

Exactech Reaches Agreement with Investor Group to Build Foundation for Future Growth



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Exactech, Inc →

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Company Commences Sale Process through Voluntary Court-Supervised Restructuring, Helping to Resolve Legal Liabilities and Enter the Next Chapter of Innovation

Global Operations Remain Strong, and Company Will Continue to Operate Seamlessly with a Renewed Focus on Driving Future Growth; Surgeons, Patients and Employees Should Expect No Interruption

GAINESVILLE, Fla., Oct. 29, 2024 /PRNewswire/ -- Exactech ("the Company"), a global medical technology leader, today announced that it has entered into a comprehensive restructuring support agreement and asset purchase agreement with a group of its existing investors, pursuant to which the investor group will serve as the "stalking horse" bidder to acquire substantially all of the Company's assets. The investor group will support the Company through the restructuring process, including by providing approximately \$85 million of additional financing to fund the Company's operations.

Throughout the restructuring process, the Company will continue to operate as normal, maintaining its commitment to developing and providing high-quality medical devices and technologies to orthopedic surgeons and patients. The restructuring will relieve the Company from non-operating legacy liabilities,



facilitate an infusion of new capital and better position the business to execute on its mission to be the leading surgeon partner in orthopedics.

"Our team has delivered strong performance and positive growth in 2024, and we are confident in the trajectory of our business," said Darin Johnson, President and CEO. "However, despite the strength of the underlying business, we face unsustainable liabilities associated with knee and hip litigation related to the packaging recalls we voluntarily initiated between 2021 and 2022. We take our commitment to patient well-being very seriously and have provided substantial out-of-pocket patient reimbursements and surgeon support for related expenses. The process we are commencing today is intended to help us create a stronger foundation for long-term growth with an improved balance sheet and new capital as well as ensure that we can continue providing innovative, industry-leading implants for surgeons and their patients for years to come."

Mr. Johnson continued: "We have determined that a court-supervised sale is the best path forward for our stakeholders. Our investor group recognizes the strength of our team, our surgeon relationships and our product portfolio, and we look forward to working with them throughout this process. The investor group shares a commitment to Exactech's goals and is excited about further opportunities to drive innovation and growth."

The sale is being conducted pursuant to a voluntary reorganization process in front of the United States Bankruptcy Court for the District of Delaware and is subject to higher and better bids, court approval and other customary closing conditions.

The Company has filed a number of "first-day" motions seeking court approval to maintain ordinary course operations throughout the sale process, including the continued payment of employee wages and benefits, as well as payments to sales representatives. In addition, the Company will continue its research and development efforts during the process, ensuring its commitment to advancing its product portfolio.

The investor group is led by private equity and alternative asset management firms collectively representing more than \$25 billion under management, with dozens of portfolio companies and extensive operational expertise, including in the medical technology and device manufacturing industries.

Ropes & Gray LLP is serving as Exactech's legal advisor in connection with this process. Centerview Partners and Riveron RTS are serving as the Company's investment banker and financial advisor, respectively.

Kroll is serving as the Company's claims agent, and additional information concerning the Chapter 11 process is available on Exactech's restructuring website: <https://restructuring.ra.kroll.com/Exactech>. Kroll has also established a hotline that can be accessed at the following numbers: 833.918.0986 (US/Canada Toll-Free) and +1.646.781.8728 (International).

About Exactech

Exactech is a global medical technology leader that empowers orthopedic surgeons with innovative implants, surgical instruments and the Active Intelligence® (AI) ecosystem of smart technologies to give patients EXACTLY what they need to regain mobility. Visit www.exac.com for more information and connect with us on [LinkedIn](#), [Vumedi](#), [YouTube](#), [Instagram](#) and [X](#).

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