UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **January 17, 2021**

HAEMONETICS CORPORATION

(Exact name of registrant as specified in its charter)

Massachusetts	**001-14041**	**04-2882273**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

125 Summer Street
Boston, MA 02110
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: **781-848-7100**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, $.01 par value per share	HAE	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging Growth Company
☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01 Entry into a Material Definitive Agreement.

On January 17, 2021, Haemonetics Corporation (the “Company”) entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Cardiva Medical, Inc., a Delaware corporation (“Cardiva”), Concordia Merger Sub, Inc., a Delaware corporation and wholly-owned subsidiary of the Company (“Merger Sub”), and Fortis Advisors LLC, a Delaware limited liability company, as the Seller’s Representative, pursuant to which Merger Sub will merge with and into Cardiva, with Cardiva surviving as a wholly-owned subsidiary of the Company (the “Merger”). The Company will pay upfront consideration of $475 million in cash, subject to customary working capital and certain other adjustments as of the closing of the Merger (the “Closing”), as well as up to an additional $35 million in contingent consideration payable over the next two years based on sales growth.

The Merger Agreement provides that, subject to the terms and conditions set forth therein, at the effective time of the Merger, unless otherwise specified in the Merger Agreement, all of the shares of common stock and preferred stock of Cardiva issued and outstanding immediately prior to the effective time of the Merger (other than certain stock owned by the Company or Cardiva and certain dissenting shares, if any) will no longer be outstanding and will automatically be cancelled and will be retired and cease to exist, and each holder thereof will cease to have any rights with respect thereto, except the right to receive the applicable consideration calculated as set forth in the Merger Agreement.

In addition, each in-the-money option to purchase shares of common stock of Cardiva that is outstanding (whether vested or unvested) immediately prior to the Closing will automatically be cancelled and only entitle the holder of such option to receive an amount of cash calculated as set forth in the Merger Agreement, without interest. Each warrant that is outstanding immediately prior to the Closing will automatically be cancelled and each holder thereof will be entitled to receive an amount of cash calculated as set forth in the Merger Agreement, without interest. In addition, certain of Cardiva’s employees will be entitled to change in control bonus payments under Cardiva’s employee retention plan provided that such employee remains employed by Cardiva immediately prior to the Closing.

The Merger Agreement contains representations, warranties and covenants by the parties customary for a transaction of this nature, including covenants with respect to cooperation, regulatory approvals, the conduct and operation of Cardiva prior to the closing (including Cardiva’s agreement not to solicit alternative transactions or enter into discussions concerning, or provide confidential information in connection with, an alternative transaction) and similar matters. Other than in the case of fraud, Cardiva will have no obligation to indemnify the Company under the Merger Agreement for breaches of representations or warranties with respect to Cardiva, and the Company’s recourse for any such breaches will be limited to a representations and warranties insurance policy to be purchased by the Company prior to the Closing.

On January 17, 2021, following execution of the Merger Agreement, Cardiva delivered the written consent of a majority of each of the common stock and preferred stock holders of Cardiva, voting on an as converted basis, approving and authorizing the Merger pursuant to the Merger Agreement, which is sufficient to satisfy the stockholder vote requirement for the Merger under applicable law and Cardiva’s charter documents.

The transaction is not subject to a financing contingency, and the Company expects to finance the transaction through a combination of its cash on hand, revolving credit facility and an additional $150 million term loan under its existing credit facility. The Merger Agreement also contains certain termination rights, including, among others, the right of either party to terminate the Merger Agreement if the Merger has not occurred by April 17, 2021 and the failure to consummate is not caused by a breach of the Merger Agreement by the terminating party.

The Merger is expected to close in the first quarter of calendar 2021 and is subject to the satisfaction or waiver of certain customary mutual closing conditions. The Merger Agreement and the Merger have been unanimously approved by the boards of directors of the Company and Cardiva.

The foregoing description of the Merger Agreement and the transactions contemplated thereby does not purport to be complete and is qualified in its entirety by reference to the full text of the Merger Agreement, a copy of which will be filed with the Company’s Quarterly Report on Form 10-Q for the fiscal quarter ended December 26, 2020.

The above description of the Merger Agreement is not intended to provide any other factual information about the Company, Cardiva, or their respective subsidiaries or affiliates. The representations, warranties and covenants contained in the Merger Agreement were made only for purposes of the Merger Agreement and only as of specific dates, were solely for the benefit of the parties to the Merger Agreement, and may be subject to limitations agreed upon by the parties in connection with negotiating the terms of the Merger Agreement, including being qualified by confidential disclosures made by each party to the other for the purposes of allocating contractual risk between them. In addition, certain representations and warranties may be subject to a contractual standard of materiality different from those generally applicable to investors and may have been used for the purpose of allocating risk between the parties rather than establishing matters as facts. Information concerning the subject matter of the representations, warranties and covenants may change after the date of the Merger Agreement, which subsequent information may or may not be fully reflected in public disclosures by the Company or Cardiva. Investors should not rely on the representations, warranties or covenants or any description thereof as characterizations of the actual state of facts or condition of the Company, Cardiva or any of their respective subsidiaries, affiliates or businesses.

Item 7.01 Regulation FD Disclosure.

On January 20, 2021, the Company issued a press release announcing its entry into the Merger Agreement and that the Company will hold a conference call with financial analysts and investors at 8:00 a.m. Eastern Time on January 20, 2021 to discuss the announcement of the Merger Agreement and answer questions. A copy of the press release is attached to this Current Report on Form 8-K as Exhibit 99.1.

The information furnished in this Item 7.01 shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of such section, nor shall such information be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of the general incorporation language of such filing, except as shall be expressly set forth by specific reference in such filing.

Cautionary Note Regarding Forward-Looking Statements

This Current Report on Form 8-K contains forward-looking statements about the Merger Agreement and the Merger, including, but not limited to, statements related to the timing of completion of the Merger and the consummation of the Merger, the anticipated financing of the Merger and other statements that are not historical facts. Such forward-looking statements are not meant to predict or guarantee actual results, performance, events or circumstances and may not be realized because they are based upon the Company's current projections, plans, objectives, beliefs, expectations, estimates and assumptions and are subject to a number of risks and uncertainties and other influences. Actual results and the timing of certain events and circumstances may differ materially from those described by the forward-looking statements as a result of these risks and uncertainties, which include, without limitation, the risk that the Merger may not be completed in a timely manner or at all due to, among other factors, failure to receive required regulatory approvals or satisfy other closing conditions, and the risk that using debt to finance, in part, the Merger will substantially increase the Company's indebtedness. Investors should consult the Company's filings with the Securities and Exchange Commission (including the Company's reports on Forms 10-K, 10-Q and 8-K) for information about additional risks and uncertainties that could cause the Company's actual results to differ materially from these forward-looking statements. The Company undertakes no duty or obligation to update any forward-looking statements contained in this Current Report on Form 8-K as a result of new information, future events or changes in its expectations.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Press Release issued by Haemonetics Corporation on January 20, 2021
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HAEMONETICS CORPORATION

January 20, 2021	By:	/s/ Christopher A. Simon
	Name:	Christopher A. Simon
	Title:	President and Chief Executive Officer

Exhibit 99.1

HAEMONETICS®

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HAEMONETICS TO ACQUIRE CARDIVA MEDICAL, INC. TO EXPAND HOSPITAL PORTFOLIO

- Enhances penetration into the large and growing interventional cardiology and electrophysiology markets
- Offers products with demonstrated and differentiated clinical benefits
- Expected to be accretive to revenue growth, gross margins and adjusted gross margins while providing attractive financial returns
- Purchase price of up to $510 million cash

BOSTON, MA, January 20, 2021 - Haemonetics Corporation (NYSE: HAE) ("Haemonetics"), a global medical technology company focused on delivering innovative medical solutions to drive better patient outcomes, today announced that it has entered into a definitive agreement to acquire privately-held Cardiva Medical, Inc., ("Cardiva") an industry-leading manufacturer of vascular closure systems based in Santa Clara, California. Under the terms of the agreement, Haemonetics will acquire Cardiva for an upfront cash payment of $475 million at closing and up to an additional $35 million in contingent consideration based on sales growth. The acquisition is subject to customary closing conditions and is expected to be completed in the first quarter of calendar 2021.

Cardiva's portfolio includes two catheter-based vascular access site closure devices. The VASCADE® vascular closure system is designed for "small-bore" femoral arterial and venous closure, generally used in interventional cardiology and peripheral vascular procedures, and is the only marketed closure device to significantly reduce access site complications versus manual compression. The VASCADE MVP® vascular closure system is designed for "mid-bore" multi-access femoral venous closure, generally used in electrophysiology procedures, and is the only FDA approved closure device for use following cardiac ablation procedures requiring two or more access sites within the same vessel. Both devices include Cardiva's proprietary collapsible disc technology and a resorbable collagen patch to achieve hemostasis.

Chris Simon, Haemonetics' President and CEO, said, "We are excited to add Cardiva's vascular closure technology to our portfolio and look forward to welcoming their talented team. This acquisition immediately expands and diversifies our hospital offerings in the large and growing interventional cardiology and electrophysiology markets and aligns with our innovation agenda."

John Russell, Cardiva's President and CEO, added, "We are delighted to become part of a company that shares our commitment to technology leadership and meaningfully advancing patient care in some of the most critical areas of medicine. We believe that Haemonetics' history of leadership in hemostasis management makes the Company an ideal partner to realize the full potential of our VASCADE platform technology."

The acquisition is expected to deliver about $65-$75 million of revenue in the first fiscal year. The transaction is expected to be dilutive to adjusted net earnings per diluted share by ($0.15 - $0.20) in fiscal year 2022 and about neutral to adjusted net earnings per diluted share in fiscal year 2023. The acquisition is expected to deliver a rate of return on invested capital of 10% by year five.

Haemonetics plans to finance this acquisition through a combination of cash, existing revolving credit facility and an additional $150 million term loan. Following this acquisition, the Company debt to EBITDA ratio, as calculated in accordance with the terms set forth in the Company's existing Credit Agreement, is expected to be approximately 3.2.

In connection with this transaction, Moelis & Company LLC is serving as financial advisor to Haemonetics and DLA Piper is serving as legal advisor. Additionally, J.P. Morgan Securities LLC is acting as financial advisor to Cardiva and Cooley LLP is serving as legal advisor.

Conference Call and Webcast Information

Haemonetics will host a conference call and webcast to discuss additional details regarding the proposed transaction on January 20 at 8:00AM ET. The dial-in numbers for the conference call are (877) 848-8880 (domestic) or (716) 335-9512 (international). Conference ID number is 5838449.

The conference call and webcast can also be accessed via the following link: https://edge.media-server.com/mmc/p/gumu3nq4

A replay of the conference will be available from January 20, 2021 11:00AM ET for one year using the link above.

About Haemonetics

Haemonetics (NYSE: HAE) is a global healthcare company dedicated to providing a suite of innovative medical products and solutions for customers, to help them improve patient care and reduce the cost of healthcare. Our technology addresses important medical markets: blood and plasma component collection, the surgical suite and hospital transfusion services. To learn more about Haemonetics, visit www.haemonetics.com.

About Cardiva Medical, Inc.

Cardiva Medical, Inc. is a privately held medical device company focused on transforming vascular closure for the benefit of patients, hospitals and physicians in the over 5.5 million catheter-based coronary, peripheral and electrophysiology procedures in the United States that require access site closure each year.

The Company's VASCADE® vascular closure system has been PMA-approved by the FDA since 2013 and is indicated for vessel closure following 5-7F arterial and venous procedures. VASCADE® is the only marketed closure system to demonstrate a statistically significant reduction in access site complications compared to the existing standard of care in a prospective, randomized, controlled clinical trial called RESPECT.

The latest product in the Company's portfolio is VASCADE MVP® Venous Vascular Closure System, the only marketed vessel closure technology designed specifically for Electrophysiology procedures – and clinically proven by Electrophysiology physicians in a multi-center, randomized, controlled clinical trial called AMBULATE. VASCADE MVP® received PMA approval in late 2018.

Cardiva has won numerous recent awards for clinical, commercial and operational excellence – including the Shingo Bronze Medallion. The Company is headquartered in Santa Clara, California.

To learn more about Cardiva Medical, visit www.cardivamedical.com

Cautionary Note Regarding Forward-Looking Statements

Any statements contained in this press release that do not describe historical facts may constitute forward-looking statements. Forward-looking statements in this press release may include, without limitation, plans and objectives of management for the operation of Haemonetics, statements regarding the timing of completion of the acquisition and the consummation of the acquisition, the anticipated financing of the transaction, the anticipated benefits to Haemonetics arising from the completion of the acquisition, the impact of the acquisition on Haemonetics' business strategy and future business and operational performance, and the assumptions underlying or relating to any such statement. Such forward-looking statements are not meant to predict or guarantee actual results, performance, events or circumstances and may not be realized because they are based upon Haemonetics' current projections, plans, objectives, beliefs, expectations, estimates and assumptions and are subject to a number of risks and uncertainties and other influences. Actual results and the timing of certain events and circumstances may differ materially from those described by the forward-looking statements as a result of these risks and uncertainties. Factors that may influence or contribute to the inaccuracy of the forward-looking statements or cause actual results to differ materially from expected or desired results may include, without limitation, the failure to realize the anticipated benefits of the acquisition or the acquisition, its announcement or pendency having an unanticipated impact, Haemonetics’ ability to predict accurately the demand for products and products under development by it and Cardiva and to develop strategies to successfully address relevant markets, the impact of competitive products and pricing, technical innovations that could render products marketed or under development by Haemonetics or Cardiva obsolete, risks related to the use and protection of intellectual property, the risk that the transaction may not be completed in a timely manner or at all, and the risk that using debt to finance, in part, the acquisition will substantially increase Haemonetics’ indebtedness. These and other factors are identified and described in more detail in Haemonetics’ filings with the U.S. Securities and Exchange Commission (“SEC”). Haemonetics does not undertake to update these forward-looking statements.

Supplemental Information – Reconciliation of GAAP to Non-GAAP Financial Measures:

The following tables contain financial measures that are considered “non-GAAP” financial measures under applicable SEC rules and regulations. Management uses non-GAAP measures to monitor the financial performance of the business, make informed business decisions, establish budgets, and forecast future results. Performance targets for management are also based on certain non-GAAP financial measures. These non-GAAP financial measures should be considered supplemental to, and not a substitute for, Haemonetics Corporation's reported financial results prepared in accordance with U.S. GAAP.

Haemonetics Corporation

Reconciliation of Expected Dilutive Impact on Net Earnings Per Diluted Share to Expected Adjusted Net Earnings per Diluted Share from Acquisition of Cardiva

	Fiscal Year 2022		**Fiscal Year 2023**	
	Low	**High**	**Low**	**High**
Expected – Dilutive Impact on Net Earnings Per Diluted Share (GAAP)	**$(0.26)**	**$(0.21)**	**$(0.06)**	$ -
Deal Costs[1]	$(0.01)	$(0.01)	$(0.01)	$(0.01)
Integration Costs[2]	$(0.05)	$(0.05)	$(0.01)	$(0.01)
Total GAAP Adjustments	$(0.06)	$(0.06)	$(0.02)	$(0.02)
Expected – Dilutive Impact on Adjusted Net Earnings Per Diluted Share (Non-GAAP)	**$(0.20)**	**$(0.15)**	**$(0.04)**	**$ 0.02**

1) Expected third party costs related to this transaction, including banker fees, fees to financial and legal advisors.
2) Expected acquisition and integration-related costs associated with this transaction.