



Implanet confirms offer to acquire a majority stake in Orthopaedic & Spine Development

- Orthopaedic & Spine Development (“OSD”) is a manufacturer of implants for spine surgery
- Acquisition of a majority interest will lead to the creation of a new benchmark player in orthopedic surgery in France and allow the Group to rapidly achieve significant revenue growth.

Bordeaux, Boston, March 17, 2021 – 5.45 pm CET - IMPLANET (Euronext Growth: ALIMP, FR0013470168, eligible for PEA-PME equity savings plans), a medical technology company specializing in vertebral and knee-surgery implants, today announces that it has obtained founding shareholders’ agreement to acquire a majority stake in Orthopaedic & Spine Development (“OSD”), which specializes in developing, manufacturing and marketing implants for spine surgery.

IMPLANET’s offer is aimed at acquiring majority control (potentially of the entire share capital) of OSD, valued at €4.2 million (for 100% of the shares). OSD’s founding shareholders, representing 71,5% of the capital, have already committed to respond favorably to the offer, thus confirming the principle of this merger. The final acquisition percentage will be communicated shortly after finalization of the legal documentation.

As a token of their support for the merger project, OSD’s founding shareholders will also become shareholders of IMPLANET.

Before March 31, 2021, Implanet will convene a Shareholders’ Meeting to submit the takeover agreement to its shareholders.

Ludovic Lastennet, CEO of Implanet, comments: *“The acquisition of OSD represents a milestone in our strategy, deployed since late 2019, to strengthen Implanet’s position in the orthopedic and spine market. The clinical value of our JAZZ® technology has, over the years, enabled us to become a pivotal player in pediatric spinal deformity, but thus far our range has limited our ability to grow at a similar pace in the degenerative adult segment. This merger with OSD will strengthen our spinal implant range, notably for the adult market, while positioning Implanet as an integrated supplier capable of competing with the market’s largest players. The merger will enable us to rapidly achieve a critical mass in terms of revenue. Reaching this critical mass will ensure that, in the coming years, we will be able to meet regulatory, clinical and economic demands in a fast-growing market”.*

Nicolas Papillon, CEO and President of OSD, adds: *“We are very excited about this opportunity to combine our implant ranges with the clinical value of the JAZZ® platform, while benefiting from Implanet’s financial and marketing expertise. We had been looking to join forces with a partner in order to deploy the execution of our strategy and provide our products with greater commercial scope, notably in the United States. This merger with Implanet was an obvious choice, as we and its founders share a common desire to turn our two companies into an agile entity, working closely with its customers and determined to increase market share”.*

OSD: a specialist in developing implants for spine surgery

Founded in 2006 and based in Avignon (southern France), OSD specializes in developing, manufacturing and marketing implants for spine surgery. The company generated **revenue of €3.6 million in 2019**. OSD develops and markets a comprehensive range of spine implants and distributes complementary products and bone substitutes. OSD markets its products directly in France, indirectly in the rest of the world, and was recently granted FDA 510k clearance.

Acquisition driven by value-creating synergies:

- ✓ complementary spine surgery implants,
- ✓ 510 (k) clearances enabling US market distribution and CE marking for the entire product range through to 2024,
- ✓ solid regulatory platform and a common notified body (LNE GMED),
- ✓ experienced management,
- ✓ common desire to achieve critical revenue mass, continued growth and margin improvement.

Planned terms of the acquisition

This acquisition project is based on an OSD valuation of €4.2 million for 100% of its shares. Subject to conditions precedent, it will be carried out via a cash payment of €2.6 million, in the form of a 24-month sales credit, the balance of up to €1.6 million being paid for in Implanet shares.

This acquisition and the financing of the new entity will be funded by the bond financing line agreed with Nice & Green for a maximum of €5.0 million ([see press release of January 13, 2021](#)).

The issuance of shares (in the form of bonds redeemable in shares) for the payment of the acquisition will be subject to the approval of the next Shareholders' Meeting scheduled for the second quarter of 2021, to be convened before March 31, 2021.

An upcoming press release will describe the final terms of the transaction.

About Implanet

Founded in 2007, Implanet is a medical technology company that manufactures high-quality implants for orthopedic surgery. Its activity revolves around two product ranges, the latest generation JAZZ® implant, designed to improve the treatment of spinal pathologies requiring vertebral fusion surgery, and the MADISON implant designed for first-line prosthetic knee surgery. Implanet's tried-and-tested orthopedic platform is based on product traceability. Protected by four families of international patents, JAZZ® and MADISON have obtained 510(k) regulatory clearance from the Food and Drug Administration (FDA) in the United States, the CE mark as well as the ANVISA authorization in Brazil. Implanet employs 29 staff and recorded 2020 sales of €6.0 million. For further information, please visit www.implanet.com. Based near Bordeaux in France, Implanet established a US subsidiary in Boston in 2013. Implanet is listed on Euronext™ Growth market in Paris.

The Company would like to remind that the table for monitoring the equity line (OCA, OCAPI, BSA) and the number of shares outstanding, is available on its website: <http://www.implanet-invest.com/suivi-des-actions-80>

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