

ArchiMed invests in PlasmidFactory, a German gene and cell therapy specialist

PlasmidFactory is the second investment of ArchiMed's MED Platform II, which began fundraising in January.

Press Release

September 28, 2022 - Trans-Atlantic private equity healthcare specialist ArchiMed has invested in Bielefeld, Germany-based PlasmidFactory. Founded in 2000, PlasmidFactory is the leading contract manufacturer and service provider for plasmid and minicircle DNA. PlasmidFactory develops and manufactures exceptionally high-grade plasmids and minicircles, used to modify cells and produce viral gene therapy vectors like AAV, LV and mRNA for combating everything from viruses like COVID-19 to seemingly intractable diseases like cancer, cystic fibrosis, heart disease, diabetes, hemophilia and AIDs (including CAR-T cell applications). Plasmids are notably a key component for the production of mRNA COVID-19 vaccines.

PlasmidFactory is the second buy-and-build investment of ArchiMed's MED Platform II fund, which began fundraising in January. The fund currently exceeds in size its predecessor fund, the fully-invested, €1.5 billion MED Platform I fund. A final target size for MED Platform II has not been disclosed.

"Plasmids, and cell and gene therapies in general, offer enormous potential to improve healthcare," says ArchiMed partner Loïc Kubitza. "Combining ArchiMed's financial power and international healthcare network with PlasmidFactory's know-how and processes should scale up the group's production and sales."

"Even with accelerated roll-outs, demand for plasmids is likely to vastly exceed supply for years to come," says Dr. Martin Schleef, founder and CEO of PlasmidFactory. "ArchiMed will act as our key catalyst for rapid and efficient expansion in a highly complex domain that few generalist investors and few healthcare investors, understand." Schleef and his management team will remain in place, with the former rolling over a substantial portion of his proceeds in the group.

PlasmidFactory has seen its revenues grow an average of 100 percent annually since 2019. The company opened a new HQ (High Quality) production facility in May, 2022 that generates exceptionally pure, cutting-edge plasmids. With the investment and support of ArchiMed, PlasmidFactory will shortly fund the construction of an even larger GMP (Good Manufacturing Practices) compliant facility. "At the heart of this deal is an opportunity to leverage through carefully planned expansion PlasmidFactory's unrivaled reputation as provider of exceptionally pure materials for gene and cell therapy," says ArchiMed partner Antoine Faguer. "The synergistic effects of the ArchiMed portfolio network, now including PlasmidFactory, will significantly contribute to the acceleration of clinical research with DNA of the highest [GMP] quality," adds Dr. Schleef.

The MED Platform funds partner with growing companies in the European and North American mid-cap healthcare sectors, buying stakes in companies, in association with existing owners and managers. The funds provide companies with the strategic, tactical and financial resources they need to broaden product lines and expand into new regions, organically and through acquisitions.

MED Platform II has raised in excess of €2 billion since launching fundraising in January, which makes it one of the largest healthcare buyout funds at a global level and the largest ever in Europe. It has an investor re-up rate of almost 100 percent, with the typical commitment larger than the average

commitment to MED Platform I. MED Platform II will target 10 to 12 investments versus the seven MED Platform I targeted. MED Platform II has attracted a wide-range of institutional and family office investors, with respectively 50 percent, 40 percent and 10 percent coming from Europe, North America and the Asia-Pacific region. In July, MED Platform II made its first acquisition, a \$1.1 billion take-private purchase of Nasdaq-listed Natus Medical, a global leader in neurodiagnostic devices.

MED Platform I closed on commitments of €1.5 billion in 2020 (€1.0 billion excluding co-investment vehicles), then a record for a Europe-based private equity healthcare fund. The fund has distributed 70 percent of its invested capital. Its total performance stands at 2.2 times invested capital, equal to a 69 percent annualized return. This makes MED Platform I a top-decile performer for all buyout funds launched in 2019, according to Preqin data. ArchiMed's smallcap fund, MED II, is also a top-decile buyout fund performer for the 2018 vintage. Its predecessor smallcap fund, MED I, is the best performing buyout fund in the world for the 2014 vintage.

About ArchiMed - www.archimed.group - With offices in the US and Europe, ArchiMed is a leading investment firm focused exclusively on healthcare industries. Its mix of operational, medical, scientific and financial expertise allows ArchiMed to serve as both a strategic and financial partner to North American and European healthcare businesses. Prioritized areas of focus include Biopharmaceutical Products & Services, Life Science Tools, Medical Devices & Technologies, Diagnostics, Health Technologies & Software and Consumer Health. ArchiMed helps partners internationalize, acquire, innovate and expand their products and services. Over the last twenty years, ArchiMed's leadership team has directly managed and invested in over eighty small- to large-size healthcare companies globally, representing over €50 billion of combined value. ArchiMed manages more than €5 billion across its various funds. Since inception, ArchiMed has been a committed impact investor, both directly and through its Eurêka Foundation.

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About PlasmidFactory - www.plasmidfactory.com

PlasmidFactory GmbH & Co. KG is a globally active biopharmaceutical company, founded in Bielefeld, Germany, in 2000. The leading contract manufacturing organization (CMO) for plasmid and *minicircle* DNA has a strong customer base in the fields of cancer research, gene and cell therapy, CAR T-cell development, and vaccination. The company offers the production of plasmids and *minicircles* in several quality grades: Research Grade and ccc Grade for research purposes and pre-clinical applications, High Quality (HQ) Grade as starting material for e.g. GMP production of RNA and viral vectors. HQ is produced in PlasmidFactory's own separate, dedicated HQ production area with new laboratories to produce highly purified plasmid DNA.

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