

Press Release

Medios AG: Sales increase to more than €1 billion through acquisition of Cranach Pharma GmbH

- Significant expansion of market position through acquisition of the specialized wholesaler Cranach Pharma
- Strengthening of Medios as a Specialty Pharma competence partner for independent specialized pharmacies

Berlin, 26 November 2020 – Medios AG (“Medios”) today concluded a purchase agreement with BMSH GmbH for the acquisition of the specialized pharmaceutical wholesaler Cranach Pharma GmbH (“Cranach”), Hamburg. The acquisition of Cranach is intended to enable Medios to position itself more strongly as a full-service provider in the Specialty Pharma sector. As a result, group sales of Medios in the 2021 financial year will increase significantly year-on-year to over €1 billion. Consolidated earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted for extraordinary expenses*, are expected to increase to around €36 million and consolidated earnings before taxes (EBT), adjusted for extraordinary expenses*, to around €30 million. The Company will announce a concrete outlook in the first quarter of 2021 when it announces its preliminary figures for the 2020 financial year.

Manfred Schneider, CEO of Medios AG: “With this acquisition, a new era for Medios is now beginning. The takeover gives us the potential to exploit synergies not only in trading but also in manufacturing. We are also expanding our range of products and services as well as our partner network from currently around 330 to around 500 specialized pharmacies. I am particularly pleased that from now on we will be working together to improve patient-specific pharmaceutical supply on site and further consolidate our position as a competence partner for independent specialized pharmacies in Germany.”

Cranach has more than 20 years of established supplier relationships with the leading pharmaceutical companies in Germany and focuses on pharmaceuticals in the fields of neurology, hemophilia, endocrinology as well as ophthalmology, rheumatology and oncology. These fields of indication complement the service spectrum of Medios. In 2019, Cranach achieved sales of around €503 million, an EBITDA of around €16.3 million and an EBT of around €15.3 million. For 2020, Cranach expects a slight increase in sales and earnings. There has already been a long-standing business relationship between Medios and Cranach; BMSH GmbH as current owner of Cranach also already holds a stake in Medios AG. With the acquisition, Medios intends, among other things, to significantly expand its market position in the nationwide supply of specialty pharmaceuticals. Furthermore, Medios expects to realize synergies, especially in purchasing, sales and logistics.

Matthias Gärtner, CFO of Medios AG: “With the successful completion of this acquisition, we can significantly broaden our growth base and achieve our medium-term sales target of more than one billion euros already next year. Our goal is also to sustainably strengthen our earnings. This will make us more attractive not only for partners but also for investors.”

As consideration for Cranach Pharma GmbH, 4,180,000 new Medios shares will be issued, which will be created from authorized capital within a capital increase against contribution in kind. This is approximately 20.6% of the share capital after implementation of the capital increase. The purchase price for Cranach thus amounts to roughly €120.8 million based on a share price of approximately €28.90 per Medios share. This will increase the share capital of Medios AG from €16,084,991 to €20,264,991. These new shares are subject to staggered lock-up periods of up to 24 months. In addition, Medios will provide funds of approximately €30 million in the course of the acquisition of Cranach in order to strengthen working capital and finance further growth.

The implementation of the acquisition is subject to approval by the German Federal Cartel Office. The closing of the transaction is planned for the first quarter of 2021.

***EBITDA** and **EBT** are adjusted for extraordinary expenses for stock options, M&A activities and amortization of the customer base.

About Medios AG

Medios AG is one of the leading Specialty Pharma companies in Germany. As a specialist for the provision of Specialty Pharma drugs to patients, GMP-certified provider of patient-specific therapies and innovative analytical methods, Medios covers substantial elements of the supply chain in this field and follows the highest international quality standards. Usually, Specialty Pharma drugs are high-priced medicines for rare and/or chronic diseases. Patient-specific therapies are, for example, infusions that are compiled and produced on the basis of individual diseases and parameters like body weight and surface. In the field of drug safety, NIR spectroscopic analysis methods (NIR: Near infrared) are used to distinguish marketable finished drugs from drug counterfeits. It is Medios' aim to provide integrated solutions along the value chain to partners and clients, thereby ensuring an optimal pharmaceutical care for patients.

Medios AG is Germany's first publicly listed Specialty Pharma company. The shares (ISIN: DE000A1MMCC8, DE000A288821) are listed in the Regulated Market of the Frankfurt Stock Exchange (Prime Standard). The Company is listed in the SDAX selection index.

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