

MEDS intends to list its shares on Nasdaq First North Growth Market and publishes company description

Meds Apotek AB ("MEDS" or the "Company"), a full-scale online pharmacy serving the Swedish outpatient market, today announces its intention to list the Company's shares on Nasdaq First North Growth Market (the "Listing"). In connection to the Listing, MEDS publishes a company description. The first day of trading is expected to be on 1 September 2022. The company description is available at MEDS' website, www.ir.meds.se.

The Company's board of directors believes that a listing on Nasdaq First North Growth Market constitutes an important step in the continued development and expansion of the Company. The Listing will also provide the Company with access to Swedish and international capital markets and broaden the shareholder base in the long term.

"Since MEDS was launched in 2018, we have achieved our goal of establishing a strong position in the Swedish pharmacy market. The direct listing on Nasdaq First North Growth Market is our next step. The board of directors and the management want to achieve a broader ownership base and give the company access to the capital market. We look forward to welcoming new shareholders and continuing our journey towards becoming Sweden's favorite pharmacy" says Björn Thorngren, CEO of MEDS.

Nasdaq Stockholm AB has announced that it will approve an application for admission to trading of the Company's shares on Nasdaq First North Growth Market, provided that certain customary conditions are fulfilled, including publication of a company description. The first day of trading in the Company's shares is expected to be on 1 September 2022.

The company description does not constitute a prospectus, has not been approved by the Swedish Financial Supervisory Authority and does not contain an offer to subscribe for or acquire the Company's shares or other financial instruments in Sweden or in any other jurisdiction. The company description includes, but is not limited to, information on the Company's business, market, financial position, risks and information on the board of directors, management and corporate governance.

About MEDS

MEDS launched in 2018 and is a full-scale online pharmacy serving the Swedish outpatient market. The Company offers its customers a broad range of products at attractive prices. MEDS sells prescription medicine and self-care products (over-the-counter, or OTC (non-prescription medicines) and traded goods) under a license from the Swedish Medical Products Agency, Swedish Food Agency and Swedish eHealth Agency. Traded goods include everything from beauty products, dietary supplements, children's products, physical fitness products, food and drink, electronics and household products.

MEDS is one of the fastest-growing online pharmacies in Sweden, with approximately 747,000 active customers as of June 2022. During 2019-2021, revenue increased with a compound annual growth rate (CAGR) of 128 per cent. The Company's head office is located in Stockholm, and as of June 2022 the number of employees was 207.

Financial overview

The following table shows selected performance measures of MEDS.

	1 Jan - 30 Jun 2022 <i>Group</i>	2021 <i>Parent company</i>	2020 <i>Parent company</i>
<i>MSEK</i>	IAS 34	RFR 2	RFR 2
Net sales	320.8	459.7	224.5
Operating profit/loss	-52.5	-107.1	86.9
Operating profit/loss (%)	-16.0%	-22.8%	-37.9%
Cash flow from operating activities	-55.9	-101.5	-90.7
Cash flow for the period	3.0	54.4	-90.8
Cash and cash equivalents	81.9	78.8	24.5

For a detailed description of the historical financial information of MEDS, please refer to the company description published by the Company on the Company's website, www.ir.meds.se. The company description is also available at the Company's head office, Drivhjulsvägen 42, 126 30.

Strengths and competitive advantages

MEDS believes it has the following strengths and competitive advantages that are expected to contribute to the realization of the Company's strategy and the achievement of its financial goals:

- Attractive product offering and high customer satisfaction.
- MEDS operates in the fastest-growing sector in Swedish e-commerce.
- The relatively low online penetration supports continued great potential for growth.
- The Company has a growing base of repeat customers.

A more comprehensive description of the Company's key strengths and competitive advantages is included in the company description published by MEDS.

Financial targets and dividend policy

The board of directors of MEDS has set the following financial targets and dividend policy:

- Total revenues will amount to SEK 2.5 billion by 2026.
- Achieve a break-even EBITDA within two to three years.
- Long-term EBITDA margin of 7%.
- Future cash flows from operations during the year will be re-invested in operations in order to drive growth.
- **Dividend policy:** The Company does not currently generate any profit and no dividends are planned for the coming years. Any surplus of capital will be reinvested in operations.

MEDS' financial targets and dividend policy presented above constitute forward-looking statements. The financial targets are based on a number of estimates and assumptions related to factors such as developments in MEDS' industry, operations, earnings and financial position, and are subject to risks and uncertainties. The key assumptions made by the management team in support of the above financial targets are described in more detail in the company description published by the Company.

Advisers

Advokatfirman Delphi acts as legal advisor to the Company in connection with the Listing. FNCA is appointed as the Company's Certified Adviser and can be reached by telephone: +46 (0) 8 528 00 399 and e-mail: info@fnca.se.

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The information was submitted for publication, through the agency of the contact persons set out above, at 14:05 CEST on 23 August 2022.

Important information

This press release does not constitute an offer or invitation to sell or purchase any securities issued by the Company in any jurisdiction. The contents of this press release are the sole responsibility of the Company. The press release contains background information only and is not intended to provide complete or comprehensive information about the Company or the Listing.

This press release may not be published, released or distributed, directly or indirectly, in whole or in part, in or into Australia, Hong Kong, Canada, New Zealand, Japan, Switzerland, Singapore, South Africa or any other jurisdiction in which such distribution would be unlawful or would require registration or other measures.

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The securities described herein have not been registered and will not be registered under any applicable securities law in Australia, Hong Kong, Canada, New Zealand, Japan, Switzerland, Singapore, South Africa or the United Kingdom and may not, with certain exceptions, be offered or sold within or into, or for the benefit of, any person whose registered address is in Australia, Hong Kong, Canada, New Zealand, Japan, Switzerland, Singapore South Africa or the United Kingdom.

The Company does not intend to make a public offer to acquire the securities mentioned in this press release.

This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC EG (and, with respect to the United Kingdom, such regulation as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018).

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Attachments

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