ADDvise

PRESSMEDDELANDE
Stockholm, February 17, 2023

ADDvise signs Letter of Intent to acquire Diabetic Supplies Inc.

ADDvise Group has signed a Letter of Intent with the shareholder of Diabetic Supplies Inc. (”Diabetic Supplies” or the “Company”) regarding an acquisition of all shares in Diabetic Supplies.

Diabetic Supplies is based in Columbus, Ohio, USA and is a distributor of medical devices for diabetic patients. The Company distributes, among other things, continuous glucose monitors and insulin pumps. Over Diabetic Supplies twenty years of operations, the Company has established a strong customer portfolio of American insurance companies. The Company provides diabetes patients with the necessary equipment for monitoring and treatment.

- Through the acquisition of Diabetic Supplies, we complement our existing range of diabetes products and strengthen our market position. Diabetic Supplies' strong brand and good relationship with insurance companies open up new growth opportunities, says Rikard Akhtarzand, CEO ADDvise Group.

Diabetic Supplies’ revenue for the full year 2022 amounted to USD 7.0 million, with an EBITDA of USD 2.7 million, corresponding to an EBITDA margin of 39 percent.

The purchase price for Diabetic Supplies amounts to a total of USD 15.8 million, divided into an initial payment of USD 10.3 million, and two potential earn-outs of maximum USD 5.5 million in total. To be entitled to the earn-outs, Diabetic Supplies must reach an EBITDA of USD 3.1 million during the next twelve months after completion of the acquisition and an EBITDA of USD 3.4 million for the following twelve months.

The acquisition will be financed with own funds. ADDvise assesses that the acquisition will have a positive impact on ADDvise’ earnings per share during the financial year 2023.

The acquisition is subject to a due diligence and that the parties agree to enter into a share purchase agreement. The share purchase agreement and completion of the acquisition is scheduled to be completed during Q2, 2023.

Adviser

Mangold Fondkommission AB is acting as financial adviser to ADDvise in the acquisition.

For further information, please contact:

Rikard Akhtarzand, CEO
+46 765-25 90 71
rikard.akhtarzand@addvisegroup.se

Important information:

This information is by ADDvise Group AB required to disclose under the EU Market Abuse Regulation. The information was submitted for publication on February 17, 2023 at 07:30 CET

About ADDvise Group

ADDvise Group AB (publ) is a leading supplier of equipment to healthcare and research facilities. The Group consists of two business areas, Lab and Healthcare. Sales are global. The Group has a clear acquisition strategy with the aim of raising shareholder value and expanding the business - both geographically and product-wise. ADDvise Group's shares are listed on Nasdaq First North Premier Growth Market and Mangold Fondkommission AB is the Company's Certified Adviser. Additional information is available at www.addvisegroup.com.