTMENT DESCRIPTION

Investment Type:	Secondary buyout
Sourcing:	ARCHIMED team (intermediated)
ARCHIMED % Ownership:	90.4% incl. co-investors
Enterprise Value at Entry (€M):	496.6
EBITDA Multiple at Entry:	11.0x
ARCHIMED Investment (€M):	144.6 (320.6 incl. COI)
Date of Investment:	November 2021

IMPACT ON HEALTH

- SUANFARMA is a manufacturer and distributor of nutraceutical and active pharmaceutical ingredients (APIs) that are essential to develop new drugs and food supplements to care for people and animals' health.
- By providing innovative ingredients, SUANFARMA enables the development of more effective products that have both direct and indirect (i.e., by ensuring a healthy basis for people's nutrition) impacts on health.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	7,546.7 tCO2eq
GHG emissions (scope 3 - estimate):	51,007.9 tCO2eq
GHG intensity (emissions/revenue):	198.0 tCO2eq/€M
Share of recycled waste:	52.8%
Employee engagement survey:	Y
Data protection policy:	Y
Responsible procurement charter:	Y
Share of revenue invested in R&D :	0.5%
Sustainability Roadmap with objectives:	Since 2023

SOURCING

- **Identification:** Active Pharmaceutical Ingredient's (API's) Services has always been a key focus area of the Biopharma Products team, especially the space that enjoys a high annual growth with high barriers to entry from regulatory hurdles.
- **Approach:** the Biopharma Products team screened the CMO and CDMO space using ARCHIMED's MedDiscover tools and SUANFARMA was identified as the most attractive company in the active ingredient space. Thanks to its extensive network, ARCHIMED got an early introduction to the company from a trusted intermediate connected to the founder which flagged the possibility of SUANFARMA being on the market soon.
- **Choice of ARCHIMED:** ARCHIMED emerged as the only potential buyer capable of understanding the full scope of activity to bid for the entire company as other buyers concentrated on the less scientifically complex aspect of the business. ARCHIMED's deep expertise reassured management, allowing ARCHIMED to submit an early offer and pre-empt the transaction.
- **Transaction:** MED Platform I invested alongside the ARCHIMED co-investment offering to LPs at an entry price of 11.0x EBITDA.

INVESTMENT RATIONALE

- Attractive and resilient underlying markets, expected to grow at a CAGR in the range of 7% for human API, 5% for vet API and 7% for nutraceutical ingredients.
- Possibility to benefit from the onshoring trend of APIs to western manufacturing facilities.
- Enhancing the vertical integrated position in API value chain.

STRATEGIC VALUE DRIVERS

- **Product & Service Range Expansion:** top line growth through product portfolio expansion
- **Internationalization:** pursue a pre-defined global expansion plan.
- **Operational Leverage:** increased weight of high-margin CDMO activities with some manufacturing efficiencies to be implemented.
- **M&A:** consolidate this highly fragmented sector to penetrate new markets, expand portfolio and extend manufacturing capacities and capabilities.

SUANFARMA

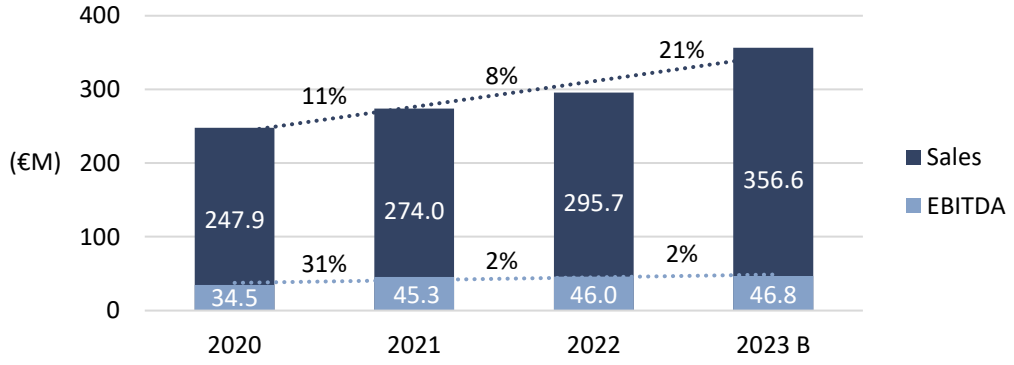
MED PLATFORM I

MAIN ACHIEVEMENTS

- **Strategy:** SUANFARMA has launched pricing strategies for its Pharma and Nutra divisions, which are currently in the implementation phase. The company has also embarked on an initiative to refine its supply chain management and preliminary areas for improvement have been pinpointed.
- **M&A**: The first add-on acquisition under ARCHIMED's ownership, Monteloeder, was successfully closed and integrated into the platform. SUANFARMA is actively seeking M&A targets to support its buy-and-build strategy in a fragmented API / CDMO market and has progressed several attractive targets beneficial to the Pharma and Nutra divisions through its pipeline.
- **Operations**: SUANFARMA is actively pursuing investments in energy efficiency and sustainability projects for the Rovereto plant. These investments are expected to significantly reduce, amongst others, water consumption, energy consumption, and waste disposal, which will improve the sustainability of the plant while simultaneously offering financial benefits.
- **Sustainability & Impact:** SUANFARMA has been preparing its 2023 ESG reporting with a list of 146 ESG indicators/measure to reduce their environmental impact. In addition to the solar panels installed at its facilities and refurbishment of its water facilities, SUANFARMA focuses the R&D for their Nutra business on enhancing their ingredient profile of over 150 different botanical testers by researching new botanical blends, as well improving their current mix to bring better products to market, in a continuous process of quality improvement. The wastewater treatment project led by SUANFARMA and e-Watts Partner has been nominated for the 2023 CPHI Awards in the Sustainability category. The company's technology received high praise for its advancement over traditional wastewater treatment methods that frequently depend on hazardous chemicals or incineration, both of which can be detrimental to the environment.

FINANCIALS

- SUANFARMA displayed resilience and growth during the YTD September 2023 period achieving sales of €223.7M, a 0.5% decrease from the prior year, while gross profit stood strong at €105.9M, reflecting a 47.3% margin.
- EBITDA margins surpassed the budget at 15.5% of sales. The progress in the Human API division (+9%) was driven by robust demand in Europe and the US, while the Vet API division (+15%) benefited from high demand for its new Tiamulin molecule. The Nutra division is implementing a profitability enhancement strategy to navigate current challenges under the new management.



EXIT & ROADMAP

- As part of its standard investment approach, ARCHIMED conducted exit due diligence and confirmed substantial interest from trade buyers in the Pharma and Nutra divisions.
- Nevertheless, with strength at EBITDA level, the company could be interesting for large-cap buyout private equity funds or for an IPO.

VITA HEALTH GROUP (VHG)

MED I

Vita Health Group (VHG) is a UK leader in providing tech-enabled healthcare services to corporates, helping to improve the lives of individuals by providing an integrated physical and mental health platform to the National Health Service (NHS), and private insurers. The group was formed by merging three leading UK healthcare names: RehabWorks, Workplace Wellness & Crystal Palace Physio Group. VHG continues growing to be the UK's leading platform in tech-enabled physical & mental occupational health.

COMPANY DESCRIPTION

Location:	Suffolk, UK
Sector:	Healthcare IT
Activity:	Occupational Health
Year Established:	1987
Company Website:	www.vitahealthgroup.co.uk

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	72.5%
Enterprise Value at Entry (€M):	5.2
EBITDA Multiple at Entry:	7.1x
ARCHIMED Investment (€M):	12.1
Date of Investment:	September 2015
Realized Performance:	4.2x MOIC(1), 23.1% IRR (1)
Exit Strategy:	Strategic Acquisition

IMPACT ON HEALTH

- VHG's services directly contribute to improving patients' physical and mental health by delivering both musculoskeletal (e.g., tendinitis, osteoarthritis, or bone fractures) and mental therapies, as well as training.
- With face-to-face and remote delivery (clinics, helplines, etc.) and community-based service development, the Group strengthens access to healthcare across various locations and populations in the UK.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	111.7 tCO2eq
GHG emissions (scope 3):	1,275.0 tCO2eq
GHG intensity (emissions/revenue):	22 tCO2eq/€M
Share of recycled waste:	Not available
Employee engagement survey:	Y
Data protection policy:	Y
Responsible procurement charter:	Y
Share of revenue invested in R&D :	0.0%
Sustainability Roadmap with objectives:	Since 2020

SOURCING

- **Identification:** following a MedDiscover screening exercise of the Preventive Healthcare sector, ARCHIMED identified the Occupational Health sub-sector as ripe for consolidation and significant growth.
- **Approach:** in April 2015, a MedTalent® introduced ARCHIMED to RehabWorks, one of the leading players in the UK Occupational Health space that would become the platform for VHG through its acquisition in September 2015.
- **Choice of ARCHIMED:** alignment of interests with management, clear communication of the plan to develop a digital leader, and involvement of MedTalent® industry experts including David Mobbs as VHG chairman.
- **Transaction:** the three companies (RehabWorks, Workplace Wellness and Crystal Palace Psychio Group) that form VHG were combined in an all-equity transaction, with attractive upside for shareholders, and good downside protection for ARCHIMED.

INVESTMENT RATIONALE

- Consistent growth of the UK Occupational Health market supported by secular trends.
- Increasing trends to outsource Occupational Health rather than managing it in-house.
- Attractive M&A opportunities.
- Scalable national player and position to provide a one-stop integrated service.
- Highly cash-generative business model.

STRATEGIC VALUE DRIVERS

- **Category leadership:** consolidate its industry position in the fragmented UK markets.
- **Innovation:** develop an end-to-end digital customer platform.
- **Market Focus:** penetrate the attractive public-payor (NHS) Mental Health market. Increase exposure to private medical insurers.

(1) 4.5x in GBP (4.2x in EUR) after deducting transaction costs, with an IRR of 24.6% in GBP (23.1% in EUR).

VITA HEALTH GROUP (VHG)

MED I

MAIN ACHIEVEMENTS

- **Professionalization:** various strategic initiatives were developed with ARCHIMED's support, including the appointment of highly accomplished healthcare executives with relevant experience to senior management: CEO Derrick Farrell and Chairman David Mobbs. A Chief Medical Officer was also onboarded in early 2021 to provide both quality assurance oversight of service provision and directional leadership for clinical practitioners across each service delivery.
- **Innovation:** the company went through a transformation of the telephony system and general upgrade in digital infrastructure as well as the implementation of a new central finance system. NHS eTriage capabilities were extended to include corporate service delivery to offer an end-to-end digital solution.
- **Business Development:** significant investment in technology and business development led to 9 NHS contracts won and renewed as well as 4 corporate contracts won with blue-chip customers such as BUPA, AXA and AVIVA. Several noteworthy contracts finalized in 2022/23 include the BUPA Corporate PTS contract (including material increases in the Therapist Network and new Case Management System), contracts in Newcastle, Sefton and Croydon with the NHS, the Nottingham (Improving Access to Psychological Therapies, "IAPT") contract generating €27M revenue and €2M EBITDA on a run-rate basis, and contracts in Kent and Medway with run-rate potential for an additional €5M in EBITDA in 2024.
- **Sustainability**: With assistance from ARCHIMED's impact team, VHG deployed robust impact KPIs, with two focus areas being proven improvement/recovery rates and patient care rates. In 2022, VHG saw over 40k patients with proven recovery, 97% of patients reported improvement in symptoms and over 90k people cared for. VHG's ESG maturity score also increased from 77% (A-) in 2020, to 93% (A+) in 2021.
- **M&A:** Following the combination of Workplace Wellness (2015), Crystal Palace Physio Group (2017) to provide additional access to NHS and broadening the Group's MSK offering, VHG acquired PennineMSK and Physio2Fit (2022) to emerge as UK's market leading provider in Musculoskeletal (MSK) and Mental Health (MH) services within the Occupational Health sector.

EXIT

- Working in partnership with management, ARCHIMED has helped VHG deliver 37% revenue CAGR over the last five years, with run-rate revenue over £100M and run-rate EBITDA of c. £10M.
- Following significant inbound interest in 2021 from several players in the UK IAPT and MSK sector, ARCHIMED launched a competitive process, receiving 5 non-binding offers from potential buyers. In discussion with management, ARCHIMED halted the sale process to support VHG in delivering sustained EBITDA growth.
- A further indicative offer from a PE firm, that was not initially invited to the sale process, was submitted in late 2022. However, this process failed to realize due to funding issues on the acquiror's side.
- Following an introduction to Spire Health Group (Spire), UK's leading healthcare group, from Goldman Sachs in late April 2023, Spire launched a preliminary due diligence process.
- VHG's NHS-focused physical and mental health platform and Spire's primary and secondary care network are very complementary strategically to aid Spire's diversification strategy.
- Spire provided a non-binding offer at an EV of £84M by June 2023.
- A thorough and extensive due diligence process was launched during Spire's exclusivity period, reconfirming Spire's offer as a final bid in early September 2023.
- The sale process concluded on October 18, 2023.

EXIT PERFORMANCE

The sale of VHG to Spire delivered a MOIC of 4.2x(1) and an IRR of 23.1%(1) to MED I.

(1) 4.5x in GBP (4.2x in EUR) after deducting transaction costs, with an IRR of 24.6% in GBP (23.1% in EUR).

ACTIGRAPH
MED II

ActiGraph is a US-based industry pioneer in the field of physical activity and sleep monitoring, providing innovative sensors, software and data management solutions for clinical trials and research. The company is the market leading provider of medical-grade wearables and sleep measuring solutions for the global research community. ActiGraph is focused on four key core therapeutic areas: central nervous system (CNS), cardiovascular, respiratory and immunology.

COMPANY DESCRIPTION

Location:	Pensacola (FL), US
Sector:	Healthcare IT
Activity:	Wearables for Clinical Trials
Year Established:	2004
Company Website:	www.theactigraph.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (Limited process)
ARCHIMED % Ownership:	75.2% incl. co-investors
Enterprise Value at Entry (€M):	59.5
EBITDA Multiple at Entry:	11.3x
ARCHIMED Investment (€M):	29.0 (47.2 incl. COI)
Date of Investment:	May 2020

IMPACT ON HEALTH

- ActiGraph's products and technology services are helping scientific and medical research communities to get accurate and reliable results for studies supporting treatment development.
- The group has a strong R&D background, constantly finding ways to improve services for clients, by including add-ons.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	39.2 tCO2eq
GHG emissions (scope 3 - estimate):	1,642.7 tCO2eq
GHG intensity (emissions/revenue):	73.0 tCO2eq/€M
Share of recycled waste:	Not available
Employee engagement survey:	Y
Data protection policy:	Y
Responsible procurement charter:	N
Share of revenue invested in R&D :	17.9%
Sustainability Roadmap with objectives:	Since 2021

SOURCING

- **Identification:** the opportunity was identified by Robin Filmer-Wilson during the MedDiscover build-up screening process for the potential acquisition of a European cardio safety testing specialist. Once identified, the team concluded that ActiGraph was a better target for a standalone investment.
- **Approach:** ARCHIMED entered a limited sales process run by a US M&A boutique.
- **Choice of ARCHIMED:** Due to its differentiated approach, business understanding, pool of industry experts (MedTalents®), and its strong commitment in the process (i.e. the team engaged in a two-week study using the product), ARCHIMED became the preferred partner to both the management team and sellers, pre-empting the sales process and securing exclusivity.
- **Transaction:** despite COVID and global lockdown, the team managed a smooth and complete due-diligence process, which led to closing of the transaction in May 2020.

INVESTMENT RATIONALE

- Technology: proven technology valued by pharma and academic researchers.
- Unique solution: ActiGraph's solution is best-in-class in the pharma data services space.
- First mover advantage in a fast-growing market: clinical trials are expected to become increasingly digitalized, creating growth opportunities for actigraphy providers.

STRATEGIC VALUE DRIVERS

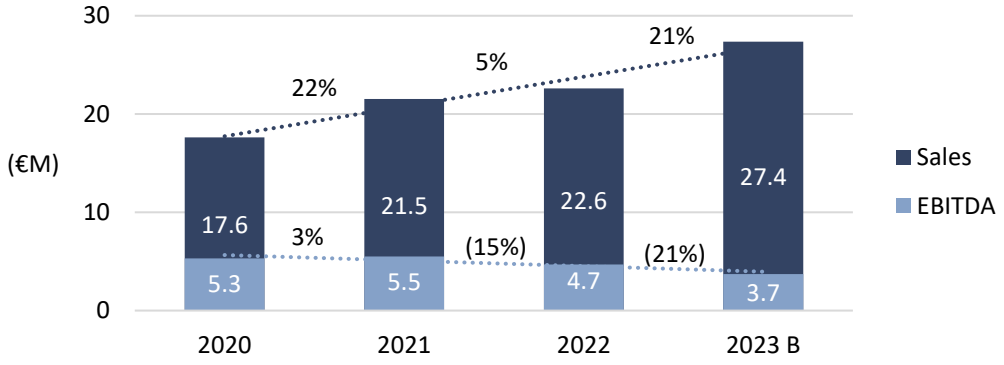
- **Customer Base:** increasing penetration in the clinical trials industry, exploiting ActiGraph's strategic position.
- **Product & Service Range Expansion:** grow product offering in line with biopharma needs.
- **Innovation:** build full solution to secure and grow strategic position upstream (protocol) and downstream (data analytics).

MAIN ACHIEVEMENTS

- **Human Resources**: a new CFO, Chief Product Officer and Chief Scientific Officer joined to progress critical workstreams. ActiGraph's scientific advisory board includes reputable KOLs in neurology, psychiatry, immunology, and digital strategy.
- **M&A:** there is an increasing number of transactions on eCOA, clinical monitoring devices, data services and digital biomarker businesses. ActiGraph has launched a strategic review with the assistance of HealthAdvance to help prioritize M&A options. ActiGraph is in advanced negotiations to acquire an add-on acquisition that is strategically very complementary and could add c. €5.6m of revenue.
- **R&D:** ActiGraph is developing a new solution with additional sensors (temperature and blood pressure) and a completely reviewed IT solution including new algorithms. This new solution (LEAP) is expected to be released in the coming months and will allow ActiGraph to expand its reach beyond actigraphy and to open new therapeutic areas. This new solution will support the growth of the business going forward.
- **Operations**: to mitigate the impact of recent macro environment headwinds, management has implemented a meaningful cost saving initiative across the company, including headcount reduction. In addition, the expected slowdown of R&D spend with the release of LEAP is expected to further bolster EBITDA margins.
- **Sustainability & Impact**: In 2022, ActiGraph prioritized sustainability with initiatives like recycling obsolete products, management training, a health and safety cross-functional team, and remote/hybrid work options. The company implemented procedures for product lifecycle management, including re-use and refurbishment programs, particularly for internal circuits and electronics. To enhance employee engagement, ActiGraph participated in the Inc. Best Places to Work survey. Ongoing initiatives involve a Responsible Procurement Policy, a Corporate Social Responsibility Committee, and preparation for ISO 27001 certification, a compliance and information security standard.

FINANCIALS

- ActiGraph had a strong start to the year, with revenue and EBITDA both exceeding the budget. During YTD September 2023, the company recorded €27.7M of bookings (+32%) compared to the same period in 2022. This was driven by strong results in the academic/research business.
- EBITDA is slightly ahead of budget due to topline growth and active oversight on operating expenses.



EXIT & ROADMAP

An exit is expected between 2024 and 2025. To secure a significant increase in value and achieve a successful exit, ActiGraph must exploit its full growth potential which includes:

- Focusing on top line growth and investing in additional resources for the company to meet the stronger than expected growth from the Pharma market.
- Achieving the status of a primary target for giant CROs and consumer health players looking for build-ups.

TITLE21

MED III

Title21 is an enterprise software company providing FDA-regulated solutions to Cell Therapy labs in hospitals. Its main product offerings are Electronic Quality Management System (EQMS) and Cell Therapy Solutions (BMT / CT): EQMS provides a scalable solution to automate workflows, integrate compliance-driven processes, and enable continuous quality improvement. BMT/CT enables end-to-end electronic management of cellular therapy processes across clinical, manufacturing, and post-infusion follow-up. Title21 is one of few Cell Therapy software businesses tracking all three supply chains: custody, identity and condition.

COMPANY DESCRIPTION

Location:	Phoenix (AZ), US
Sector:	Healthcare IT
Activity:	Electronic Quality Management System (EQMS) and cell therapy software
Year Established:	2001
Company Website:	www.title21.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	61.1%
Enterprise Value at Entry (€M):	51.9
EBITDA Multiple at Entry:	11.8x
ARCHIMED Investment (€M):	36.2
Date of Investment:	May 2022

IMPACT ON HEALTH

- Title21 directly contributes to SDG 3.8 by improving access to quality, essential healthcare services.
- By enabling the digitization and optimization of key processes through integrated software solutions, Title21 offers efficiency gains to cell therapy laboratories for data management, which in turn enhances their ability to deliver quality services to their patients.
- Streamlining data improving service quality and patient safety as the risk of double data entries and transcription errors is reduced for the cell therapy laboratories.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	Not available[(1)]
GHG emissions (scope 3 - estimate):	435.1 tCO2eq
GHG intensity (emissions/revenue):	74.0 tCO2eq/€M
Share of recycled waste:	Not available
Employee engagement survey:	Y
Data protection policy:	N
Responsible procurement charter:	N
Share of revenue invested in R&D :	8.0%
Sustainability Roadmap with objectives:	Planned for 2023

SOURCING

- **Identification:** the deal was sourced directly by the Healthcare IT sector team.
- **Approach:** ARCHIMED met the owners at a trade fair in March 2021 and engaged with them over the next nine months. ARCHIMED entered into exclusivity from December 2021 to April 2022, which was subsequently extended through May 2022.
- **Choice of ARCHIMED:** ARCHIMED stood out with its sense of urgency in supporting the commercialization of advanced therapies and deep domain expertise in cell and gene therapy and supporting software.
- **Transaction:** the transaction was completed in May 2022 outside of any formal process.

INVESTMENT RATIONALE

- Leadership position among difficult to penetrate hospitals in the Cell Therapy Software (CTS) space.
- Only end-to-end cell therapy software in the market.
- Fragmented Market with Opportunity for M&A.
- Potential for digitalization of the largely paper-based 100+ cell therapy labs in major hospitals.
- Numerous adjacencies beyond hospital software (e.g. in CDMO or Pharma).
- Investment contributes to better safety for patients and better efficiency for hospitals and care providers.

STRATEGIC VALUE DRIVERS

- **Corporatization:** increase professionalization by implementing accounting, reporting, operational and sales key performance indicators.
- **Customer base:** expansion of services to top tier hospitals.
- **Innovation:** creation of a scalable interconnected product with a customizable user interface.
- **Internationalization:** geographical expansion into Europe and Asia.

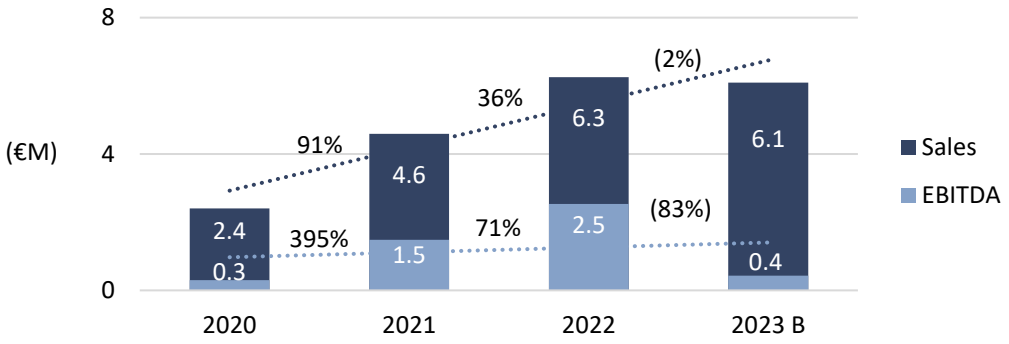
(1) Breakdown per scope not available as the company does not monitor energy consumption.

MAIN ACHIEVEMENTS

- **Human Resources**: management is continuing to grow out the commercial structure of the business. The company recently hired its first account executive, CFO, Chief Growth Office (CGO), Director of Operations and VP of Engineering. The company is set to launch a KPI initiative in 2024 to align and educate teams across R&D, Implementation, Sales, and Marketing as they scale.
- **Business Development**: the commercial team is improving internal processes to scale and streamline workflows effectively. The team is focused on prioritizing partnerships to provide accelerated sales growth via access to large install bases and is closing on several new, blue chip hospital customers while also staying focused on upselling the current portfolio. In H1 2023, Title21 won a key contract with Children's Hospital Los Angeles which began in August 2023. In 2022, the team successfully completed its largest implementation project with the Mayo Clinic. Looking ahead, Title21 has generated a robust pipeline with over 120 ongoing deals, including 60 with issued quotes. The company's revamped sales process, led by recently hired CGO, enables more accurate forecasting, sales cycle prediction, and contract size estimation. Title21 has also introduced a competitive pricing model to cater to smaller, price-sensitive customers.
- **Strategy:** ARCHIMED has added Operating Partner Trey Lauderdale to the Board to provide insights and operating resources to continue scaling the Company's topline and internal operations.
- **Sustainability & Impact**: Title21 won the Sustainability Award at the 2023 Advanced Therapies Week Congress for its sustainable development efforts in the cell and gene therapy industry through the use of resources which prioritizes the needs of the wider environment and society. Title21 has helped transition more than 30 blood banks, hospitals, BMT labs, and cell manufacturing programs from entirely paper-based record-keeping systems to cloud supported filing to help customers reduce their carbon footprint. Title21 also conducted a sustainability review project with PwC and developed a roadmap with associated KPIs to improve Vision & Governance, Business Ethics, Human Resources, and Environment.

FINANCIALS

- Led by the new CGO, Title21 implemented successful sales strategies, resulting in an 8.3% YTD Sep 2023 revenue increase and a 13.6% YoY growth in Annual Recurring Revenue, driven by a new contract with Children's Hospital Los Angeles.
- The Company carefully managed the buildup of the team to thoughtfully execute against its sales strategy and deliver strong growth in 2024. The lower than expected top line growth contributed to a September YTD EBITDA of €391K, which was slightly above budget for the period.



EXIT & ROADMAP

Before an exit is planned, Title21 will have to achieve several key objectives set at acquisition:

- Build a strong position across the major cell therapy labs in US hospitals.
- Successfully build out the management team and professionalize the organization.
- Strengthen the robustness of the back and front end, notably the user interface.

Although an exit is not expected before 2026, ARCHIMED has tentatively discussed exit opportunities through strategic acquirers with financial advisors. Initial conversations indication both sponsor-backed strategics (e.g.: Wellsky, MAK, TrakCel) and public strategics (e.g.: Cryoport, Thermo Fisher, Danaher) may be interested in the asset.

INSTEM
MED PLATFORM II

Instem is a global provider of software and service solutions to prepare, store, view and analyze pre-clinical data. Instem's large, diverse customer base includes over 700 of the world's leading pharmaceutical, medical device, chemical and contract research organizations as well as academic, government and privately funded research institutions, located in North America, Europe, and APAC. This includes all of the top 25 global pharmaceutical and biotech companies.

COMPANY DESCRIPTION

Location:	Staffordshire, UK
Sector:	Healthcare IT
Activity:	Pharma software
Year Established:	1969
Company Website:	www.instem.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	100% incl. co-investors
Enterprise Value at Entry (€M):	229.0
EBITDA Multiple at Entry:	15.3x
ARCHIMED Investment (€M):	171.1 (181.1 incl. COI)
Date of Investment:	December 2023

IMPACT ON HEALTH

- Instem contributes to the achievement of SDG 3 (Good Health and Well-Being), especially SDG 3.8. (Universal health coverage). 100% of its revenues are tied to this achievement.
- Instem's impact objective is to help accelerate the drug and vaccine development lifecycle by providing software and technology solutions to the global health and life sciences community so that patients get treatment faster.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	TBD
GHG emissions (scope 3):	TBD
GHG intensity (emissions/revenue):	TBD
Share of recycled waste:	TBD
Employee engagement survey:	TBD
Data protection policy:	TBD
Responsible procurement charter:	TBD
Share of revenue invested in R&D :	TBD
Sustainability Roadmap with objectives:	From 2024

SOURCING

- **Identification:** Leveraging the MedDiscover process, Instem was identified by the Healthcare IT sector team as the *de facto* leader in the pre-clinical workflow software space, with strong customer appeal and a resilient SaaS model.
- **Approach:** ARCHIMED first connected with the company at a trade fair in 2015, maintaining the relationship with them over the next eight years. Following the market sell-off in tech in 2022, ARCHIMED met with the CEO in February 2023 to explore strategic alternative opportunities.
- **Choice of ARCHIMED:** ARCHIMED emerged as management's preferred partner to catalyze growth because of its domain expertise in life science and pharma (particularly software), differentiated approach to value creation, strong MedTalents® industry network, and operational value-add strategies.
- **Transaction:** the take-private transaction was completed in December 2023.

INVESTMENT RATIONALE

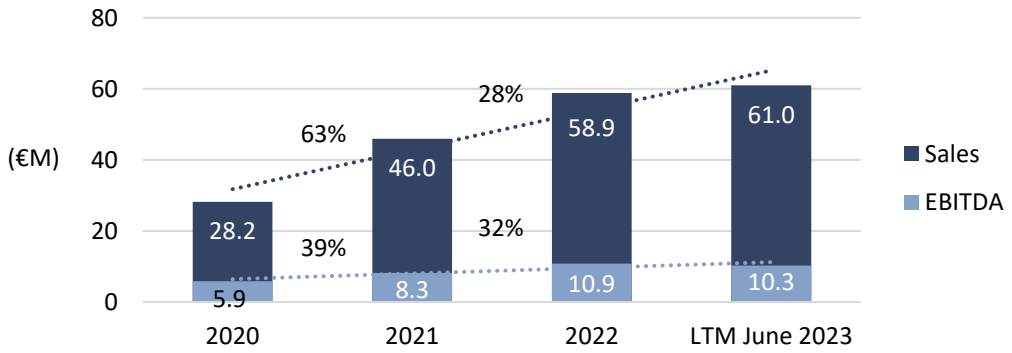
- Global leader in pre-clinical software solutions with ~25% market share.
- Highly fragmented market to execute role-up strategy.
- Only 50% of core market penetrated by software, translating to substantial organic growth.
- Discounted price for scaled software asset approaching 'Rule-of-40'.
- 98% of gross revenue retention with further up-/cross-selling opportunities.
- Market tailwinds supporting the replacement of animal-based studies with *in silico* solutions.

STRATEGIC VALUE DRIVERS

- **Innovation:** product integration and architectural modernization.
- **Operations:** delivering more streamlined DevOps to drive effective product deployment and reduced defects.
- **Product expansion:** new product development to address current and future market needs.
- **Commercialization:** adopting a more aggressive approach and enhancing the sales team.
- **Internationalization:** expansion into Europe and Asia.
- **M&A:** accelerate upstream capabilities to reinforce Instem as a pre-clinical leader.

FINANCIALS

- In 2021 and 2022, Instem grew 63.1% and 28.0%, respectively, largely due to acquisitions in those years with estimate organic growth of 7.4% historically. On an ARR basis, the company continues to generate growth with June 30, 2023 ARR growing 28.2% versus one year prior and FY22 ARR growing 21.7% YoY. This comes on the heels of Instem's migration from license to SaaS contracts and continued growth with software products.



EXIT & ROADMAP

- Exit due diligence among large strategics in the life science space was very positive for Instem ranging from pure-play software players, to tech-enabled service providers, to CROs. ARCHIMED also noted interest from other vertical software companies. Potential buyers highlighted Instem's market leadership as the gold-standard software solution, blue-chip customer base (and accompanying reputation), as well as strong financial profile.
- Before an exit is planned, Instem will have to achieve the following key objectives set at acquisition:
  - Achieve 28% EBITDA margin.
  - Execute on future tech improvement roadmap.
  - Streamline contracts, standardization, and execute more aggressive cross-sell and commercialization efforts.
  - Accelerate technology improvement with increased R&D investments.
  - Refresh support and services, bifurcate implementation and customer support.
  - Optimize internal processes and system cleanup.
  - Drive gross margin improvement leading up to exit.

COREALIS
MED III

Corealis is a Canadian provider of formulation development and clinical supply manufacturing. The company offers a spectrum of R&D services focused exclusively on pharmaceutical oral solid dosage forms (i.e. tablets, capsules, and granules) and Current Good Manufacturing Practices ("cGMP") services for phase I, II and to a lesser extent, early phase III studies. Located in the heart of the biotech scientific park in Laval, Canada, Corealis has R&D laboratories, cGMP laboratories, and phase I, II, and early phase III clinical trial manufacturing packaging suits.

COMPANY DESCRIPTION

Location:	Laval (QC), Canada
Sector:	Pharma Services
Activity:	CDMO/Formulation Development
Year Established:	2005
Company Website:	www.corealispharma.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (Limited process)
ARCHIMED % Ownership:	57.7% incl. co-investors
Enterprise value at entry (€M)(1):	120.0
EBITDA multiple at entry(1):	11.1x
ARCHIMED Investment (€M):	45.5 (59.7 incl. COI)
Date of Investment:	April 2022

IMPACT ON HEALTH

- Corealis offers R&D services focused on pharmaceutical oral solid dosage forms for clinical studies, which directly contributes to SDG 3.8 as its enables access to safe, effective, and quality essential medicines for all.
- Corealis has developed over 800 drugs and manufactured over 350 clinical trial materials, enabling them to provide better accessibility to patients and the medical industry.
- By helping clients to develop new drugs, the company increases drug availability on the market, contributing to better patient affordability and lower treatment costs.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	1,584.7 tCO2eq
GHG emissions (scope 3 - estimate):	788.0 tCO2eq
GHG intensity (emissions/revenue):	165.0 tCO2eq/€M
Share of recycled waste:	Not available
Employee engagement survey:	N
Data protection policy:	N
Responsible procurement charter:	N
Share of revenue invested in R&D :	0.0%
Sustainability Roadmap with objectives:	Planned for 2023

SOURCING

- **Identification:** the Pharma Services sector team had identified Corealis as an attractive player in the Small Molecule CDMO MedSeg sub-sector.
- **Approach:** the sale of the company was organized in a limited process run by a US M&A boutique.
- **Choice of ARCHIMED:** ARCHIMED worked with its MedTalent® network and leveraged ARCHIMED's MedValue matrix in building a roadmap to pursue the Company's financial development and strengthen its strategic value. The sellers indicated a preference for ARCHIMED as they wanted to participate in the company's next phase of growth and other trade players were not able to offer the founders the opportunity to focus on their key market segments.
- **Transaction:** ARCHIMED quickly gained exclusivity in the sale process in December 2021 to partially buy out the shareholders, taking a majority ownership.

INVESTMENT RATIONALE

- Strong market fundamentals driven by a diverse and attractive customer base.
- Best in class reputation and talent pool.
- Specialist in small volume, complex formulation, and manufacturing offering broad services with strong technical capabilities.
- Strong growth capabilities through sales expansion.

STRATEGIC VALUE DRIVERS

- **Innovation:** continue organic growth and increase diversification into high potency manufacturing and additional spray drying capabilities.
- **Operational Improvement:** increase current production capacity by expanding facility size and complete construction of the new facility.
- **Corporatization:** hiring of additional key personnel started with a CFO and Head of Business Development.

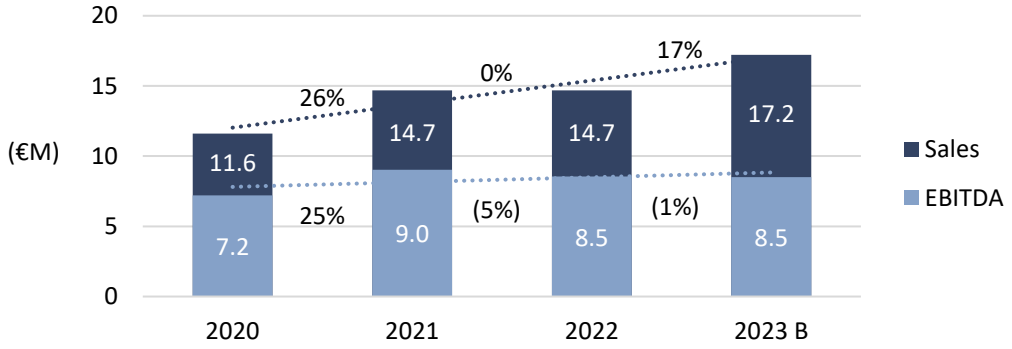
(1) Including earnout

MAIN ACHIEVEMENTS

- **Operations**: In November 2022, Corealis took a significant step in expanding its capacity by signing a lease for a new lab facility which will feature half office space and half newly constructed lab space. Non-permit demolition is ongoing, allowing additional back-office personnel to transition from the laboratory bench, thus creating additional capacity in the old facility. All necessary permits for the new facility have been obtained; construction is ongoing as planned, for expected completion by Q2 2024.
- **Human Resources:** Corealis' management has successfully onboarded the Director of Business Development who is actively working with RAMarketing to revamp the company's marketing strategy, with a special focus on enhancing the digital footprint of the organization. In Q2 2023, ARCHIMED's Operating Partner Stefano Console joined the board, bringing a lot experience and dedicate resources to this responsibility. Following the appointment of an analytical scientist, Corealis is also in the process of actively recruiting laboratory personnel to augment its workforce.
- **Business Development:** Corealis is putting a greater focus on digitalization and commercialisation of the business to complement the company's strong technical capabilities. The company is working strongly on building out the client base and had a large presence at the Bio conferences where it signed a handful of NDAs with potential clients.
- **Sustainability & Impact**: management is taking sustainability aspects into consideration while laying out the blueprints of the new laboratory and office space. They understand that thinking of sustainability from day 0 of the new facility will enable the company to have a strong sustainable foundation for the growth of Corealis. As a GMP facility, Corealis conducts employee training in technical skills, health & safety, hazardous waste, and standard operating procedures training. A sustainability assessment and roadmap including dedicated impact and ESG KPIs and milestones is ongoing with the PwC ESG team.

FINANCIALS

- Corealis' revenue for YTD September 2023 exceeds budget (€12.5M vs €12.2M) and demonstrates a significant improvement over last year's top-line (€12.5M vs €10.6M).
- September YTD 2023 EBITDA is in line with budget while margins are slightly below YoY and budget. The adjusted EBITDA allows for a fair comparison as 2022 adjusted EBITDA is adjusted downward by CAD1.2M (€915K) to account for the cost of the new facility.



EXIT & ROADMAP

- The targeted exit timeline is 2026. Before an exit is planned, Corealis will have to achieve several key objectives set at acquisition:
  - Substantially increasing revenue by developing long term growth prospects and recurring revenue streams.
  - Building out key services (e.g., clinical packaging, labelling, clinical study supplies management, and warehousing) and/or expansion into the U.S and Europe.
  - Increasing current production capacity by expanding facilities and undergoing construction of a new greenfield facility.
- Following these accomplishments, Corealis will be well-positioned as a potential target for either a trade buyer looking to build out new complementary services or a private equity player looking for a strategic CDMO acquisition.

(1) Adjusted EBITDA.

Deallus is a global life sciences consulting firm to 25 of the world's top 30 pharmaceutical, biotechnology and vaccines companies, as well as a wide range of small and medium size life sciences companies. Deallus was incorporated initially to provide competitive intelligence (CI) services to the life science industry. The company has since evolved into a global life sciences consultancy service provider that inspires clients to develop winning strategies by providing deep market understanding and insights.

COMPANY DESCRIPTION

Location:	London, UK
Sector:	Pharma Services
Activity:	Consulting/Data Analytics
Year Established:	2004
Company Website:	www.deallus.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	76.9%
Enterprise Value at Entry (€M):	14.6
EBITDA Multiple at Entry:	6.4x
ARCHIMED Investment (€M):	13.9
Date of Investment:	November 2015

ESG BEST PRACTICE

- Deallus runs mandatory anti-harassment, sexual harassment, and unconscious bias training for all employees. The company also formalized an anti-discrimination policy.
- A mental health team and trained 20 employees on mental health topics supports other employees on this concern. The company also provides an employee assistance program online to support employees on both professional and personal matters.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	Not available
GHG emissions (scope 3 - estimate):	2,431.4 tCO2eq
GHG intensity (emissions/revenue):	127.3 tCO2eq/€M
Share of recycled waste:	Not available
Employee engagement survey:	Y
Data protection policy:	Y
Responsible procurement charter:	N
Share of revenue invested in R&D :	0.0%
Sustainability Roadmap with objectives:	Since 2020

SOURCING

- **Identification:** Deallus was first identified through the proprietary screening process MedDiscover in the Pharma Services sector, a space well known to ARCHIMED.
- **Approach:** ARCHIMED directly contacted Jonas Pedersen, the sole founder involved in the firm's operations.
- **Choice of ARCHIMED:** several key competitive advantages were key to convincing Deallus' Board of ARCHIMED's value add in this partnership, including in-depth sector knowledge, strong MedTalent® industry network, and an investment thesis that was well aligned with management's expectations.
- **Transaction:** ARCHIMED became a majority shareholder after direct negotiations with management.

INVESTMENT RATIONALE

- Fast growing market with increasing need for consulting.
- Trend towards competitive intelligence outsourcing, due to increasing pricing pressures and expanding regulatory requirements in the pharma industry.
- Global reach with an international, recurrent and diversified client portfolio.

STRATEGIC VALUE DRIVERS

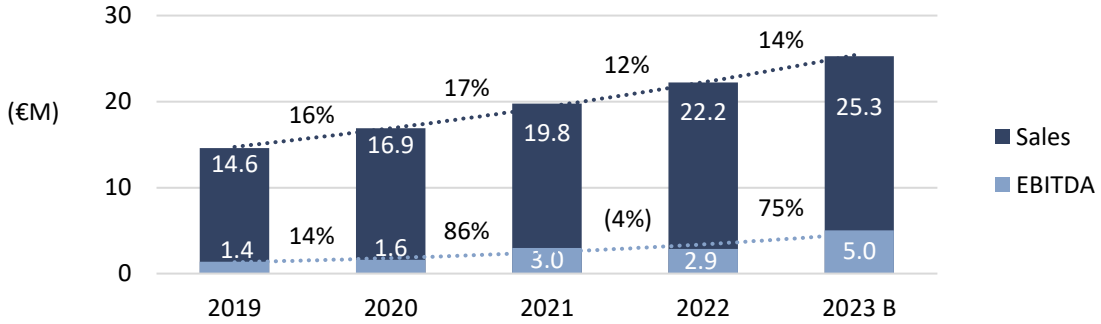
- **Innovation:** develop digitalized capabilities to reinforce client stickiness, while enhancing presence in China (direct operations with a local team).
- **Corporatization:** implementation of a "commercial culture" with clear operational KPIs and accountability.
- **Customer Base:** reducing customer dependency with other key accounts.
- **Operational Improvement:** implement strategy for cash management to gain flexibility in operations.

MAIN ACHIEVEMENTS

- **Human Resources:** management initiatives since the beginning of 2023 to reduce headcount turnover have made an impact in bringing turnover in line with industry standards. Despite this, management continues to actively manage headcount and attrition in-line with pipeline needs to ensure company remains well-positioned to capture any revenue upside. The India team, built from scratch in late 2022 and now representing 20% of global employees, contributes to cost savings and strategically positions the company for future growth. ARCHIMED endorsed management's decision to invest in this expansion.
- **Operations:** Launched in late 2022, two tech platforms, ARIA and Label Monitor, are fully embedded, offering potential efficiency gains of up to 25% and 50+, respectively. These platforms, endorsed by ARCHIMED's active support for management's decision to invest in digital capabilities, aim to enhance FTE efficiency and work-life balance.
- **COVID-19:** Deallus has reacted well and adapted accordingly (e.g. remote-work, virtual conference coverage, acceleration in China, proximity with key accounts, creation of knowledge management team). The company has further been able to recruit to support the growth by onboarding 35 new joiners (29 during lockdown).
- **Sustainability & Impact**: Deallus has internal CSR commitments and implemented 'CSR days' during which employees can give back and donate their time on various topics. Deallus has formalized an employee training program by developing 'Deallus Academy' and runs mandatory anti-harassment, sexual harassment and unconscious bias training for all employees. Deallus has a trained mental health team and employee assistance programs on personal and professional matters. The company has formalized an environmental policy covering various topics: waste management through recycling, sustainable travel by encouraging train travel, and energy management through energy savings.

FINANCIALS

- Following a robust performance in revenue during H1 2023, where Deallus exceeded budget expectations by approximately 3%, the company encountered a comparatively softer Q3, falling short of budget projections by around 4%. Nonetheless, overall sales are still 10%+ above last year presenting €17.4M YTD. The dip in Q3 vs. budget can be explained by an industry-wide slowdown in orders, and headwinds from the biotech funding crunch.
- Deallus EBITDA as of September is c. €2.9M, an improvement of c. €2.2M versus last year and c. €0.3M above budget. The positive variance is the result of lower spending on subcontractors, reduced recruitment spending, the delay of certain hires in-line with market outlook and cost arbitrage offered by the India team on global projects.



EXIT & ROADMAP

- The company has appointed M&A advisors to initiate the exit preparation. The advisors have since completed a preliminary outreach and received positive feedback from select bidders. Deallus now awaits a strong Q4 2023 to optimize its position in front of buyers, with subsequent meetings planned by ARCHIMED to advance discussions in early 2024. Exit targets have included:
  - Achieving double digit growth and exceeding c.€2.3M EBITDA.
  - Successful deployment the new IT tools.
  - Successfully acquiring China projects from key account clients, adding senior resources to support expected further growth.

ALIRI (FKA: IMABIOTECH)

MED II

Aliri (FKA: ImaBiotech) is a CRO with proprietary, patented imaging technology and accompanying software solutions to quantify biomarker levels in human tissue samples, to assess drug distribution, effect and response in the early stages of drug development. The company was combined with Pyxant Labs and Salt Lake City sites ('Hydra') to form a leading global bioanalytical services provider for pharmaceutical and cosmetic companies.

COMPANY DESCRIPTION

Location:	Lille, France/Boston (MA), US
Sector:	Pharma Services / Healthcare IT
Activity:	CRO/Bioanalytical Services
Year Established:	2009
Company Website:	www.aliribio.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	77.5%
Enterprise Value at Entry (€M):	35.8
EBITDA Multiple at Entry:	6.2x
ARCHIMED Investment (€M):	18.2
Date of Investment:	June 2021

IMPACT ON HEALTH

- Aliri is a Contract Research Organization (CRO) that offers services to the pharmaceutical and cosmetic industries.
- The innovative services and technologies provided by Aliri to pharmaceutical research enable the measurement of all the parameters underpinning drug efficacy. As such, Aliri is helping to accelerate the development of more effective therapies for patients.
- Satisfaction surveys are systematically sent to clients at the end of each project and no complaints or instances of non-compliance have been reported in the past three years.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	596.0 tCO2eq
GHG emissions (scope 3):	5,745.0 tCO2eq
GHG intensity (emissions/revenue):	186.1 tCO2eq/€M
Share of recycled waste:	30.0%
Employee engagement survey:	Y
Data protection policy:	Y
Responsible procurement charter:	N
Share of revenue invested in R&D :	1.0%
Sustainability Roadmap with objectives:	Since 2023

SOURCING

- **Identification:** the opportunity was identified by Robin Filmer-Wilson during the MedDiscover build-up screening process for the potential acquisition of an international CRO for biospecimen procurement.
- **Approach:** Robin-Filmer Wilson approached Aliri (FKA: ImaBiotech) with the concept of forming a wider consortium with a wider service offering.
- **Choice of ARCHIMED:** the CEO and majority shareholder was highly interested in pursuing further growth opportunities through ARCHIMED's expertise, which led to a widening transaction perimeter with Pyxant.
- **Transaction:** ImaBiotech & Pyxant were initially the primary focus of the group, with Hydra considered as an additional M&A target. ARCHIMED and the Management team agreed to condition the overall transaction on the completion of the Hydra acquisition due to the substantial upside it offers to the group.

INVESTMENT RATIONALE

- Creation of a robust, transatlantic platform with a critical mass and diverse bioanalytics capabilities by combining three companies.
- Attractive market positioning in the high-growth bioanalytics market, shielded by high scientific barriers to entry.
- ARCHIMED has been able to secure an attractive entry valuation below comparable transactions.

STRATEGIC VALUE DRIVERS

- **M&A:** exploiting the potential for inorganic growth by adding new imaging and analysis capabilities as well as advanced data management resources and developing a presence in the large molecular field.
- **Innovation:** building on the intimate knowledge of Pyxant Labs of the Hydra site to drive operational transformation.

ALIRI (FKA: IMABIOTECH)

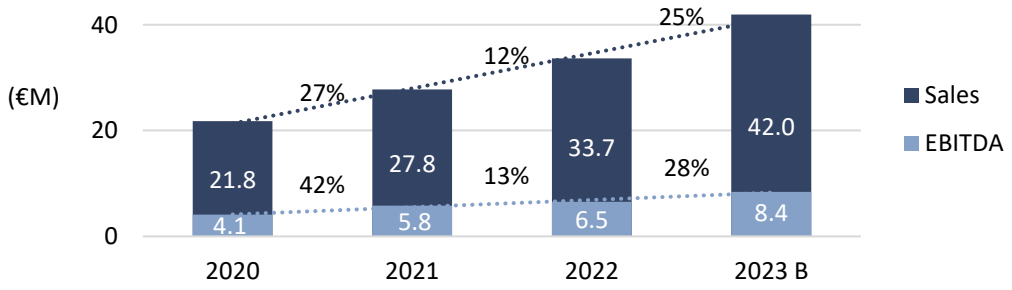
MED II

MAIN ACHIEVEMENTS

- **Business Development:** the group's new brand name "Aliri" launched in H1 2023. A recent pricing study with an external consultant highlighted the potential for increasing service pricing by 5 to 15% for specific customer segments.
- **Human Resources:** all key staff at the Hydra site (carved-out assets from Labcorp) have agreed to contract transfers and work is ongoing to align the key employees with the Long-Term Incentive Plan (LTIP) available for key management. The group hired a US-based marketing manager to lead the joint service offering and new positioning in the bioanalytical services market. An executive search firm has initiated the recruitment process for a new group CEO. This process, overseen directly by the group's Chairman, is on track to identify a candidate by the end 2023.
- **M&A**: significant screening efforts are ongoing for M&A opportunities to expand the group's existing spatial biology activities abroad and add new cell-based assay capabilities to its service offering. Whilst the group has signed exclusivity with a potential M&A target that could immediately add Ligand Binding Assay (LBA) capabilities, serve new geographies and add a high-quality client base to the group, discussions are currently on pause until there is more financial visibility on 2023/2024.
- **Facilities:** the group is exploring a possible greenfield project to build an LBA platform (US) and a biomarker lab (EU), where there is strong demand from existing clients. This would be financed with new shareholder injections.
- **Sustainability & Impact:** Aliri finalized a carbon analysis in 2022 to reduce their footprint and have since completed an ESG roadmap and action plan. The board oversees this quarterly progress, ensuring that ESG initiatives are monitored and integrated into the group's operations. Aliri has developed a HR roadmap and carried out activities such as treating 100% of contaminated waste on site by third-party companies. The remuneration of the external debt provided by Eiffel is partially linked to the evolution of the group's carbon footprint. A 11% decrease in the group's GHG was reported in the latest Q3 2023 report.

FINANCIALS

- For the YTD September 2023 period, the group achieved €26.7M in revenue, indicating a modest 3.3% growth compared to the previous year. The performance fell 12% below budget expectations, attributed to an industry-wide slowdown in the pre-clinical sector since mid-2022.
- EBITDA was affected by increased laboratory compensation driven by higher inflation, accrual of employee bonuses (not included in previous year financials), investments in marketing, sales, and IT overheads to support growth, challenging margin maintenance at historical levels. The impact on margin was partially mitigated by a positive variable contribution of €0.7M from increased revenues. Aliri has already started implementing cost cutting measures which are expected to normalise margins.



EXIT & ROADMAP

- An exit is not expected before 2026. During this period Aliri seeks to complete several initiatives prior to exit:
  - Provide full spectrum of regular lab testing services in small molecules across stages of development as a mid-sized global bioanalytical player.
  - Become a worldwide leader in RNA therapeutics.
  - Develop strong expertise in niche quantitative imaging testing technology.
  - Further acquire / build lab testing services for large molecules.
- Apart from financial buyers, possible exit routes include CROs looking to add new customers and/or geographies or invest in established capacity. Especially Asian CROs have shown high interest in US and European assets.

SYMBIO / PROINNOVERA

MED III

Symbio and Proinnovera are Contract Research Organizations (CRO), offering cost saving, time-efficient outsourced services for dermatological therapy formulation and clinical trial testing. The merged group, Symbio Proinnovera, provides consulting, testing and clinical research through every development stage, from conception to global regulatory approval and commercialization. After decades of running dermatology trials, both companies have built valuable data bases that focus and shorten trials in this therapeutic area.

COMPANY DESCRIPTION

Location:	Port Jefferson, (NY) US | Münster, Germany
Sector:	Pharma Services
Activity:	CRO | Dermatology
Year Established:	2002 | 1997
Company Website:	www.symbioresearch.com | www.proinnovera.com

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	71.7%
Enterprise Value at Entry (€M):	20.0
EBITDA Multiple at Entry (Blended):	7.7x
ARCHIMED Investment (€M)[(1)]:	21.5
Date of Investment:	November 2023

IMPACT ON HEALTH

- Symbio and Proinnovera are specialized CROs for clinical trials in dermatology with significant experience in aesthetics, inflammatory diseases, oncology, and allergology.
- The combined company provides services that contribute to the development of safer and more efficacious therapies.
- PwC scored the dermatology CRO combination 24.2 out of 39 available impact points, representing a company with high impact potential.

SUSTAINABILITY METRICS

GHG emissions (scope 1&2):	TBD
GHG emissions (scope 3):	TBD
GHG intensity (emissions/revenue):	TBD
Share of recycled waste:	TBD
Employee engagement survey:	TBD
Data protection policy:	TBD
Responsible procurement charter:	TBD
Share of revenue invested in R&D :	TBD
Sustainability Roadmap with objectives:	From 2024

SOURCING

- **Identification:** utilizing its MedDiscover process, ARCHIMED identified CROs and the dermatology sub-sector specifically as potentially attractive sub-sectors with the pharma services market.
- **Approach:** ARCHIMED met with and built a direct relationship with the Symbio founder/owner in 2022. The founder/owner was keen on a two-step exit strategy by partnering with ARCHIMED to accelerate organic and inorganic growth before a strategic exit. Proinnovera was in an active sales process and ARCHIMED submitted a pre-emptive offer, which was subject to Symbio closing, before a full-auction could take place.
- **Choice of ARCHIMED:** Two MedTalents® helps motivated owners after being highly involved in sourcing and setting the value creation strategy.
- **Transaction:** Founders rolled proceeds for a 26% share in the newly combined business.

INVESTMENT RATIONALE

- Merging two synergetic businesses to form a market leading, global dermatology and aesthetics CRO platform.
- Strong market with 10%+ annual growth driven by ageing population and incidence of dermatological diseases.
- Specific regulation requirements create barriers to entry for competitors.
- Strong team with a track record in dermatology-focused clinical trials.
- Clear cross-selling and insourcing opportunities of the combined group.

STRATEGIC VALUE DRIVERS

- **Integration**: vertical integration of critical functional services, particularly in-house data management and biostatistics capabilities, which will increase profitability.
- **Internationalization**: establish the premier global brand by building a critical transatlantic player with scale.
- **M&A**: further expansion of geographical reach and service offering through actionable pre-identified targets.
- **Operations:** efficiencies and synergies through integration, in-sourcing of services and improved processes.

(1) includes a €7.5M shareholder loan.

SYMBIO / PROINNOVERA

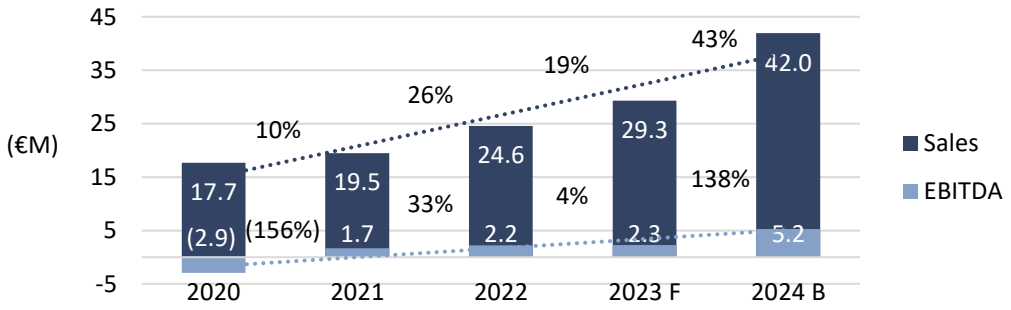
MED III

MAIN ACHIEVEMENTS

- **Post-closing Integration:** following the acquisition of the businesses Symbio and Proinnovera ARCHIMED will start implementing the Post Completion Action Plan. As a first step, this will include the cultural and organization integration of the two businesses. Early and frequent presence by the CEO and the pro-active sharing of best practices will foster education and governance.
- **Financial Performance:** both Symbio and Proinnovera companies have experienced fast growth pre-acquisition of 22% and 11% average annual revenue growth respectively. Topline and margins are forecasted to significantly improve through insourcing/addition of service offering, operational leverage as the business scales, and a conscious business development push.
- **Team:** both companies bring a highly specialised and experienced team in dermatology and therapeutics together. MedTalents Nick Thornton and Alan Morgan, veteran c-suite executives with decades of experience growing Contract Research Organizations, will join Symbio Proinnovera's board, with Alan Morgan becoming chairman. Sharing a group CFO and CEO are expected to result in significant cost savings and benefits.

FINANCIALS

- Both Symbio and Proinnovera companies have experienced fast growth pre-acquisition of 22% and 11% average annual revenue growth, respectively. Topline and margins are forecasted to significantly improve through insourcing/addition of service offering, operational leverage as the business scales, and a conscious business development push.



EXIT & ROADMAP

- The value creation plan for the company is to accelerate business through organic and inorganic growth for a period of 3-5 years and ultimately lead the business to a strategic exit.
- Before acquisition, ARCHIMED interviewed 10+ strategics who all expressed an interest in therapeutic-focused CROs, with the majority also expressing an interest in acquiring dermatology CROs. This provides comfort and validation that a therapeutically focused transatlantic CRO, that is a leader in dermatology, will attract significant interest from buyers.

PRIMO
MED I

Primo is a leading dental clinic chain headquartered in Turin Italy, with an original focus on the Piedmont region and expanding in recent years to Lombardy, Emilia Romagna, Liguria, as well as other regions. Primo is currently the fastest growing player among the top 10 dental care chains in Italy that is expanding through organic means. The company has built its success by offering high quality services at affordable prices (on average 20% below premium priced competitors).

COMPANY DESCRIPTION

Location:	Turin, Italy
Sector:	Care Provider
Activity:	Dental
Year Established:	2010
Company Website:	www.centridentisticiprimo.it

INVESTMENT DESCRIPTION

Investment Type:	Primary buyout
Sourcing:	ARCHIMED team (direct)
ARCHIMED % Ownership:	48.3% fully exited
Enterprise Value at Entry (€M):	6.3
EBITDA Multiple at Entry:	5.0x
ARCHIMED Investment (€M):	5.2
Date of Investment:	July 2015
Realized Performance:	3.0x MOIC, 37% IRR
Exit Strategy:	Strategic Acquisition

SOURCING

- **Identification:** following the review of selected European dental services and discussions with MedTalent® Jean-Louis Vaez, CEO of Swiss dental care chain Adent, ARCHIMED made the decision to prioritize the Italian market. Primo was identified as the most attractive target for MED I.
- **Approach:** Loïc Kubitza, the ARCHIMED Partner with proven industry knowledge in the space, met with most of Italy's major dental care chains. Following a visit to Primo's Piazza Bausan clinic in Milan, Loïc Kubitza was able to set up a meeting with the firm's founder and CEO Mirko Puccio in March 2015.
- **Choice of ARCHIMED:** the sellers recognized ARCHIMED's deep industry knowledge and the proposed alignment of interests.
- **Transaction:** ARCHIMED invested in two steps, through an equity infusion and with warrants issued in July 2015 and an earn-out in 2017, making it the largest, controlling shareholder.

INVESTMENT RATIONALE

- One of the top 10 fastest growing players in Italy.
- Founding team of professional managers focused on operational excellence.
- High quality service provider with a flexible pricing system.
- Attractive entry multiple compared to the market.

STRATEGIC VALUE DRIVERS

- **Corporatization:** improve control and planning of financial and legal functions. Strengthen the quality of the management team at central and regional levels.
- **Innovation:** augment organic growth through service optimization and digitalization.
- **M&A:** explore inorganic growth through M&A to fuel expansion.

PRIMO
MED I

MAIN ACHIEVEMENTS

- Under the ownership of ARCHIMED, Primo grew from 16 dental clinics in 2015 to 50 in 2019. ARCHIMED achieved these results through organic and inorganic growth and focusing on professionalization, product optimization, increased market share and new digital infrastructure. Key improvements included:
- **Management:** ARCHIMED played a key role in supporting the growth of the top management team. It led to the recruitment of an experienced CFO, Pierluigi Fattore who had intimate knowledge of retail markets. ARCHIMED sourced seasoned MedTalent® professionals for board appointments such as Jean-Louis Vaez, with a strong expertise in dental clinics, and Roberto Consonni, an expert in the Italian HC industry. Management was decentralized with regional managers appointed across five regions.
- **M&A:** a Milan-area franchisee was acquired and subsequently achieved the best performance relative to the peer group. Five additional M&A opportunities were explored but ARCHIMED decided to focus on greenfield initiatives.
- **Organic growth:** the internal prosthesis laboratory was centralized and digitized, and ARCHIMED facilitated the opening of new sites through an additional investment of €2M. Professionalization initiatives included standardization of the key procedures at medical and para-medical levels and attracting and developing medical talent through an internal academy. This training of doctors and assistants improved the quality and homogeneity of the services provided across the Primo chain.
- **Digitalization:** new software was developed, Primo UP, that granted remote access from mobile devices and web applications to fully trace digital medical records and mandatory digital process paths with checks and approval systems for all clinics. Paperless administration was established in 2018 through integrated systems with laboratories and the proprietary platform for clinic monitoring.

EXIT

- ARCHIMED was approached very early on during its ownership by financial and strategic buyers, as well as PE-backed industrial groups. After testing the appetite of various market players, ARCHIMED and CEO Mirko Puccio decided that value would be maximized through a strategic exit.
- Cardent, a PE-backed (Aksia Group), was the most relevant strategic buyer and matched ARCHIMED's price expectations.
- The sale was completed in October 2019.

EXIT PERFORMANCE

- Primo delivered a MOIC of 3.0x and an IRR of 37%.

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