

Press release – ACXIT Capital Partners

ACXIT Capital Partners advises medpex on the trade sale of its e-commerce activities to Zur Rose Group

Frankfurt, 18th October 2018.

- **Link between mail-order activities of medpex and Zur Rose subsidiary DocMorris**
- **Additional growth opportunities due to outstandingly complementary activities**
- **The founders and managers of medpex will continue to lead the activities and will become shareholders in the Zur Rose Group AG**

medpex, the third biggest online pharmacy in Germany, is bundling its activities with Swiss company Zur Rose Group AG. With this step, medpex is setting the basis to continue its successful growth trajectory at a high pace in the future and play a proactive role in market consolidation. The outstandingly complementary activities of medpex and Zur Rose subsidiary DocMorris create additional growth opportunities for both companies. Customers will benefit from an even broader product range and from additional services. The founders and managers of medpex will also become shareholders in the Zur Rose Group AG as part of the transaction.

On behalf of the medpex founders, Ulrich Spindler said: "With the Zur Rose Group we have a new, strong partner at our side with whom we want to continue our successful journey. The international presence we are obtaining will give us faster access to the European market. We will also benefit from additional economies of scale, for example in purchasing, and broader expertise in European regulatory affairs. By joining forces, we develop additional growth fields for medpex and proactively drive forward digitalisation and transformation of the European mail-order pharmacy business. This move will take us a major step closer towards our vision of offering customers attractive services in health advice as well as shopping experiences as one of Europe's leading technology-oriented mail-order pharmacies."

Additional growth opportunities due to complementary activities and regional presence

Established in 2005, medpex today is the third biggest online pharmacy in Germany. The Company is focused on over-the-counter medicines and selected cosmetics available exclusively in pharmacies. medpex has a particularly high level of penetration in younger customer groups with big purchasing power. Due to strategic investments in the development of a dedicated IT platform, the Company has efficient processes and fast processing times, as well as particularly user-friendly mobile and web applications. In the business year 2017, medpex processed around 3.5 million purchase orders in mail-order business, acquired approximately 800,000 new customers and generated revenues of EUR 139 million.¹ Over the past three years, the Company achieved a Compound Annual Growth Rate (CAGR) of more than 25% percent.¹

Zur Rose Group AG, headquartered in Frauenfeld, Switzerland, is Europe's biggest mail-order pharmacy. The Group bundles under its umbrella seven different mail-order brands and alongside Switzerland is represented in other dynamic European markets such as Germany and Spain. In 2017, Zur Rose Group AG employed more than 1,000 staff and generated revenues of CHF 983 million. In Germany, the businesses operated by Zur Rose Group AG include the pharmacy brand DocMorris, which as the market leader in the prescription and over-the-counter drug segment is the pioneer for digital services in the healthcare sector. Moreover, DocMorris has a high level of expertise in European regulatory and comprehensive capacities in purchasing.

The two companies will gain additional opportunities for growth due to the complementary product portfolios, customer groups and country coverage. Furthermore, the collaboration will create economies of scale in purchasing and through the use and expansion of a joint IT platform. In future, customers will benefit from an even better product range and additional consultancy services.

The merger is subject to the usual approvals by the supervisory authorities and should be closed in the first quarter of 2019.

medpex and its shareholders were supported by ACXIT Capital Partners as the exclusive M&A consultant. Legal advice was provided by law firm Gütt Olk Feldhaus in Munich, and KPMG provided due-diligence consultancy services for the seller.

„ACXIT Capital Partners has been the ideal M&A advisor for our group. They identified and secured the most suitable strategic partner for us and executed the transaction in the most professional and efficient manner. Based on their comprehensive understanding of our industry, smart negotiation skills and intensive coaching ACXIT added significant strategic and economic value. We thoroughly enjoyed the cooperation over the past weeks and would like to thank the entire team for their contributions to what we believe is a very good outcome for us“, Ulrich Spindler stated.

Johannes Lucas, Managing Partner of ACXIT Capital Partners, commented: „We are pleased that by joining forces with the market leader DocMorris medpex is perfectly positioned to even accelerate its impressive growth performance. In this new setup medpex will play an important role with respect to the fast-developing trend towards digitalization and expansion of the European online pharmacy market. We would like to thank the founders for their trust and confidence in ACXIT and the good spirit of our successful working relationship. “

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About medpex

medpex was established in 2005 and is the third biggest mail-order pharmacy in Germany with more than three million customers. The core competencies in the areas of IT (tech platform) and online marketing, as well as the high profile among younger target groups have played a key role in contributing to the rapid growth of the Group. medpex is characterized by a strong customer focus and efficient processes – thus, in the business year 2017 only, the Group processed around 3.5 million purchase orders and acquired around 800,000 new customers. The company concentrates on over-the-counter drugs (OTC) and cosmetics exclusively supplied through pharmacies (BPC). medpex employs approximately 300 employees in total and generated revenues of EUR 139 million in 2017. The Company based in Ludwigshafen owns Comventure GmbH (software and IT), Visionrunner GmbH (marketing), medpex wholesale GmbH (wholesale and logistics), and Apotheke esando B.V. based in the Netherlands.

About Zur Rose Group

The Swiss-based Zur Rose Group is Europe's biggest mail-order pharmacy and one of Switzerland's leading wholesale suppliers to medical practitioners. The business model enables the Group to offer high-quality, safe and cost-effective pharmaceutical care. The Group also excels at continually developing digital services in the area of medicines management to increase therapeutic safety and it has also become established as an important strategic partner for healthcare providers, payers and industry. The Zur Rose Group has an international profile with strong brands, including Germany's most familiar pharmacy brand DocMorris. The Company employs more than 1000 employees at various locations and generated revenues of CHR 983 million in the business year 2017.

About ACXIT Capital Partners

ACXIT is a leading international corporate finance and investment advisory firm for mid-market clients and entrepreneurs in Europe and beyond. Since 1998, the ACXIT Group offers its clients comprehensive corporate finance advisory services including M&A and capital markets advisory as well as restructuring, equity/debt and strategic advisory. As an independent, privately owned firm we maintain offices in Frankfurt, Berlin, Munich, Leipzig, Zurich and Hong Kong as well as strong alliances in France, China, India and the USA. (www.acxit.com)

¹ Revenues (in accordance with German HGB) generated by Stifts-Apotheke e.K. in 2017. Proprietor: Christiane Bülow-Bichler – medpex Versandapotheke –, Ludwigshafen am Rhein; CAGR based on net sales for 2015-2017.

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