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Medartis launches senior convertible bond offering with a target size of CHF 125-150 million

Basel, 7 April 2022: Medartis Holding AG (SIX: MED, the “Issuer” or “Medartis”), a specialized orthopaedic company for head and extremity surgery, announces today the launch of a senior unsecured convertible bond offering (the “Offering”) of a targeted size of CHF 125-150 million due 2028. With this Offering, Medartis increases its financial flexibility after the acquisition of Nextremity Solutions Inc.

The senior unsecured convertible bonds (the “Bonds”) will be convertible into newly issued Medartis registered shares sourced from the Issuer’s conditional share capital. The proceeds of the Bonds will be used for general corporate purposes as well as further strengthening of the Issuer’s strategic financial flexibility.

The Bonds will have a maturity of 6 years with a bondholders’ put and an Issuer’s soft call option after 5 years. They are expected to carry a coupon of between 1.00 to 1.25% per annum, payable semi-annually in arrears, and will have a conversion price set at a premium of between 32.5% to 37.5% over the Reference Price, being the placement price per Share in the secondary equity offering in connection with a Delta Placement. The Joint Bookrunners are conducting the Delta Placement in conjunction with the Offering to facilitate the sale of Shares by Bond buyers seeking to hedge their market risk.

Each bond will have a denomination (nominal) value of CHF 200 000 and will be issued at par and, unless previously converted or repurchased and cancelled, redeemed at 100% of their principal amount. The interest on the Bonds will be subject to Swiss withholding tax (currently 35%). Advanced subscription rights for existing shareholders are excluded.

The Bonds are expected to price before the market opens tomorrow, and the settlement date is expected to be on or around 13 April 2022 (T+3). The Bonds will not be admitted to trading or listing on the SIX Swiss Exchange, where the underlying Medartis shares are listed and traded, or any other trading venue in Switzerland. Application for the admission to trading of the Bonds on the Open Market (‘Freiverkehr’) of the Frankfurt Stock Exchange is expected to be made no later than three months after the settlement date.

The Issuer has agreed to a 90-day lock-up period from the settlement date, subject to customary exceptions. Bryan, Garnier & Co is acting as Sole Global Coordinator and, together with Zürcher Kantonalbank (ZKB), as Joint Bookrunners for the Bond. KNG Securities acts as Lead Placement Agent.

THE OFFERING CONSISTS OF A PRIVATE PLACEMENT EXCLUSIVELY TO PROFESSIONAL INVESTORS IN SWITZERLAND AND QUALIFIED INVESTORS OUTSIDE SWITZERLAND. THE BONDS WILL BE OFFERED TO INVESTORS OUTSIDE THE UNITED STATES OF AMERICA (THE "UNITED STATES" OR "US") IN RELIANCE ON 'REGULATION S' UNDER THE US SECURITIES ACT OF 1933, AS AMENDED, AND IN COMPLIANCE WITH THE LAWS AND REGULATIONS APPLICABLE IN EVERY COUNTRY WHERE THE OFFERING TAKES PLACE. MANUFACTURER TARGET MARKET (MIFID II PRODUCT GOVERNANCE) FOR THE BONDS IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY (ALL DISTRIBUTION CHANNELS). NO 'PACKAGED RETAIL AND INSURANCE-BASED INVESTMENT PRODUCTS REGULATIONS' (PRIIP) KEY INFORMATION DOCUMENT (KID) HAS BEEN PREPARED AS THE OFFERING IS NOT AVAILABLE TO RETAIL IN THE EUROPEAN ECONOMIC AREA (EEA).

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About Medartis

Founded in 1997 and headquartered in Basel, Switzerland, Medartis is one of the world's leading manufacturers and providers of medical devices for surgical fixation of bone fractures for upper and lower extremities as well as for the craniomaxillofacial region. Medartis employs approx. 700 individuals across its 14 locations, with products offered in over 50 countries globally. Medartis is committed to providing surgeons and operating theatre personnel with the most innovative titanium implants and instruments as well as best-in-class service. For more information, please visit www.medartis.com.

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