

Press release
Paris, 12th May 2016

Tecres partners with Keensight to create Demetra Holding, in order to build the independent worldwide leader in bone cements and biomaterials

Tecres, a leading medical technology company dedicated to the development of bone cements and bone substitutes and Keensight Capital, a leading player in European Growth Private Equity¹, today announce an investment in Demetra Holding, to create the independent worldwide leader in the bone cement and biomaterials space. This new Group, led by Tecres' shareholders, combines two of the major players in the field of bone cement and biomaterials, Tecres S.p.A. (Italy-based) and aap Biomaterials GmbH (Germany-based) which will continue to act as separate entities with their own respective business strategies.

The two companies have been able to position themselves as leaders on their respective segments through different business models and distribution strategies. Historically, aap has been focussing on the Contract Manufacturing (CMO) model, leveraging its solid reputation and high quality standards to supply world leading orthopedic groups with its white-labelled products, while Tecres has developed its own-branded product line worldwide through disruptive product innovations such as the Spacer[®]: the first temporary prosthesis to treat post-operative infections and double antibiotic cements.

Following the transaction, the two businesses will continue to act separately and to develop their business and commercial strategies. Moreover, this combination will allow the two entities to benefit from numerous industrial and R&D synergies, including biomaterials know-how, which shall foster the companies' growth. Both management teams and operations will stay in place, with Tecres being led by Denis Faccioli (CEO) and aap Biomaterials by Daniel Zukowski (CEO).

Demetra will count about 140 people and will operate in over 70 countries.

For Denis Faccioli, CEO of Tecres:

"The possibility brought by Keensight to set up Demetra Holding and acquire aap Biomaterials, is an exceptional opportunity to mutualize experiences with one of the most respected players in the sector while allowing us to keep our autonomy and distinctive company characteristics. We are very happy to start collaborating with Keensight and aap Biomaterials on this exciting project aimed to create one of the leading players in our field."

Pierre Rémy, Managing Partner at Keensight Capital, added:

"The combination between aap and Tecres will gather two seasoned and entrepreneurial international managements. We are very proud to support the ambitions of these co-leaders in the highly attractive and fast growing global bone cement and biomaterials industry. With their international niche leader profile, and their profitable growth, they perfectly fit with our investment strategy. Today, thanks to their successful reputation and prestigious customer base, the companies have wide room to increase their market share by leveraging their complementarities and notably by accelerating the penetration in international markets. External growth is also currently being contemplated to broaden the Group's product offering with some selected biomaterials opportunities."

¹ *Growth Private Equity*: investment in profitable, private companies experiencing strong growth, in minority or majority positions, with or without leverage, using a flexible approach adapted to the needs of individual entrepreneurs, in order to finance organic growth projects, acquisition strategies or provide historic shareholders with liquidity.



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About Demetra

Demetra Holding is the leading independent player in the bone cement and biomaterials space. The company currently controls the two leading independent players in the field, namely aap Biomaterials GmbH and Tecres S.p.a. The aggregated group employs 140 people and has operations in Germany and Italy. Through its know-how and R&D capacities, Demetra is positioned as one of the most innovative players in the field.

About Tecres

Tecres is an Italian medical technology company dedicated to the development of bone cement, bone substitute and innovative solution to treat infection occurred during joint arthroplasty. Tecres has established a position as a constant innovator in the biomaterial field for orthopedics, being the inventor of the temporary spacer concept to cure chronic periprosthetic infections and one of the first to market dual antibiotics cement. Tecres products are embraced by physicians worldwide for their reliability and ability to improve patient outcomes.

www.tecres.it

About aap Biomaterials

aap Biomaterials (Dieburg – Germany) is an established player in the field of the bone cement and biomaterials. Former subsidiary of the listed company aap Implantate AG, the company has a strong expertise in acrylic resins and ceramic bone substitutes. The company, which employs around 65 people, is focussed on the development of a range of high quality solutions which are adopted by Global orthopedic majors.

About Keensight Capital

Keensight Capital is a leading European Growth Private Equity firm managing funds backed by European institutional investors. Keensight Capital targets first-class international projects to finance organic growth or build-up strategies, or to cash out existing shareholders.

Specific sectors of interest include Media/Internet, Information Technology, Healthcare, and Services. In each of these sectors, our team provides insights and expertise through its entrepreneurial and operational background and its access to a worldwide network built over the past 15 years.

www.keensightcapital.com

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