



## **Metall Zug and Miele create joint venture in Infection Control and Life Science area - Belimed and Steelco bundle forces**

**Metall Zug and Miele have signed an agreement under which Metall Zug will contribute Belimed AG and Belimed Life Science AG, and Miele will contribute Steelco Group into a new joint venture to be established. Metall Zug will participate in the joint venture based in Zug with 33% and Miele with 67%.**

The joint venture will be jointly managed, with Metall Zug providing two out of the five board members. Operational management is intended to be carried out by a composite team with representatives from Belimed, Steelco and Miele. A shared brand identity is planned for the future, which will take into account the roots of both companies.

The joint venture is designed for a period of 10 years. Metall Zug makes a long-term commitment - both financially and in terms of personnel engagement. The areas of Infection Control (hospital sector) and Life Science (pharma and laboratories) will remain largely independent Business Units within the joint venture, with a focus on the respective specific customer needs.

The transaction is subject to the approval of the relevant authorities. The approval of the authorities is expected in the first half of 2024.

### **Background and market environment**

The global healthcare and life science market has become one of the fastest growing industries worldwide in recent years. Demand for equipment, services and chemicals for the cleaning, sterilization and disinfection of medical and surgical instruments and of pharmaceutical products has grown. This mainly due to the increasing number of medical surgeries and the increased requirements for hygiene standards in hospitals and laboratories. Life Science is further benefiting from the continued re-shoring of pharmaceutical manufacturers and capacity expansions in the production of vaccines and cancer medications.

The increasing number of sterilized goods results in customers demanding higher throughput, faster cycle times, higher automation rates and integrated solutions. This is linked to investments in additional capacities, new technologies and overall digitalization.

### **Aim of the transaction**

The transaction represents a unique strategic option for both companies involved and offers a promising and sustainable perspective in the combined group. "Steelco and Miele are strong and reliable partners whose dynamic growth and long-standing expertise make them an excellent match for us and our shared plans for the future," explains Martin Wipfli, Chairman of the Board of Directors of Metall Zug AG. The combination will significantly strengthen the market position of both companies. Through the bundling of their forces in the joint venture, Belimed and Steelco can speed up their development to become the most innovative and customer-oriented provider in the field of infection control and life science. The joint venture aims to combine the best of both companies by exploiting synergies, sharing know-how and experience, and optimizing the global production and distribution network, while at the same time driving forward the development of high-quality products and digital solutions. The combination will release growth and cost synergies on the one hand but will also involve additional investments on the other.



The existing headquarters and production sites of Belimed Infection Control and Life Science in Zug, Sulgen and Grosuplje will generally be retained. In addition to efficiency improvements and focussing, investments will also be made in these sites.

Together, Belimed and Steelco have set out to become the most reliable partner for complete solutions and to offer customers a unique approach. Belimed is characterized by its strong regional presence in growth markets, particularly in the USA and China, with a large installed base and a strong service business. Belimed also has excellent expertise in the area of new digital solutions (SmartHub). Steelco, on the other hand, brings its broad and competitive portfolio of washer-disinfectors, its fast innovation cycles and its expertise in automation and workflow management. In addition, Steelco has a strong presence in Europe.

### **Advantages of the joint venture for customers and employees**

The customers benefit from an expanded and more efficient product portfolio with customized solutions as well as from a competent and fast service. At the same time, there is potential for synergies in research & development, production, marketing and service for an even more innovative, customer-centred approach.

The joint venture partners as well as Belimed and Steelco share comparable values and complement each other in their markets, products and competences. The transaction will open up new perspectives and growth opportunities for all parties involved, including the employees. To be successful, the joint venture is relying on their cooperation, expertise and experience.

We thank all of you for your valued co-operation and hope that you will continue to support us in the challenges ahead in cooperation with Steelco and Miele.

For Metall Zug AG

Martin Wipfli  
Chairman of the Board Metall Zug AG

Matthias Rey  
CEO Metall Zug AG