

Medison Files Proxy Circular, Offers Knight Therapeutics Shareholders Truly Independent, Unconflicted Directors and Comprehensive Business Plan to Fix a Failing Knight

- Knight has failed to build a meaningful business or create long-term shareholder value, despite tremendous opportunities and unprecedented resources
- Knight share price has been floundering for over three years, significantly underperforming other pharmaceutical companies
- Current Board and CEO are conflicted and entrenched, wasting corporate assets by attacking shareholders in an attempt to divert attention from the Company's poor execution and performance
- Medison has developed a comprehensive plan to help Knight become a growing and profitable Canadian-based pharmaceutical company by 2025; new directors are needed to ensure the implementation of this plan
- In addition to current director Meir Jakobsohn, Medison has nominated five independent, experienced leaders from the pharmaceutical industry who will oversee Knight without conflict or compromise
- More information on the director nominees and Medison's comprehensive plan for Knight, including plans to return at least \$100 million of excess capital to Knight shareholders in the form of a special dividend or share buyback, is available at www.NewDayForKnight.com

PETACH TIKVA, Israel, April 8, 2019 – Medison Biotech (1995) Ltd. ("**Medison**"), which together with its affiliates owns more than 10.4 million shares or 7.3% of Knight Therapeutics Inc. (TSX:GUD) ("**Knight**" or the "**Company**"), today announced that it has filed a dissident information circular ("**Medison's Circular**") in connection with the Company's upcoming Annual and Special Meeting (the "**Meeting**") scheduled for May 7, 2019.

Medison's Circular proposes a slate of six exceptional nominees for election as directors at the Meeting. In addition to Medison's CEO, Meir Jakobsohn, a proven pharmaceutical leader who has served on the Knight Board since 2015, Medison has nominated five independent pharmaceutical executives (the "**Independent Nominees**"), all of whom have no personal or financial ties to Knight, Medison, Mr. Jakobsohn or Knight CEO Jonathan Goodman. In contrast to the current directors, the Independent Nominees will not work for the benefit of the CEO or any individual shareholder. Instead, they are committed to overseeing Knight in a fair and objective manner and are focused on maximizing value for all shareholders.

"Knight is a failure, which is why markets ascribe only \$0.25 per share in value to the future plan and business," said Medison CEO Meir Jakobsohn. "Knight has tremendous opportunity and was founded with an inspiring vision, but five years later it has only 0.05% of the pharmaceutical market in Canada and no pharma operations outside of Canada. The Company and its stock price can and will grow, but only when management and the Board focus on the business, stop hoarding hundreds of millions of dollars and take decisive actions without delay. At the current pace of development, Knight may be able to garner 1% market share twenty years from now; that is not even good enough for our grandchildren."

"Sadly, the incumbent Knight Board and Mr. Goodman are now focused on protecting their own entrenched and entwined interests. They would rather spend millions of dollars of shareholders' money asserting hypocritical, false and baseless claims aimed at silencing shareholders than address legitimate concerns about Knight's failing performance. Unlike the current Board, the Independent Nominees will act solely in the interests of the shareholders who elect them. They bring a common-sense plan to realize Knight's potential – for shareholders and patients alike – and the deep industry experience that is necessary to effectively oversee and guide Knight on a positive path forward, without compromise or conflict."

Medison believes Knight shareholders should expect more from Knight and should vote for the Independent Nominees because:

- **Knight has failed to build a specialty pharmaceutical business.** Five years after its founding, Knight only markets three drugs, has generated life-time revenue of just \$25 million from pharmaceutical products and has incurred operating losses every quarter. Instead of building an operating pharmaceutical business, Knight has stockpiled cash and functions more like an investment firm, investing in venture capital funds and fund-of-funds and making loans to various and sundry healthcare companies, without any identifiable strategic purpose.
- **Knight's stock has underperformed its peers and the market.** Knight's stock has underperformed its relevant peers and the broader market in the one-, two- and three-year periods ended March 31, 2019 and in the first quarter of 2019.
- **Knight is valued only for its cash and holdings, not its business or potential.** The Company's stock price indicates the market does not believe Knight will build a successful operating business. Fully 97% of the value of Knight's market value reflects the cash and passive holdings on its balance sheet. Just 3% of the stock price (\$0.25 per share) can be attributed to the value of Knight's business and vision.
- **Knight's CEO is conflicted, and his interests are not aligned with all other Knight shareholders.** Mr. Goodman owns more of Pharmascience, which has recently become a significant competitor to Knight, than he owns of the company he serves as CEO. Knight first disclosed the competition in 2017 and despite this critical change in circumstance, Mr. Goodman asserts that shareholders should trust him to disregard his own economic interest while he runs Knight. Mr. Goodman's recent disingenuous act of placing his Pharmascience interest in a "blind trust" is wholly ineffective – Mr. Goodman knows he still owns more of Pharmascience than Knight. We believe shareholders should expect their CEO to be fully committed and aligned with the success of the organization he or she runs.
- **The incumbent directors are entangled with the CEO and each other.** There are longstanding relationships between every one of the incumbent directors and the CEO, including financial and business partnerships and relationships that compromise the role of the incumbent directors as fiduciaries for shareholders. Shareholders deserve and are entitled to *independent* oversight. The fact that Mr. Goodman recently told a reporter that he would not work under an independent Board should cause all shareholders to doubt whether his hand-picked directors have fulfilled their duties to provide rigorous oversight of Knight and Mr. Goodman.
- **There is a better plan that can create growth and profit, and increase Knight's stock price.** Medison has developed a comprehensive plan for building Knight into a leading, Canadian-based pharmaceutical company that commercializes innovative therapeutics for life-altering and life-threatening diseases. There is enormous potential to create a growing and profitable business delivering these medicines to patients in Canada and other "rest of world" markets. Medison has provided extensive detail on this opportunity in a presentation available at www.NewDayForKnight.com.
- **The Independent Nominees are experienced, objective and talented.** Medison has identified and recruited five extraordinary pharmaceutical executives who are willing to serve Knight's shareholders by overseeing the strategy and execution at Knight. Unlike the incumbent directors, the Independent Nominees have decades of operating experience inside respected pharmaceutical companies and have no ties to Mr. Goodman (or to Medison, Mr. Jakobsohn or Knight).

“For three and a half years, Medison and other Knight shareholders have earned nothing on our investments in Knight,” concluded Mr. Jakobsohn. “We know Knight’s shareholders share our frustration and want change. Significant shareholders we have talked to say they want a new strategy, new oversight and new directors. I encourage all Knight shareholders to carefully review our plan and the impressive biographies of each of the Independent Nominees. Together, we can grow the business, help patients, and generate strong returns for shareholders. It is time for a New Day for Knight.”

For more information on the Independent Nominees and the reasons Knight shareholders should support change, Medison encourages shareholders to read Medison’s Circular, which is available at www.NewDayForKnight.com.

It’s Time for a New Day for Knight

Medison has engaged Olshan Frome Wolosky LLP and Goodmans LLP as legal advisors.

About Medison

Medison is one of the world's largest commercial partners of leading global biotech companies. Backed by three generations of experience in the healthcare industry since 1937, Medison is uniquely qualified to provide the complete spectrum of integrated services for international companies looking to enter or expand their presence in Israeli and selected ROW markets. Over the years, Medison has become the partner of choice for biotech companies that produce highly innovative, cutting edge therapeutics for commercialization in the Israeli market and is currently the second largest pharmaceutical company in Israel, with over CAD 250 million in revenues annually and over 270 employees. Medison runs a corporate venture arm with a dedicated research and evaluation team boasting deep scientific and commercial backgrounds. Medison also operates a scouting program to cater to its partners and is an active investor in life science projects around drug development and digital health.

Additional information can be found at www.medison.co.il.

Forward Looking Statement

This news release contain forward-looking statements and forward-looking information within the meaning of applicable securities laws, including, without limitation, Medison’s and Knight’s respective priorities, plans and strategies. All statements and information, other than statements of historical fact, included herein are forward-looking statements, including, without limitation, statements regarding activities, events or developments that Medison expects or anticipates may occur in the future. These forward-looking statements can be identified by the use of forward-looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe” or “continue” or similar words and expressions or the negative thereof. There can be no assurance that the plans, intentions or expectations upon which these forward-looking statements are based will occur or, even if they do occur, will result in the performance, events or results expected. We caution readers not to place undue reliance on forward-looking statements contained herein, which are not a guarantee of performance, events or results and are subject to a number of risks, uncertainties and other factors that could cause actual performance, events or results to differ materially from those expressed or implied by such forward-looking statements. These factors include: changes in Knight’s strategies, plans or prospects; general economic, industry, business, regulatory and market conditions; actions of Knight and its competitors; conditions in the pharmaceutical industry; risks relating to government regulation and changes thereto, including in respect of the regulations concerning board composition, proxy solicitation and shareholder meetings; the state of the economy including general economic conditions globally and economic conditions in the jurisdictions in which Knight operates; the unpredictability and volatility of Knight’s share price; and dilution and future sales of securities of the Company. These factors should not be construed as exhaustive. Certain forward-looking statements contained herein may be considered to be future-oriented financial information or a financial outlook for the purposes of applicable Canadian securities laws. Future oriented

financial information and financial outlook contained herein about prospective financial performance, financial position or cash flows are based on assumptions about future events, including economic conditions and proposed courses of action, based on the applicable management team's assessment of the relevant information available to them at the applicable time, and to become available in the future. In particular, the information contains projected operational information for future periods which are based on a number of material assumptions and factors. The actual results of the applicable operations for any period could vary from the amounts set forth in these projections, and such variations may be material. Further, there is no assurance or guarantee with respect to the prices at which any securities of Knight will trade, and such securities may not trade at prices that may be implied herein. See above for a discussion of the risks that could cause actual results to vary from such forward-looking statements. Readers are cautioned that all forward-looking statements involve known and unknown risks and uncertainties, including those risks and uncertainties detailed in the continuous disclosure and other filings of Knight, copies of which are available on the System for Electronic Document Analysis ("SEDAR") at www.sedar.com. We urge you to carefully consider those risks and uncertainties. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. Unless expressly stated otherwise, the forward-looking statements included herein are made as of the date of this news release and Medison disclaims any obligation to publicly update such forward-looking statements, except as required by applicable law.

For more information:

Investors

www.NewDayForKnight.com

Shorecrest Group
Christine Carson
647-931-7396

Media

Gagnier Communications

Dan Gagnier
646-569-5897
dg@gagnierfc.com