

Frauenfeld, 3 February 2023

Press release

Ad hoc announcement pursuant to Art. 53 LR

Zur Rose Group hands over successful Swiss business to Migros to focus on growth in Germany

- Zur Rose Group sells its Swiss business to the Migros subsidiary Medbase and focuses on developing its B2C core business (with its focal point) in Germany
- With Migros as a leading healthcare provider, maximum development potential unfolds for Zur Rose Switzerland
- Proceeds of approximately CHF 360 million will flow to Zur Rose Group
- Transaction secures strategy and significantly strengthens capital structure to be best positioned to benefit from e-prescriptions in Germany and digitalisation in the healthcare sector

The Zur Rose Group will focus on its B2C core business going forward – with patients and customers at its centre – it thereby builds on the expertise developed in Switzerland. With this concentration of its business activities, the Group will strengthen its position in the 50 billion Euro pharmacy market in Germany and in additional European countries. This applies in particular to the prescription business, which presents an enormous potential with the rollout of electronic prescriptions in Germany. The Group will continue to expand its digital health ecosystem through services for chronic patients and customers and through strategic collaborations with health partners. The focus lies on profitable growth.

Transaction secures strategy and strengthens balance sheet of the Zur Rose Group

As the future owner of the Zur Rose Switzerland business, the Migros subsidiary Medbase is taking over all operational units in Switzerland (excluding land and properties) with all employees. The Zur Rose Group will receive proceeds of around CHF 360 million from the transaction, of which approximately CHF 15 million are from the sale of IP rights to Zur Rose Suisse AG. The Group secures the implementation of its strategy and significantly strengthens its capital structure. The equity ratio increases to 73 per cent. The proceeds will leave the company largely net debt-free. The transaction is expected to close in the second quarter of 2023, subject to approval by the competition authority.

Maximum development potential for Swiss business

Since its foundation, the Zur Rose Group has been driving efficiency improvements and digitalisation in the healthcare sector. It thus plays an important role in curbing the rising costs in the healthcare sector. In both Switzerland and Germany, it has initiated connected and integrated partnerships with cost-conscious service providers and has thus developed into a leading provider of digital platform solutions. The integration of Zur Rose Switzerland into Migros as a long-standing partner will unlock large development potential.

Walter Hess, CEO of the Zur Rose Group, says: “With a clear focus on our B2C core business we will put patients and customers even more at the centre. In addition, this transaction will further

strengthen our excellent position for the upcoming e-prescription rollout in Germany. At the same time, Migros is the ideal future owner for all our employees in Switzerland, under which Zur Rose can continue to develop successfully.”

Financial details of the transaction

The proceeds from the sale of approximately CHF 360 million in cash comprise a first tranche upon completion of the transaction, expected in the second quarter of 2023, and an earn-out of CHF 47 million based on the achievement of Zur Rose Switzerland’s 2023 EBITDA target, payable in the second quarter of 2024.

Zur Rose Switzerland achieved revenue of CHF 687 million in 2022 with an EBITDA margin of around 3 per cent.

Outlook

The earnings expectations for 2022 communicated on 19 January 2023 remain unchanged. The new financial targets will be announced on 23 March 2023 on the occasion of the publication of the 2022 annual results.

Morgan Stanley and Enqcor acted as financial advisors to the Zur Rose Group, Baker McKenzie and Homburger acted as legal advisors.

At 11 a.m. CET today there will be a conference call for analysts and the media.

The following persons will present: Walter Hess, CEO, and Marcel Ziwica, CFO
The presentation is available on the website: [here](#)

Registration link for participants of the conference call:

<https://webcast.meetyoo.de/reg/peR4PZ6NW6LZ>

After registration, participants will receive a confirmation e-mail with personal dial-in details.
Please dial in approx. 5 minutes before the conference call begins.

To follow the live webcast, please use this link (no audio):

<https://www.webcast-eqs.com/zurroseag20230203/no-audio>

Alternatively, the presentation can be followed via live-audio webcast using the following link:

<https://www.webcast-eqs.com/zurroseag20230203>

The playback of the webcast will be available after the event under the same link.

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Agenda

23 March 2023	2022 Full-Year Results and Outlook 2023 (11 a.m. CET: Conference Call/Webcast)
20 April 2023	Q1/2023 Trading Update
4 May 2023	Annual General Meeting
17 August 2023	2023 Half-Year Results (11 a.m. CEST: Conference Call/Webcast)
19 October 2023	Q3/2023 Trading Update

Zur Rose Group

Zur Rose Group

The Swiss-based Zur Rose Group is Europe's largest online pharmacy and one of the leading wholesale suppliers to medical doctors in Switzerland. It also operates the leading marketplace for health and personal care products in southern Europe. The company is internationally present with strong brands – including DocMorris, Germany's best-known health platform. With its business model, the Zur Rose Group offers patients, customers and partners a broad range of products and services in the fields of e-commerce pharmacy, marketplace and professional health. In doing so, Zur Rose is pursuing its vision of creating a world for everyone to manage their health in one click. In 2022, about 2,400 employees in Switzerland, Germany, the Netherlands, Spain and France generated an external revenue of CHF 1,837 million serving more than 10 million active customers. The shares of Zur Rose Group AG are listed on the SIX Swiss Exchange (securities number 4261528, ISIN CH0042615283, ticker ROSE). For further information, please visit zurrosegroup.com.