

Physitrack Plc Divests German Wellness Subsidiary, annual saving of €150,000, EBITDA Margin Expansion to 30% in 2025 expected

[City], [Date] – Physitrack has successfully finalised a management buyout (MBO) of its German wellness subsidiary, Wellnow, in a strategic move that aligns with the group’s focus on high-margin, recurring-revenue software solutions. This move reflects the continuation of the group’s expansion strategy, which initially leveraged physical care delivery with a digital overlay to establish a strong foothold in the wellness sector in local markets.

The terms of the MBO are for an initial consideration of €1, with the remaining consideration being structured around a multi-year earn-out directly tied to profit generation within Wellnow, ensuring a performance-driven transition. We estimate that this additional earn-out consideration will be in the region of €200,000 - €300,000.

As part of the agreement, Wellnow co-founders Alexander Freitag and Enno Kuntze have departed the Physitrack Group while Physitrack retains access to customer data, customer relationships and sales infrastructure, enabling continued monetisation of its occupational health and wellness software Champion Health in the DACHS region, notably Germany and Switzerland, but without responsibility for the physical care delivery that Wellnow’s core product represents.

Financially, the transaction is accretive to EBITDA margins and will, excluding earn-outs, generate annual cost savings of at least €150,000, further streamlining Physitrack’s operations. The disposal will result in Group revenue decreasing by around €1.7m. As a result of the MBO and further cost optimisations in the group, the adjusted EBITDA margin is on track to expand to 30% in 2025.

Following this MBO, Physitrack is now more streamlined and focused on software delivery, reinforcing its position as a leader in digital occupational health and wellness solutions. By concentrating on scalable, high-margin offerings, the company is well-positioned for sustained growth and innovation in its core markets.

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Henrik Molin, CEO & Co-founder of Physitrack, commented:

“This transaction represents a strategic step forward for Physitrack, allowing us to sharpen our focus on software-driven solutions while maintaining key commercial synergies with Wellnow. The structure of the deal ensures continuity and long-term value creation for both parties – Wellnow for care provision and Physitrack, via its Champion Health product – high margin software sales.”

Spotlight, Physitrack's own news desk, interviews CEO & co-founder Henrik Molin on the subject in an 8-minute video, which can be found here:

<https://vimeo.com/1066300759/e859b001d4>

About Physitrack

Physitrack PLC, founded in 2012, is a global digital healthcare provider, focused on the B2B wellness and virtual-first care markets. With staff with 12 nationalities on four continents, customers in 17 time zones, and end users in 187 countries, Physitrack is a truly global company.

The company has two business lines:

1. Lifecare – SaaS platform tailored mainly to physiotherapy and musculoskeletal care, enabling practitioners to deliver clinical home exercises, education prescription, outcomes tracking, triaging and Telehealth.
2. Wellness / Champion Health – SaaS platform for Employee Wellness and care powered by a combination of world-leading technology and wellness professionals based in the United Kingdom, Germany and the Nordics.

Physitrack PLC is headquartered in London, United Kingdom, and listed on Nasdaq First North Premier Growth Market (PTRK).

Visit us at

<https://physitrackgroup.com/> (investor relations)

<https://physitrack.com> (product marketing)

About Champion Health

Champion Health, a subsidiary of Physitrack Plc, is a leader in corporate wellness technology, providing an innovative platform that empowers businesses to support their employees' well-being through personalised wellness action plans and advanced analytics.

Visit us at

<https://championhealth.co.uk/>

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Attachments

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