

JUNE 2020 DEAL OF THE MONTH

CLAIRFIELD
INTERNATIONAL

CLAIRFIELD ADVISES RICHARDS PACKAGING INCOME FUND ON THE ACQUISITION OF CLARION MEDICAL TECHNOLOGIES

CANADA



acquired



PACKAGING

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Transaction summary

Richards Packaging Income Fund (TSX: RPI.UN) completed the acquisition of all of the outstanding shares of Clarion Medical Technologies, a Canadian provider of medical, aesthetic, vision care and surgical equipment, and consumables. The purchase price of CAD 64.4 million was financed by a CAD 35.0 million increase to the term credit, a CAD 2.9 million draw down on the revolving credit, CAD 16.0 million of cash on hand and a CAD 10.5 million holdback from the vendors. This purchase price is subject to additional consideration contingent on Clarion's future earnings.

Profile of the companies



Richards Packaging is the leading packaging distributor in Canada, and third largest in North America. Richards Packaging is a full-service packaging distributor targeting small- and medium-sized North American businesses. Richards Packaging has operated since 1912 and currently serves over 14,300 regional companies from 18 locations throughout North America.



Clarion Medical Technologies, founded in 1989, has grown to become one of Canada's largest medical companies, offering high performance products for aesthetic, otolaryngology, gynecology, urology and vision applications with products and services offered that include laser technologies, diagnostic equipment, skincare, dermal fillers, intra-ocular lenses, laser fibers, clinical education, laser safety, technical support, and regulatory and marketing services.

Transaction rationale

The acquisition will strengthen the position of Richards Packaging in the healthcare market, where its current platform includes Richards Pharma Solutions, Healthmark, and Dispill. It will also allow Clarion Medical to leverage the considerable resources of Richards Packaging to expand the reach of its healthcare innovations. Richards Packaging has a robust acquisition strategy and a committed debt facility of CAD 65 million and CAD 50 million accordion.

Clairfield role

Clairfield International acted as exclusive financial advisor to Richards Packaging.

Clairfield's role included a targeted acquisition search for Canadian healthcare and medical companies, whereby various screens and outreaches were conducted that led to the identification of Clarion Medical.

Following the acquisition search, Clairfield supported Richards Packaging through all aspects of deal evaluation and diligence. This included evaluating Clarion Medical's financial statements and operations, meeting with management, assessing strategic and synergistic opportunities, negotiating deal terms and purchase price, and support with all closing documents.

Clairfield continues to advise Richards Packaging as it looks to acquire other Canadian healthcare and medical businesses.

Deal team: Ken Moore, Peter Brown, Rebecca Hoffer

Selected Clairfield International acquisitions for public companies

ITALY



acquired



GERMANY



acquired
alo
from



SOUTH KOREA/US




acquired certain
assets of



GERMANY/JAPAN



acquired



AUSTRALIA



invested in



POLAND



acquired



US/UK



acquired




FRANCE/GERMANY




acquired



UK



acquired



AUSTRALIA/
NEW ZEALAND



was sold to



FRANCE/BELGIUM



acquired



CANADA/GERMANY



acquired




GERMANY/US/FRANCE




acquired



GERMANY/FRANCE



acquired



GERMANY



acquired the German
operation of



Leading independent M&A advisor for midmarket deals

Clairfield International was founded in 2005 by four European M&A boutiques and has since expanded to encompass all major economies worldwide with the addition of knowledgeable partners in key markets.

Our strengths are our entrepreneurial spirit, local expertise, industry know-how, and close bonds among all team members spanning the globe.

Clairfield ranks as one of the top independent M&A advisors in league tables worldwide. In 2020 Clairfield celebrates 15 years since its founding.

CONTACT
Ken Moore
Partner
kmoore@clairfield.com

Clairfield International Canada
70 University Avenue,
Suite 1400, Box 21 Toronto,
Ontario
+1 (416) 340 7200

For more information on
Clairfield International,
contact:
press@clairfield.com