

1 February 2023

Advanced Medical Solutions Group plc
("AMS" or the "Group")

Acquisition of Connexicon Medical

- ***Initial consideration of €7 million for tissue adhesive technology specialist***
- ***Complementary strategic fit strengthens ability to develop and launch new technologies***

Winsford, UK: Advanced Medical Solutions Group plc (AIM: AMS), the world-leading specialist in tissue-healing technologies, announces it has acquired Connexicon Medical Limited ("Connexicon"), a tissue adhesive technology specialist. Consideration consists of an initial, up-front payment of €7 million with further deferred payments dependent on the delivery of certain research & development, regulatory and commercial milestones between 2023 and 2027. The acquisition further strengthens AMS's position in the \$300 million global tissue adhesive market, expands its product portfolio and significantly enhances its technical and R&D capabilities in cyanoacrylate technology.

Overview of Connexicon

Connexicon is a Dublin based specialist in medical tissue adhesives that originated from a carve-out of management, technology and expertise from Henkel AG & Co. KGaA. It has a technology platform currently commercialised in Europe under the brand name Indermil® Flexifuze™ and an exciting pipeline of new products targeting US approval by early 2024. Based on unaudited management accounts, in the year ended 31 December 2022 Connexicon is expected to report revenues of €1.6 million, EBITDA of €0.3 million and gross assets of approximately €4.9 million.

Acquisition rationale and benefits

The acquisition builds on AMS's leading position in the global tissue adhesive market, adding Connexicon's brands, products, chemistries, expertise and R&D capabilities to the Group's established commercial partnerships, regulatory experience and manufacturing infrastructure. By combining the R&D, chemistry and cyanoacrylate know-how of both companies the Group further strengthens its ability to develop and launch innovative adhesive and sealant technologies in the coming years.

Operational and commercial synergies

Over time, increasing sales volumes of Connexicon's products will provide significant operational synergies by increasing the leverage of the Group's existing brands and assets. Expanding the commercialisation of the Indermil® portfolio and pipeline products through AMS's established, global distribution network will also provide additional commercial opportunities, particularly when regulatory approvals are granted in the \$260 million US market. Connexicon's novel formulations, applicators and brands complements AMS's established range of sealants, providing increased commercial flexibility and enabling the Group to extend the combined distribution network of both companies and increase its penetration of this growing market.

Terms of the transaction

AMS is acquiring Connexicon for an initial consideration of €7 million to be funded from existing cash resources, which were £75.3 million at 30 June 2022. In addition, dependent on the achievement of specific R&D, regulatory and commercial milestones between 2023 and 2027 which would be triggered predominantly by progress towards and achievement of FDA approvals, AMS could make further deferred consideration payments in cash of up to €18 million. The acquisition is expected to be earnings neutral in 2023.

Chris Meredith, Chief Executive Officer of AMS, commented: *"I am very pleased to be able to announce the acquisition of Connexicon and to welcome its experienced team to the AMS Group. This transaction builds on our strategy to acquire technologies that are complementary to our surgical portfolio and that leverage our manufacturing base and global routes to market. The acquisition will unlock significant commercial, R&D, regulatory, marketing and operational synergies that we are confident will enhance the scope of both companies. We are excited to add more tissue sealant expertise, products and brands to the AMS franchise ensuring that we remain at the forefront of this expanding market."*

Padraig Leamy, Founder and Chief Executive Officer of Connexicon, commented: *"Today's announcement is highly exciting for the Connexicon team, and we look forward to joining the AMS family. As a world-leading specialist in tissue healing technologies, with R&D, regulatory, marketing and commercial expertise, AMS is the perfect new home for us to fully realise the value of our technology platform Indermil® Flexifuze™, as well as our exciting pipeline of future products."*

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About Advanced Medical Solutions Group plc

AMS is a world-leading independent developer and manufacturer of innovative tissue-healing technology, focused on quality outcomes for patients and value for payers. AMS has a wide range of surgical products including tissue adhesives, sutures, haemostats, internal fixation devices and internal sealants, which it markets under its brands LiquiBand®, RESORBA®, LiquiBandFix8® and Seal-G®. AMS also supplies wound care dressings such as silver alginates, alginates and foams through its ActivHeal® brand as well as under white label. Since 2019, the Group has made four acquisitions: Sealantis, an Israeli medical device company with a patent-protected sealant technology platform; Biomatlante, an established French developer and manufacturer of innovative surgical biomaterial technologies, Raleigh, a UK leading coater and converter of materials predominately for woundcare and bio-diagnostics products and AFS Medical, an Austrian a specialist surgical business with a focus on minimally invasive procedures.

AMS's products, manufactured in the UK, Germany, France, the Netherlands, the Czech Republic and Israel, are sold globally via a network of multinational or regional partners and distributors, as well as via AMS's own direct sales forces in the UK, Germany, Austria, the Czech Republic and Russia. The Group has R&D innovation hubs in the UK, Germany, France and Israel. Established in 1991, the Group has more than 700 employees. For more information, please see www.admedsol.com.