

Ergoresearch to Acquire Victhom

PR Newswire

LAVAL, QC, April 24, 2013 /CNW Telbec/ - [Ergoresearch Ltd.](#) [1] (TSXV: ERG) ("**Ergoresearch**") and Victhom Human Bionics Inc. (TSXV: VHB) ("**Victhom**") announced today that the Superior Court of Québec has issued a final order approving the previously-announced plan of arrangement relating to the acquisition by Ergoresearch Inc. (the "**Purchaser**"), a direct wholly-owned subsidiary of Ergoresearch, of Victhom. The arrangement was approved by 94.9% of the votes cast by the common shareholders of Victhom, 100% of the votes cast by the Series A preferred shareholders and 97.5% of the votes cast, excluding interested parties, by all shareholders; either present in person or represented by proxy at the special meeting held on April 23, 2013.

Closing of the transactions contemplated by the plan of arrangement is expected to occur on April 26, 2013. Victhom will amalgamate with the Purchaser and the amalgamated entity will be a wholly-owned subsidiary of Ergoresearch, operating under the name "Victhom Laboratory Inc.". Current holders of common shares of Victhom will receive \$0.08 in cash per share and current holders of the class A preferred shares of Victhom will receive a cash amount equal to \$2,556,188 divided by the number of issued and outstanding series A preferred shares on closing of the arrangement.

Ergoresearch is acquiring a company with no long-term debt on its balance sheet, cash on hand of approximately \$1.3 million and a portfolio patents in the field of orthotics and prosthetics via worldwide license with Ossur and Otto Bock . This transaction will positively impact Ergoresearch's cash flow immediately, given that administrative synergies are already in place. Ergoresearch also announced that the Purchaser has entered into a consulting agreement and a services and royalty agreement with Normand Rivard to ensure a proper transition of the transfer of the technologies and know-how to Ergoresearch.

The common shares of Victhom will be delisted from the TSX-V and the resulting amalgamated entity will obtain private corporation status.

Sylvain Boucher , President and Chief Executive Officer of Ergoresearch and the Purchaser, said: "This acquisition enriches Ergoresearch's offering by reinforcing our position as a leader in the field of manufacture of "intelligent" foot orthotics and specialty orthotics. The complementary nature of our technology and our expertise will allow us to offer an even wider range of solutions to our customers and to better position Ergoresearch in terms of future national and international development," he said, noting that an integration plan deriving maximum combined capacity of both companies is already in progress.

"We are delighted to integrate Victhom's expertise into our research and development unit. Its innovative bionic devices are among the most advanced in

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Published on Medical Design Technology (<http://www.mdtmag.com>)

the world, including the Power Knee, the only motorized prosthetic artificial intelligence for amputees above the knee."

The marketing of this product is expected to accelerate in the coming months now that Ossur, partner and global licensee of the Power Knee, has received the reimbursement code by the Centers for Medicare & Medicaid Services (CMS). "Obtaining this code was a crucial milestone for the more mainstream adoption of this innovative product. It confirms that the benefits offered by bionic products represent the future of prosthetics and it reinforces our confidence in the royalty potential that can be generated by sales of the Power Knee," concluded Mr. Boucher.

McCarthy Tétrault LLP is acting as legal counsel to Victhom and Fasken Martineau DuMoulin LLP is acting as legal counsel to the Purchaser and Ergoresearch.

About Ergoresearch

Ergoresearch has developed Quebec's leading network of orthotics clinics, with over 100 corporate and satellite centres under the Clinique du pied Équilibre, Orthoconcept, Podotech and Laboratoire Langelier banners. The leading manufacturer of "intelligent" foot orthotics and specialty orthotics, it is a trend-setter in creating durable medical equipment and software for the orthopedics market. Ergoresearch has developed and commercialized Expert-Fit™, the first robotized custom-fit orthotics manufacturing software program, launched the first Living Lab in Canada and more recently, a new generation of world-patented orthotic device called the OdrA, that revolutionizes the treatment of pain associated with knee osteoarthritis. Ergoresearch Ltd is listed on the Toronto Stock Exchange (TSXV) under the symbol ERG.

About Victhom

Victhom is a company which owns patents in the field of orthotics and prosthetics ("O&P"), including intellectual property used in the POWER KNEE, the world's first and only motor-powered prosthesis for above-knee amputees, a product distributed under license agreement by Ossur, a global leader in the O&P market. The Company also has a royalty agreement related to the Neurostep® System and neuromodulation products in other indications (sleep apnea and epilepsy) using the Neurobionix technology platform under development by Neurostream Technologies, a General Partnership now owned by Otto Bock, a global leader in the O&P market.

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