



## Teleflex to Acquire Market Leader in Hemostatic Products

October 28, 2020

### Signs Definitive Agreement to Acquire Linden Capital's Z-Medica

WAYNE, Pa., Oct. 28, 2020 (GLOBE NEWSWIRE) -- Teleflex Incorporated (NYSE:TFX), a leading global provider for healthcare supplies and services, today announced it has entered into a definitive agreement to acquire privately-held Z-Medica, LLC, an industry-leading manufacturer of hemostatic products. Under the terms of the agreement, Teleflex will acquire Z-Medica for an upfront cash payment of \$500 million at closing, and up to an additional \$25 million upon the achievement of certain commercial milestones. Teleflex acquired certain tax attributes in the transaction that are expected to result in future tax benefits. Teleflex valued these tax attributes at approximately \$40 million in arriving at our purchase price. The Boards of Directors of both Teleflex and Z-Medica have unanimously approved the transaction. The acquisition is subject to customary closing conditions, including receipt of certain regulatory approvals, and is expected to be completed in the fourth quarter of 2020.

Z-Medica's hemostatic technologies are helping reinvent hemorrhage control, with cost-effective, efficient bleeding control solutions being adopted by markets worldwide. The company offers three main brands, QuikClot®, Combat Gauze® and QuikClot Control+®, which utilize a proprietary technology consisting of gauze impregnated with kaolin. The technology activates and accelerates the body's natural clotting ability. QuikClot Control+ is the first hemostatic dressing indicated for temporary control of Class III or Class IV bleeding in the internal organ space. Z-Medica's products currently focus on the trauma surgery, EMS, military, emergency department, and interventional segments, with opportunities to expand into additional indications over time.

"Teleflex's strategy is to invest in innovative products and technologies that can meaningfully enhance clinical efficacy, patient safety and comfort, reduce complications and lower the overall cost of care," said Liam Kelly, Chairman, President and Chief Executive Officer. "The acquisition of Z-Medica, an industry leading provider of hemostatic devices, enables Teleflex to leverage strength in the hospital, EMS, and military call points, with differentiated products that complement the EZ-IO and EZPLAZ<sup>1</sup> product portfolio."

Mr. Kelly added, "We are excited to complete this acquisition, given its above-company average revenue growth, above-company average gross and operating margin profile, and our expectation that the acquisition exceeds our cost of capital by year four."

Eric Compton, President and CEO of Z-Medica, LLC said, "We are excited to join the Teleflex organization, which shares our vision for making our products the standard of care for the treatment of hemorrhage control. Today's announcement is a recognition of our focus on patient outcomes and the hard work and dedication of the entire Z-Medica team. I want to especially thank Linden Capital Partners and DW Healthcare Partners, who supported Z-Medica to expand from its roots in the military to become a true global healthcare and hospital focused business. We have tremendous respect for the Teleflex team and look forward to partnering with them to continue changing patient lives."

Teleflex plans to finance the acquisition at closing through borrowings under its revolving credit facility. Following consummation of the transaction, Teleflex may look to opportunistically term-out revolving credit facility borrowings through a note offering. Over the long-term, Teleflex intends to maintain its net debt to adjusted EBITDA (as calculated in accordance with the terms set forth in the Company's existing Credit Agreement) at approximately 3.0x.

The transaction is expected to contribute between \$60 million and \$70 million of revenue and between \$0.07 and \$0.15 in adjusted earnings per share in fiscal year 2021 (excluding non-recurring purchase accounting items and other acquisition and integration related costs). Beyond 2021, the Company expects the acquisition to deliver a high-single digit revenue growth profile and further accretion to adjusted earnings per share.

The Company intends to discuss this acquisition in more detail on its upcoming third quarter 2020 earnings conference call scheduled to be held on Thursday, October 29, 2020 at 8:00am ET.

#### Advisors

Guggenheim Securities is acting as financial advisor to Teleflex and Holland & Knight LLP is serving as legal counsel.

Truist Securities is acting as financial advisor to Z-Medica, LLC and Kirkland & Ellis LLP is serving as legal counsel.

#### About Teleflex Incorporated

Teleflex is a global provider of medical technologies designed to improve the health and quality of people's lives. We apply purpose driven innovation – a relentless pursuit of identifying unmet clinical needs – to benefit patients and healthcare providers. Our portfolio is diverse, with solutions in the fields of vascular access, interventional cardiology and radiology, anesthesia, emergency medicine, surgical, urology and respiratory care. Teleflex employees worldwide are united in the understanding that what we do every day makes a difference. For more information, please visit [teleflex.com](http://teleflex.com).

Teleflex is the home of Arrow®, Deknatel®, Hudson RCI®, LMA®, Pilling®, Rüschi®, UroLift®, and Weck® – trusted brands united by a common sense of purpose.

#### About Z-Medica, LLC

Z-Medica, LLC, a Linden Capital Partners portfolio company, is a medical device manufacturer based in Wallingford, CT that is focused on the development, sale and marketing of innovative hemorrhage control products. For over a decade, Z-Medica has helped hospitals, militaries, law enforcement, first responders and consumers around the globe save lives and improve medical outcomes with their QuikClot® brand of products which are manufactured in the United States. For more information, visit <http://www.QuikClot.com> and <http://www.Z-Medica.com>. Follow us on Twitter @QuikClot and Facebook @QuikClotFans.

#### About Linden Capital Partners

Linden Capital Partners is a Chicago-based private equity firm focused exclusively on investing in the healthcare industry. Linden's strategy is based upon three elements: i) healthcare specialization, ii) integrated private equity and operating expertise, and iii) strategic relationships with large corporations. Linden invests in middle market platforms across the medical products, specialty distribution, pharmaceutical, and services segments of healthcare. For more information, please visit [www.lindenllc.com](http://www.lindenllc.com).

**Forward-Looking Statements**

Any statements contained in this press release that do not describe historical facts may constitute forward-looking statements. Any forward-looking statements contained herein are based on our management's current beliefs and expectations, but are subject to a number of risks, uncertainties and changes in circumstances, which may cause actual results or company actions to differ materially from what is expressed or implied by these statements. These risks and uncertainties are identified and described in more detail in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K.

<sup>1</sup>EZPLAZ has not been approved by the FDA.

**Source:**

Teleflex Incorporated  
Jake Elguicze  
Treasurer and Vice President, Investor Relations  
610-948-2836



Source: Teleflex Incorporated