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Matas acquires health tech platform and enters into collaboration with online pharmacy

As part of the development of its subsidiary Firtal Group, Matas has via Web Sundhed Aps acquired two IT and sourcing companies, at a price of DKK 65.6 million plus contingent consideration of up to DKK 20 million. Web Sundhed Aps will going forward provide IT systems, logistics and purchasing services to Gazelle Online Apotek, which operates webapoteket.dk

Established by married couple Trine and Lars Persson in 2011, webapoteket.dk, which is currently operated by Trine Persson through Gazelle Online Apotek, is the most widely used online pharmacy in Denmark, according to the 2020 e-commerce analysis of Dansk Erhverv Digital Handel.

Trine Persson, a pharmacist and the holder of the chemist's license, will remain the sole owner of Gazelle Online Apotek, which will continue to run the pharmacy and remain in charge of sales and advisory services as well as purchases and handling of prescription medicine and pharmacy-only products.

To the customers of webapoteket.dk, the collaboration will entail faster delivery of purchases and a more seamless user experience at webapoteket.dk. In addition, through its subsidiaries Web Sundhed ApS and Firtal Group and the acquired IT and sourcing companies, Matas will contribute to expanding the online pharmacy's product offering, adding to the range of products other than pharmaceutical products which the pharmacy is permitted to carry but which are not found in its current range, such as additional health food brands, special skincare for problematic skin and healthcare products that are currently only available abroad.

"Demand for health products has exploded in recent years – not least online. That is why we are now taking the natural next step for Firtal with the acquisition of a health tech platform and a collaboration with Denmark's leading online pharmacy", says Brian Andersen, Chairman of the Board of Firtal Group and Director of E-commerce at Matas.

Strategic rationale

According to Dansk Erhverv Digital Handel, Matas has over the past three years built a position as Denmark's second-largest online shopping platform in terms of number of transactions. The acquisition and integration of Firtal Group in 2018 has added to the Group's growth and competencies. Firtal Group is an e-commerce specialist and the operator of, among others, helsebixen.dk, a highly popular webshop.

The transaction

- The two acquired companies (Apo-IT and Web-Apo Aps) and Web Sundhed Aps will be operated by Firtal Group
- The total purchase price amounts to up to DKK 85.6 million, of which contingent consideration accounts for up to DKK 20 million
- Of this amount, DKK 40.6 million has been paid upfront, and an additional DKK 25 million is payable by 1 April 2024
- Contingent consideration of up to DKK 20 million will be determined and is payable, at the latest, at the end of the financial year ending on 31 March 2024 (up to DKK 10 million) and the financial year ending on 31 March 2025 (up to DKK 10 million)
- The activities acquired grew revenue by 40% to DKK 72 million, for a positive EBITDA margin, in calendar year 2020
- The acquisition is expected to entail transaction costs of about DKK 6 million, which amount will be recognised under special items in the financial statements for 2020/21 and 2021/22.

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Forward-looking statements

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