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MEDS intends to list its shares on Nasdaq First North Premier Growth Market

MEDS Apotek AB (publ) ("MEDS" or the "Company"), a full-scale online pharmacy serving the Swedish outpatient market, today announces its intention to launch an initial public offering of shares (the "Offering") and to list the Company's shares on Nasdaq First North Premier Growth Market (together with the Offering, the "Listing"). The Offering is expected to consist of both new and existing shares in the Company.

MEDS' Board of Directors deems a listing of the Company's shares on Nasdaq First North Premier Growth market to be a natural and important step in the Company's development. The Board of Directors believes the Listing will provide the Company access to both the Swedish and international capital markets and, in the long-term, broaden the shareholder base, supporting the Company's continued profitable growth and development. The Listing will further strengthen the Company's balance sheet and increase the financial flexibility for potential future investments.

Nasdaq Stockholm AB has assessed that MEDS fulfils the current listing requirements at Nasdaq First North Premier Growth Market. Nasdaq Stockholm AB will approve an application for admission to trading of the Company's shares on Nasdaq First North Premier Growth Market, provided that certain customary conditions are met. Depending on market conditions, the Listing is expected to be completed during the third quarter of 2025.

Björn Thorngren, CEO and founder of MEDS, comments:

"MEDS has, since its launch in 2018, built a highly appreciated Swedish online pharmacy, with nearly one million returning customers and a turnover exceeding SEK 1 billion on an annualised basis. Following significant initial investments, the company has been cash flow positive over the past twelve months while continuing to grow substantially faster than the market. Everything is in place to maintain a strong growth rate with solid and increasing profitability.", says Björn Thorngren, CEO and founder of MEDS, and continues:

"The strong position would not have been possible without satisfied customers, who therefore return to a high degree. It is important to remember that, despite doubling our market share over the past four years, we still only hold 6 percent in a market that is steadily growing, with more and more customers transitioning to shopping online."

Christian W. Jansson, Chairman of the Board of MEDS, comments:

"Björn and his team have demonstrated their ability to deliver on their promises. They have built an online pharmacy from the ground up that customers truly appreciate and return to. The business today is structured to enable rapid growth with increasing profitability, as it has significant economies of scale, without the need for substantial investments in the foreseeable future.", says Christian W. Jansson, Chairman of the Board of MEDS.

The Offering in brief and prospectus

Should the Company proceed with the Listing, the Offering will be directed to the general public in Sweden and institutional investors in Sweden and abroad, outside the US pursuant to Regulation S under the U.S. Securities Act of 1933, as amended. The Offering will consist of new and existing shares in the Company. MEDS intends to use the net issue proceeds from the Offering to strengthen its balance sheet and increase the financial flexibility for potential future investments.

Ahlström Invest B.V., Cicero Fonder, Lancelot Asset Management, Lupus alpha Asset Management AG, Swedbank Robur and TIND Asset Management (together the "**Cornerstone Investors**") have, under certain customary conditions, undertaken to acquire shares in the Offering totalling an amount of approximately SEK 150 million at a pre-money market value of the Company of up to approximately SEK 914 million.

Complete terms, conditions and instructions for the Offering will be described in a prospectus prepared by the Company in connection with the intended Offering. The prospectus will, if published, be available on MEDS' website, www.meds.se.

About MEDS

MEDS, launched in 2018, is a full-scale online pharmacy operating in the Swedish outpatient market. The Company offers its customers an extensive product range at attractive prices. The Company is licensed by the Swedish Medical Products Agency, the National Food Agency, and the eHealth Agency, and offers its customers prescription medications, over-the-counter medications, and a wide selection of commercial goods such as beauty products, dietary supplements, children's products, fitness products, food and drinks, and home & household products. As of 30 June 2025, the Company had approximately 960,000 active customers^[1] and always strives to deliver goods directly, quickly and reliably. MEDS experienced a net sales growth of 27% in 2024, and the Company's net sales for the last twelve months as of 30 June 2025 amounted to approximately SEK 928 million. The Company has been profitable at an adjusted EBIT level since Q4 2024, where MEDS during H1 2025 achieved an adjusted EBIT margin of 2.0 per cent. The Company's headquarters is located in Stockholm, and per 30 June 2025, the number of employees was 51.

MEDS believes it possesses several strengths and competitive advantages that help the Company implement its strategy and achieve its financial targets, including:

- MEDS has an attractive product offering and high customer satisfaction. To achieve its goal of becoming Sweden's favourite pharmacy, MEDS offers its customers a simple and fast shopping experience, along with a wide product range, attractive prices and qualified advice;
- The Company is increasing its market share in the fastest growing sector within Swedish e-commerce. MEDS operates in the fastest-growing sector of Swedish e-commerce and has nearly doubled its market share in the Swedish e-commerce market for outpatient care products from 2020 to 2024;

- Relatively low online penetration in a sector well-suited for e-commerce supports continued significant growth potential. Despite the strong growth rate in recent years, the e-commerce penetration remains relatively low compared to other sectors. The Company therefore believes there is significant room for continued strong growth in online sales within the outpatient care market going forward;
- The Company has a growing base of active existing customers which contributes to increased revenue predictability and potential for improved profitability. High customer satisfaction ensures customer loyalty, resulting in an increased share of active existing customers. A higher share of active existing customers also leads to lower customer acquisition costs and improved profitability; and
- MEDS has an experienced management team consisting of founders and experts, as well as a strong corporate culture. MEDS has a management team characterised by a broad mix of competencies highly relevant to the continued development of MEDS's operations. The management team and Board of Directors have extensive experience from a variety of industries: the pharmacy and healthcare market, retail, audit and consultancy firms, tech companies, marketing, logistics and finance.

To continue the Company's high and sustainable growth, MEDS has developed strategic initiatives that mainly include the four components marketing, increased share of prescription drugs sales, products under private label and a continued streamlined cost structure. From a long-term perspective the goal is, with the help of the Company's main growth initiatives, to be the customers' favourite pharmacy.

Selected financial information

The following table shows selected key figures for MEDS:

SEK million unless otherwise stated	1 Jan – 30 Jun 2025 ^[2]	1 Jan – 30 Jun 2024 ^[3]	2024	2023	2022
Net sales	500.1	401.4	829.2	655.2	604.5
Net sales growth (%)	24.6%	22.3%	26.6%	8.4%	31.5%
Gross profit	141.1	111.8	232.0	187.1	153.3
Gross margin (%)	28.2%	27.9%	28.0%	28.5%	25.4%
Adjusted EBIT	9.8	-8.4	-8.7	-49.2	-103.0
Adjusted EBIT margin (%)	2.0%	-2.1%	-1.1%	-7.5%	-17.0%
Cash flow from operating activities	0.1	1.1	20.3	-49.6	-101.7
Cash flow for the period	-6.4	-40.8	-29.4	25.8	-54.1
Net debt including IFRS 16 leasing	-3.4	19.0	2.9	14.3	14.1

Financial targets and dividend policy

MEDS' Board of Directors has adopted the following financial targets and dividend policy:

- **Growth:** Triple net sales organically in 5–6 years.
- **Profitability:** The Company's short- to medium-term goal is an EBIT margin of 3–5%.
- **Dividend policy:** MEDS does not intend to pay dividends in the next 5–6 years but instead strives to use positive cash flows for investments in profitable growth.

MEDS' financial targets and dividend policy stated above constitute forward-looking information. The financial targets are based upon a number of estimates and assumptions relating to, among others, the development of MEDS' industry, business, result of operations and financial position, and are subject to risks and uncertainties which will be described in more detail in the prospectus expected to be published by MEDS in connection with the Offering.

Advisors

Danske Bank A/S, Danmark, Sverige Filial and ABG Sundal Collier AB are Joint Global Coordinators and Joint Bookrunners. Advokatfirman Delphi KB is legal advisor to MEDS and Baker & McKenzie Advokatbyrå KB is legal advisor to the Joint Global Coordinators and Joint Bookrunners in connection with the Listing.

FNCA Sweden AB is the Company's Certified Adviser and can be reached at e-mail: info@fnca.se

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Important Information

The information in this press release does not contain or constitute an offer to acquire, subscribe for, or otherwise trade in securities in MEDS.

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This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. A prospectus is intended to be prepared and published by the Company in connection with the Offering. The prospectus will be scrutinized and approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*), which is the national competent authority in Sweden under the Prospectus Regulation.

Investors should not invest in the securities described in this press release based on anything other than the information in the prospectus that the Company intends to publish in connection with the Offering.

In the United Kingdom, this press release and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" (within the meaning of the United Kingdom version of the EU Prospectus Regulation (2017/1129/ EU) which is part of United Kingdom law by virtue of the European Union (Withdrawal) Act 2018) who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

This press release does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the new securities. Any investment decision to acquire or subscribe for securities in connection with the Offering must be made on the basis of all publicly available information relating to the Company and the Company's securities. Such information has not been independently verified by Joint Global Coordinators and Joint Bookrunners. Joint Global Coordinators and Joint Bookrunners are acting for the Company in connection with the transaction and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the transaction or any other matter referred to herein.

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Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events

to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is not required by law or the Nasdaq First North Growth Market Rulebook (Premier segment).

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Company's securities have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**EU Target Market Assessment**"). Solely for the purposes of each manufacturer's product approval process in the United Kingdom, the target market assessment in respect of the securities in the Company has led to the conclusion that: (i) the target market for such securities is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of such securities to eligible counterparties and professional clients are appropriate (the "**UK Target Market Assessment**" and, together with the EU Target Market Assessment, the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Company's securities may decline and investors could lose all or part of their investment; the Company's securities offer no guaranteed income and no capital protection; and an investment in the Company's securities is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering and the Listing.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or UK MiFIR; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Company's securities.

Each distributor is responsible for undertaking its own target market assessment in respect of the Company's securities and determining appropriate distribution channels.

[1] Active customer - a person who has made at least one purchase in the past twelve months.

[2] Taken from the Group's unaudited consolidated financial reports in summary for the period 1 January – 30 June 2025.

[3] Taken from the Group's audited consolidated financial reports for the fiscal year 2024.

Attachments

MEDS intends to list its shares on Nasdaq First North Premier Growth Market