

Press release – ACXIT Capital Partners

Zur Rose Group strengthens European market leadership through acquisition of mail-order and diabetes activities of Apotal

Frankfurt am Main, 26th June 2020.

- Further expansion of European market leadership and #1 position in Germany with now more than 8 million active customers⁽¹⁾
- Improved pole position to benefit from eRx introduction and to serve as future launch pad for telemedicine and ehealth ecosystem
- Financing through available cash and issuance of shares

Zur Rose Group is acquiring the mail-order activities of the online pharmacy Apotal. In 2019, Apotal generated e-commerce pharmacy revenues of EUR 157 million (EUR 145 million in 2018). Through the acquisition 1.1 million active customers will be transferred to Zur Rose subject to giving their consent. Expanding the client base to more than 8 million active customers will solidify the market leadership of Zur Rose Group in Europe significantly. Increasing scaling benefits will enhance and leverage the implementation of digital health services including the electronic prescription as well as the ehealth platform.

Apotal, based in Bad Rothenfelde (Germany) and founded in 1980 by Heinz-Peter Fichter, today features among the best-known and leading pharmacy brands in Germany. The pharmacy operates e-commerce activities mainly for OTC medication, beauty, and health products but also for prescription drugs. Apotal has furthermore built a leading franchise with special focus on diabetes patients, offering a broad product and services spectrum for this chronic disease. Apotal has constantly achieved high single digit top line growth in recent years, generating sustainable positive EBITDA.

CEO Walter Oberhänsli is delighted with the acquisition: *“Apotal has built a strongly performing OTC online business which we will develop further, capitalizing on our leading position in electronic prescription and ehealth services. Our market and innovation leadership as pre-eminent digital health services provider focusing on the future requirements of the customer health journey is thus strengthened. We are looking forward to working with the management and the entire team of Apotal as part of a stronger Zur Rose Group.”*

Heinz-Peter Fichter added: *“Zur Rose Group shares our DNA focusing on highest quality standards and a customer-first approach. We deliberately chose to partner with Zur Rose Group, realizing the benefits of becoming part of Europe’s pre-eminent digital health services platform. We consider this partnership to be highly beneficial to our existing customer base.”*

Heinz-Peter Fichter will become a shareholder of Zur Rose Group as part of this transaction. Depending on achieving certain growth and profitability targets, the transaction will result in a maximum valuation of Apotal of 0,4x 2020 budgeted revenues. The acquisition is expected to be highly value accretive as measured in terms of both industry standard valuation KPIs and enterprise value per revenue. It will be financed from available cash and up to 60% of the purchase price by issuing new shares funded from the authorized and conditional capital.

Heinz-Peter Fichter will in future be a consultant to the Zur Rose Group for the acquired activities. His son, Henning Fichter, will continue to hold a leading operational position in the acquired activities and will also be the managing director of the diabetes division.

Walter Oberhänsli stated: *“Once again we were able to rely on the trusted advice of ACXIT Capital, lead by Johannes H. Lucas and team, to deliver an important transaction for Zur Rose Group”.*

ACXIT Capital Partners acted as exclusive financial advisor to Zur Rose Group AG. Legal advice was provided by law firm Ebner Stolz, and Alvarez & Marsal provided business due-diligence consultancy services.

The transaction is subject to approval by the German Federal Cartel Office. Closing of the acquisition is expected to occur in the third quarter of 2020.

About Zur Rose Group

The Swiss Zur Rose Group is Europe’s largest e-commerce pharmacy and one of the leading medical wholesalers in Switzerland. It also operates the leading marketplace in southern Europe for consumer health, beauty and personal care products commonly sold in pharmacies. The company is internationally present with strong brands, including Germany’s best-known pharmacy brand DocMorris. Zur Rose employs more than 1,800 people at sites in Switzerland, Germany, the Netherlands, Spain and France. In 2019 it generated revenue of CHF 1,569 million (including medpex) and has around seven million active customers in core European markets.

With its business model, the Zur Rose Group offers high-quality, safe and cost-effective pharmaceutical care. It is also characterized by the continuous further development of digital services in the field of drug management using AI-supported applications and new technology. Zur Rose is furthermore actively driving ahead its positioning as a comprehensive provider of healthcare services. By creating a digital healthcare platform – the Zur Rose ecosystem – it networks products and digital services from qualified providers. The contribution made by Zur Rose will be to take these offerings to customers and patients and to make a relevant selection. The aim is to provide people with a seamless accompaniment and empower them to manage their own health optimally using products and digital solutions.

(www.zurrosegroup.com)

About ACXIT Capital Partners

ACXIT Capital Partners is a leading international corporate finance and investment advisory firm for mid-market clients and entrepreneurs in Europe and beyond. As an independent, privately owned firm, we maintain offices and representations in Frankfurt, Berlin, Munich, Zurich, Hong Kong and New York as well as strong alliances in Great Britain, France and India. Our clients are corporations, family-owned businesses, entrepreneurs, financial sponsors and family offices. (www.acxit.com)

TRANSACTION LEAD ACXIT Capital Partners

Johannes H. Lucas, Managing Partner

(1) Customers which Zur Rose Group supplies either directly or via its partners, including the mail-order business of apotal

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