

Finalisation of the acquisition of Solutions For Tomorrow (SFT) DMS Group expands into mobile medical imaging

- **A strategic acquisition at the cutting edge of medical imaging**
- **Motorised mobile equipment that offers high added value**
- **A value-creating transaction:**
 - **strengthening the Group's competitive positioning**
 - **considerable operational, commercial and technological synergies**

03 October 2023 - 6.00 p.m. - Diagnostic Medical Systems Group (Euronext Growth Paris: FR0012202497 - ALDMS and FR001400IAQ8 - DMSBS), a specialist in **high-performance medical imaging systems** for **digital radiology** and **bone densitometry**, announces the completion of its acquisition of *Solutions For Tomorrow*, a specialist in mobile X-ray equipment. This acquisition will be carried out entirely through a stock swap.

Solutions For Tomorrow: a cutting-edge mobile X-ray specialist operating in 35 countries

Solutions For Tomorrow (<https://solutionsfortomorrow.se/>) is a Swedish company based in Väckelsång. It was founded in 2011 by three radiology experts, Mattias Guldstrand, Martin Yngvesson and Jan Bååt.

Solutions For Tomorrow specialises in motorised mobile medical imaging equipment. It offers a range of high-performance, industry-leading solutions with unrivalled compactness, ergonomics and power, protected by 15 patents, and backed by its proprietary X-tech cell® battery technology at the cutting edge of innovation.

Solutions For Tomorrow has an installed base of more than 500 units deployed in 35 countries. It has 23 employees in 2022.

A strategic acquisition addressing a fast-growing market

Ultra-mobile products are at the forefront of new trends in the medical imaging market, which is moving towards a more decentralized model of care, driven by an aging population and the development of chronic diseases such as cancer and heart disease, establishing mobile radiology as an important factor in maintaining sustainable healthcare systems.

Mobile digital medical imaging significantly improves the efficiency of patient care, both in terms of diagnosis and therapeutic procedures, thanks to better image quality, faster treatment times and reduced doses.

The acquisition of SFT strengthens the DMS Group's position in this fast-growing digital mobile market, and further advances DMS Group's "One Stop Shop" product strategy.

A value-creating operation with strong synergies

For DMS Group, the SFT acquisition offers strong synergies, perfectly in line with the strategic plan:

- **Commercial synergies**, with an expanded premium offering to cover fast-growing market demand and accelerate geographic penetration in strategic areas, such as the US market (estimated at 1,500 units/year), where motorization of mobile equipment remains mainstream; beyond this offering broadening, the integration of Solutions For Tomorrow will also strengthen DMS's positions with its key OEM customers and pave the way for new partnerships;
- **Industrial and technological synergies**, with continued industrial optimization and dual technological expertise in X-ray tube manufacture along with a state-of-the-art battery solution, to be further reinforced by the development of a multiplatform version of DMS' proprietary ADAM software to optimize workflow management and the quality of radiological images;
- **Operational synergies** (e.g. purchasing and marketing resources), capitalizing on growing critical size;

The integration of Solutions For Tomorrow will speed up execution of the Imaging 2027 plan and accelerate DMS Group's attainment of critical size, to achieve sales of at least €70 million associated with an EBITDA margin of 14%.

The acquisition of Solutions For Tomorrow marks the first milestone in DMS Group's European consolidation ambition, and offers a solid foundation for future external growth to create a genuine consolidation platform for the European medical imaging sector and a vital partner for the sector's major players.

Samuel Sancerni, Chairman of DMS Group said: *“We are very excited at the idea of welcoming Solutions For Tomorrow into our Group. The complementary nature of our offers and our capacity for joint innovation will enable us to speed up our value strategy and conquer new markets on a global scale. This acquisition is also a reflection of our ambition to develop a genuine sector of excellence for medical imaging in France and Europe. The management and teams at Solutions For Tomorrow share our vision and our values and will be fully committed to working alongside us. We look forward to welcoming this talented team and sharing our ambition with them.”*

Mattias Guldstrand, CEO and Co-founder of Solutions For Tomorrow AB said: *“We are excited about the merger with DMS and becoming a part of a strong player in the medical imaging market. There are many opportunities for expansion by joining forces. One example is the True X-Ray Mobility, a unique mobile X-ray device developed by Solutions For Tomorrow. Through the DMS Group's extensive distribution network, we will be able to accelerate its worldwide commercialization.”*

Marko Järvinen, Partner at Verso Capital said: *“We are excited to take this next step with Solutions for Tomorrow and DMS, as the combined company can offer a very attractive range of market-leading medical imaging solutions and bone densitometry through a single sales channel. Verso Capital fully supports the DMS management growth ambitions and look forward to continued cooperation to enable accelerated growth for the DMS Group.”*

Transaction overview

In return for the contribution of 100% of Solutions For Tomorrow shares, its main shareholder Verso Capital, a leading Nordic investment fund with strong healthcare expertise, and the other co-shareholders will receive 2,753,818 DMS SA shares, of which 789,533 DMS SA treasury shares and 1,964,285 newly issued shares.

On completion of the transaction, Verso Capital will hold approximately 15% of DMS SA's share capital via Verso Fund III, becoming a new reference shareholder who will partner with the management team over the long term and fully support DMS's ambition to consolidate the medical imaging sector in Europe in the long term.

About DMS Group:

DMS Imaging is an industrial company that develops, designs and manufactures industry-leading medical imaging systems, mainly for digital radiology and bone densitometry, and has its own production centre in the south of France (Gallargues-le-Montueux). With more than 40 years of experience, DMS Imaging has an established network of 140 distributors worldwide and is part of several major international OEM partnerships. DMS Group is listed on the Euronext Growth stock exchange in Paris (ISIN: FR0012202497 - Ticker: ALDMS) and is eligible for the SME personal equity plan (PEA-PME). On 13 June 2023, DMS Group awarded share subscription warrants listed on the Euronext Growth market in Paris (ISIN: FR001400IAQ8 - Ticker: DMSBS) and exercisable until 12 September 2025.



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