


**PRESS RELEASE**

 Milan, January 9<sup>th</sup>, 2023

**SAES ANNOUNCES THE SIGNING OF A BINDING AGREEMENT  
FOR THE DIVESTITURE OF THE NITINOL BUSINESS**

**SAES Group** informs that it has entered into a binding agreement with the U.S. company **Resonetics** for the sale to the latter of the Nitinol business and, in particular, of the U.S. subsidiaries Memry Corporation and SAES Smart Materials, Inc. The transaction perimeter includes the entirety of SAES Group's Nitinol production process, which is vertically integrated (from Nitinol alloy melting to component manufacturing) and entirely located in the U.S.

**Resonetics**, based in Nashua, New Hampshire, and backed by global investment firm Carlyle and leading private equity firm GTCR, is a leading contract design and manufacturer serving the global medical device and life sciences industry. The company focuses on highly technical components and assemblies for its customers with a wide range of solutions and services, from design and development to prototyping to high-volume production.

The agreed transaction consideration is equal to \$900 million (cash/debt free amount), corresponding to approximately 17x the adjusted EBITDA<sup>1</sup> related to the transaction perimeter based on the financial performance for the period October 1<sup>st</sup>, 2021 - September 30<sup>th</sup>, 2022. The consideration will be entirely paid in cash at the closing date.

The final consideration is subject to potential adjustments, according to a calculation mechanism which is customary for this kind of transactions and linked to the actual values of the working capital and net financial position of the divested companies at the closing date.

The agreed transaction is expected to close in 2023, subject to the satisfaction of customary closing conditions, including receipt of regulatory clearances.

The transaction perimeter excludes the Group's business in shape memory alloys for industrial applications (*Business SMA Materials*, inside the *SAES Industrial Division*) which is not conducted by the two U.S. subsidiaries included in the disposal perimeter and which will continue to be carried out by SAES. To this end, a specific supply contract will be agreed with Resonetics, upon which the latter will supply SAES with the Nitinol raw material necessary to continue the Group's SMA Industrial business. It is noted that the perimeter also excludes the Group's medical Nitinol business with respect to Nitinol trained wires and Nitinol-based thermostatic actuators (already included in the *Business SMA Materials*, inside *SAES Industrial Division*).

The transaction will allow SAES to benefit from a significant cash injection, which will enable the Group to develop an industrial plan based on growth, both organic and inorganic, consistent with the Group's technical and scientific expertise, with a particular focus on the areas of advanced packaging and new functional materials (chemicals), and which could be used as well to allow a return to the stakeholders.

Please note that the Group has received on December 9<sup>th</sup>, 2022 a non-binding expression of interest from Resonetics and, since thereon, SAES has considered this as inside information and deemed it appropriate to

<sup>1</sup> EBITDA is not deemed an accounting measure under International Financial Reporting Standards (IFRSs); however, it is believed that EBITDA is an important parameter for measuring the Group's performance and therefore it is presented as an alternative indicator. Since its calculation is not regulated by applicable accounting standards, the method applied by the Group may not be the same as that adopted by other Groups. EBITDA is calculated as "Pre-tax profit (loss) for the period, net exchange gains (losses), share of profit (loss) of equity-accounted investees, net financial income (expenses), impairment losses and amortization/depreciation". Percentage EBITDA is the ratio between EBITDA and sales.

delay public disclosure in compliance with article 5 of the Group's Procedure for the management of Insider Information.

"I am extremely satisfied with this operation, the enormous value created over the years has been recognized. The financial resources obtained will allow the Group to undergo another industrial transformation, as well as a considerable return to the stakeholders" - said Eng. **Massimo della Porta, Chairman of SAES Getters S.p.A.** - "I would like to thank all my colleagues, especially those of Memry Corporation and SAES Smart Materials, Inc., for the excellent work they have done over the years. I am confident that I will leave both companies in the best of hands, which will ensure their successful future".

The divested business reported revenues of 90.8 million euro, EBITDA of 36.3 million euro (40% as a percentage of revenues) and net income of 24.5 million euro in the first nine months of 2022. For fiscal year 2021, revenues stood at 88 million euro, EBITDA at 30.9 million euro (35.2% as a percentage of revenues) and net income at 21.1 million euro.

The disposal perimeter envisages a total headcount of 521 employees as of September 30, 2022 (478 employees at Memry Corporation and 43 employees at SAES Smart Materials, Inc., excluding temporary workers).

Net assets being divested were approximately 137.5 million as of September 30, 2022.

The consideration of 900 million dollars, when converted to euro at the current exchange rate, corresponds approximately to 857.1 million euro; comparing this figure, which as anticipated may be subject to adjustments customary in this type of transactions, with the book value of the net assets being disposed as of September 30, 2022 (137.5 million euro), results in a gross capital gain of approximately 719.6 million euro, which will be reduced by transaction-related costs (mainly legal, consulting and incentive costs), now estimated at approximately 135 million euro and whose final determination will be made and communicated within the closing date. SAES Group's net capital gain is therefore expected to be in the region of 584.6 million euro.

The target is for the two U.S. companies being divested to have a net financial position close to zero at the closing date.

In the transaction, SAES Getters S.p.A. is advised by Lazard S.r.l. as financial advisor, while Resonetics is advised by Mediobanca S.p.A. For SAES, legal advisors are Nixon Peabody LLP, for U.S. law subject matters, and Fieldfisher - Milan office, for Italian law subject matters, while tax advisors are Studio Maisto e Associati, for Italian tax subject matters, and Plante Moran for U.S. tax subject matters.

#### **Memry Corporation**

*Memry Corporation, Bethel, CT (USA) is a technological leader in next-generation, highly engineered medical devices made of Nitinol shape memory alloy. The company had revenues of \$95.1 million (€80.4 million) in 2021.*

#### **SAES Smart Materials, Inc.**

*SAES Smart Materials, Inc., headquartered in New Hartford, NY (USA), is active in the development, production and sale of semi-finished Nitinol products. The company had revenues of \$18.6 million (€15.7 million) in 2021.*

#### **Resonetics**

*Founded in 1987, Resonetics is a pioneer in advanced engineering and manufacturing solutions for the life sciences industry. Resonetics is a leader in laser processing, centerless grinding, nitinol processing, thin-wall stainless steel and precious metal tubing, photochemical machining, microfluidics, sensor solutions, and medical power.*

*Resonetics is committed to quality, speed, innovation and a great customer experience. The company operates 14 facilities with over 2,000 employees in the United States, Costa Rica, Israel, Switzerland, and Canada.*

*More information on the company is available at the website **www.resonetics.com**.*

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## **SAES Group**

*A pioneer in the development of getter technology, the company SAES Getters S.p.A., together with its subsidiaries (hereinafter "SAES® Group" or "SAES" or "Group"), is a world leader in a variety of scientific and industrial applications that require high vacuum conditions. In more than 80 years of activity, the Group's getter solutions have been supporting technological innovation in the information display and lamp industries, in sophisticated high vacuum systems and in vacuum thermal insulation, in technologies spanning from large vacuum power tubes to miniaturized devices such as silicon-based microelectronic and micromechanical systems (MEMS).*

*Starting in 2004, by leveraging the core competencies in special metallurgy and in the materials science, the SAES Group has expanded its business into the advanced material markets, in particular the market of shape memory alloys, a family of materials characterized by super elasticity and by the property of assuming predefined forms when subjected to heat treatment. These special alloys, which today are mainly applied in the biomedical sector, are also perfectly suited to the realization of actuator devices for the industrial sector (domotics, white goods industry, consumer electronics, healthcare, automotive and luxury sector).*

*More recently, SAES has expanded its business by developing a technological platform that integrates getter materials in a polymeric matrix. These products, initially developed for OLED displays, are currently used in new application sectors, among which optoelectronics, photonics and the mobile sector above all. Among the new applications, the advanced packaging is a significantly strategic one, in which SAES is offering a range of new products for the food sustainable packaging and competes with recyclable and compostable solutions.*

*A total production capacity distributed in eleven facilities, a worldwide-based sale & technical service network and almost 1,200 employees allow the Group to combine multi-cultural skills and experience and to be a truly global enterprise.*

*SAES Group's headquarters are based in Milan.*

*SAES Getters S.p.A. is listed on the Italian Stock Exchange Market, Euronext STAR segment, since 1986.*

*More information on the SAES Group is available at the website [www.saesgroup.com](http://www.saesgroup.com).*

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