



NEWS RELEASE

OWENS & MINOR, INC. SIGNS DEFINITIVE AGREEMENT TO ACQUIRE APRIA, INC.

1/10/2022

HIGHLY COMPLEMENTARY
TRANSACTION EXPANDS PATIENT
DIRECT OFFERING

Owens & Minor, Inc. announced that the companies have entered into a definitive agreement pursuant to which Owens & Minor will acquire Apria for \$37.50 in cash per share of common stock, representing an equity value of approximately \$1.45 billion.

This press release features multimedia. View the full release [here](#).

"I'm very excited about the acquisition of Apria, which will strengthen our total company value proposition. The combination of two complementary businesses in Byram Healthcare and Apria will enable us to better serve the entire patient journey – through the hospital and into the home – ultimately furthering our mission of Empowering Our Customers to Advance Healthcare," said Edward A. Pesicka, President & Chief Executive Officer of Owens & Minor. "In addition, this transaction diversifies our total company revenue stream by expanding our presence in the higher-growth home healthcare market."

Pesicka added, "We are impressed by what Apria has built for its customers, and I look forward to welcoming Dan Starck and the Apria team to Owens & Minor upon close."

"I am energized and enthusiastic to join Owens & Minor," said Dan Starck, Chief Executive Officer of Apria. "Both companies share cultures fueled by a commitment to customers, patients, teammates and the communities we

serve. We look forward to joining together and delivering the highest quality healthcare solutions to our customers.”

Strategic Rationale

- Strengthens total company value proposition, enables us to better serve the entire patient journey and positions Owens & Minor as a leader in the home healthcare market. The transaction builds upon Owens & Minor’s strong capabilities in product manufacturing and healthcare services.
- Accelerates growth and diversifies revenue base by expanding our presence in the higher-growth home healthcare market.
- Accretive to revenue, adjusted EBITDA, adjusted earnings per share, and enhances our free cash flow generation, enabling Owens & Minor to rapidly deleverage while continuing to invest across the business.
- Expands our Patient Direct platform with access to over 90 percent of insured healthcare customers in the U.S.
- Broadens our Patient Direct product portfolio by combining our strength in diabetes, ostomy, incontinence, and wound care, with Apria’s product portfolio strength in home respiratory, obstructive sleep apnea, and negative pressure wound therapy. These product portfolios are complementary and do not overlap as many of these products are needed to treat the same and multiple chronic and acute conditions.
- Increases the attractiveness to Payors, Providers, and Patients due to the broader product portfolio, combined with our scale, geographic footprint, and delivery model.
- Creates a platform for future growth within this highly fragmented and growing space, with an approximate \$50 billion total addressable market.
- Enables the acceleration of support for our hospital customers seeking to expand into home healthcare delivery.

Transaction Details

Under the terms of the agreement, which was unanimously approved by the Board of Directors of each company, Owens & Minor will acquire Apria for \$37.50 in cash per share of common stock, representing an equity value of approximately \$1.45 billion, as well as the assumption of debt and cash for a total transaction value of approximately \$1.6 billion.

This price per share represents a 26% and 24% premium over Apria’s closing share price on January 7, 2022 and 30-day volume weighted average price, respectively.

The transaction is subject to customary closing conditions, including the Hart Scott Rodino Act and other regulatory approvals and the approval of Apria’s stockholders, and is expected to close during the first half of 2022.



Advisors

Evercore acted as the lead financial advisor and J.P. Morgan Securities LLC acted as financial advisor to Owens & Minor in connection with this acquisition. Owens & Minor's legal advisor is Kirkland & Ellis LLP.

Goldman Sachs & Co. LLC acted as the lead financial advisor and Citigroup Global Markets Inc. acted as financial advisor to Apria in connection with the acquisition. Apria's legal advisor is Simpson Thacher & Bartlett LLP.

Conference Call Information

Owens & Minor will host a conference call at 8:00 a.m. EST today to discuss the transaction. Participants may access the call at 877-407-6176. The international dial-in number is 1-201-689-8451. A replay of the call will be available for one week by dialing 877-660-6853 or 1-201-612-7415. The access code for the conference call, international dial-in and replay is 13726071. A webcast of the event will be available on www.owens-minor.com under the **Investor Relations section**.