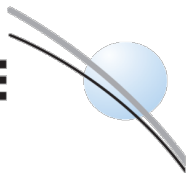


Dermapharm Holding SE



INVESTORS' AND ANALYSTS' CONFERENCE CALL
FY 2023

Grünwald, 28 March 2024

AGENDA

FY 2023

1. Highlights 2023
2. Financial figures 2023
3. Outlook 2024
4. Q&A





1

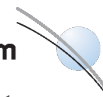
Highlights 2023

Highlights 2023

Despite challenging market environment successful growth continued



Highlights 2023



Delivering on our guidance for 2023 – revenue target slightly exceeded and EBITDA target achieved at the upper end of guidance despite challenging environment

	Guidance 2023	FY 2023
Revenues	€1,080m-1,110m vs. previous year (€1,024.8m)	€1,135.4m
EBITDA¹ (adjusted)	€300m-310m vs. previous year (€359.8m)	€310.2m
Dividend proposal		€0.88

¹ EBITDA FY 2022 adjusted for non-recurring costs of €28.4m in connection with the acquisition of Corat, Candoro ethics (former C³), Cernelle and Nutravis, consulting costs in connection with further acquisition efforts, restructuring of fitvia and Spectrum, Cilian (exclusive right of negotiation), impairment of Corat, PPA-effects for Cernelle and C³ and severance pay for Executive Board (adjustment via Group Holding) | Group EBITDA also includes EBITDA from reconciliation of € -7.5m (Group Holding).

EBITDA FY 2023 adjusted for non-recurring costs of €29.9m in connection with the acquisition of Arkopharma and Montavit, consulting costs in connection with further acquisition efforts, restructuring of fitvia and Candoro ethics NM, impairment of Corat, deconsolidation effects of fitvia, bellavia, mibe UK, Corat and Gynial, income from the realisation of a negative difference (Montavit).

Highlights 2023



Successful development of core business excluding the phased-out vaccine production

Excluding vaccine business

Revenue	+€245.6m	Significant revenue growth...
EBITDA (adjusted)	+€68.5m	... at 27.9% EBITDA margin...
EBITDA margin (adjusted)	+1.1%pts.	... increasing the average profitability



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Financial figures 2023

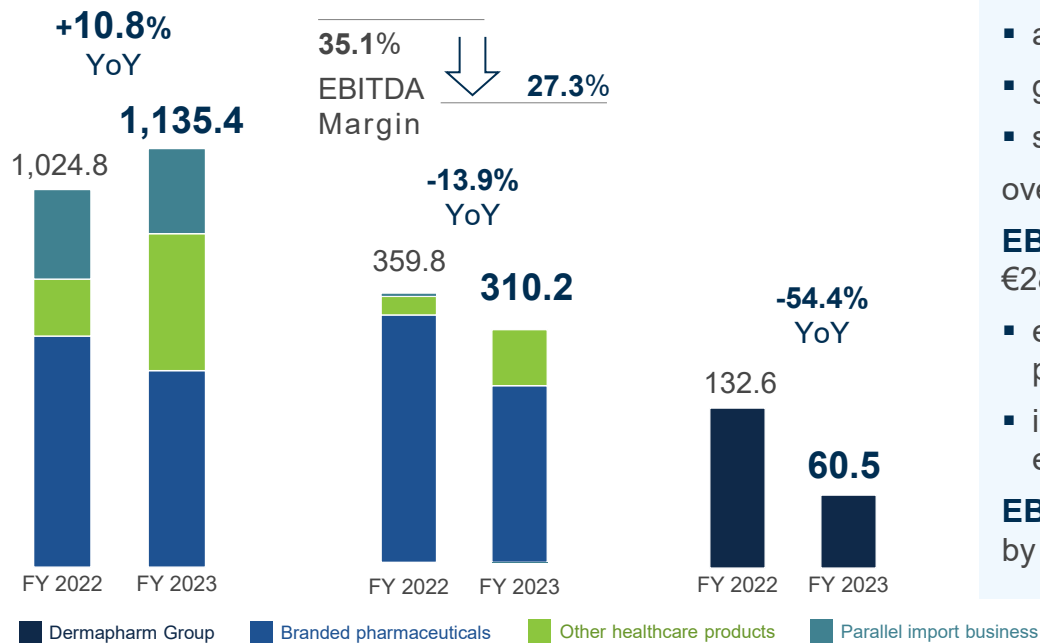


Continuous revenue growth, despite geopolitical and macroeconomic challenges

Total Revenue
€m

EBITDA¹
€m, adjusted

EAT²
€m



Significant revenue growth of 10.8% to €1,135.4m, driven by

- acquisition of Arkopharma (cons. from Jan 2023)
- growth of international business
- strong development of existing product portfolio overcompensated the phasing out of vaccine production

EBITDA decreases by 13.8% to €310.2m (adjusted, €280.3m reported) driven by

- end of vaccine production with above average profitability
- increased procurement spent, labour costs and higher energy costs

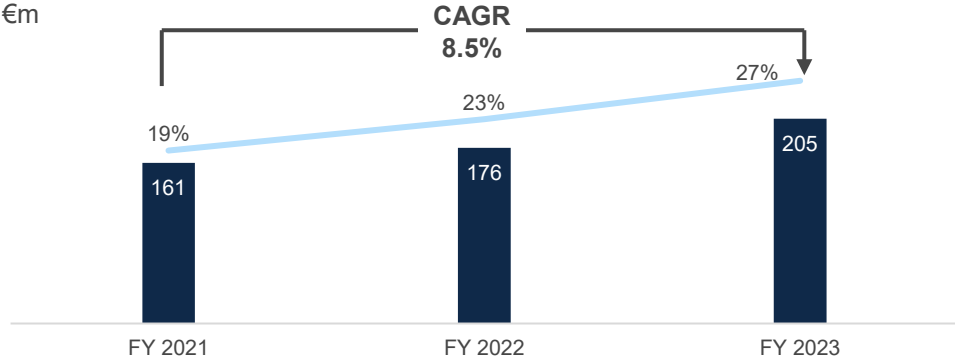
EBITDA margin without vaccine production increases by 1.1%pts

¹ EBITDA FY 2022 adjusted for non-recurring costs of €28.4m in connection with the acquisition of Corat, Candoro ethics, Cernelle and Nutraviv, consulting costs in connection with further acquisition efforts, restructuring of fitvia and Spectrum, Cilian (exclusive right of negotiation), impairment of Corat, PPA-effects for Cernelle and C³ and severance pay for Executive Board (adjustment via Group Holding) | Group EBITDA also includes EBITDA from reconciliation of € -7.5m (Group Holding). | EBITDA FY 2023 adjusted for non-recurring costs of €29.9m in connection with the acquisition of Arkopharma and Montavit, consulting costs in connection with further acquisition efforts, restructuring of fitvia and Candoro ethics NM, impairment of Corat, deconsolidation effects of fitvia, bellavia, mibe UK, Corat and Gynial, income from the realisation of a negative difference (Montavit). | ² EAT = Earnings after tax

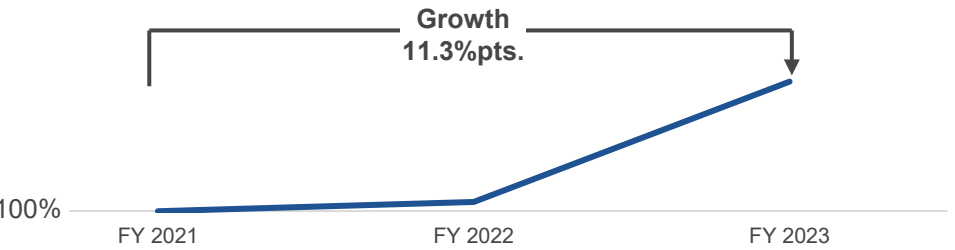
Growth of international business

driven by self-developed products

Revenue / EBITDA-Margin¹



Indexed revenue from own developments



Strong international growth with a CAGR of 8.5% between FY 2021 and FY 2023

- Sun-Farm, mibe Ukraine, mibe Italy and mibe ES performed particularly well
- Major growth drivers are own developed products launched abroad

Revenues from own developed products increased by 11% between FY 2021 and FY 2023

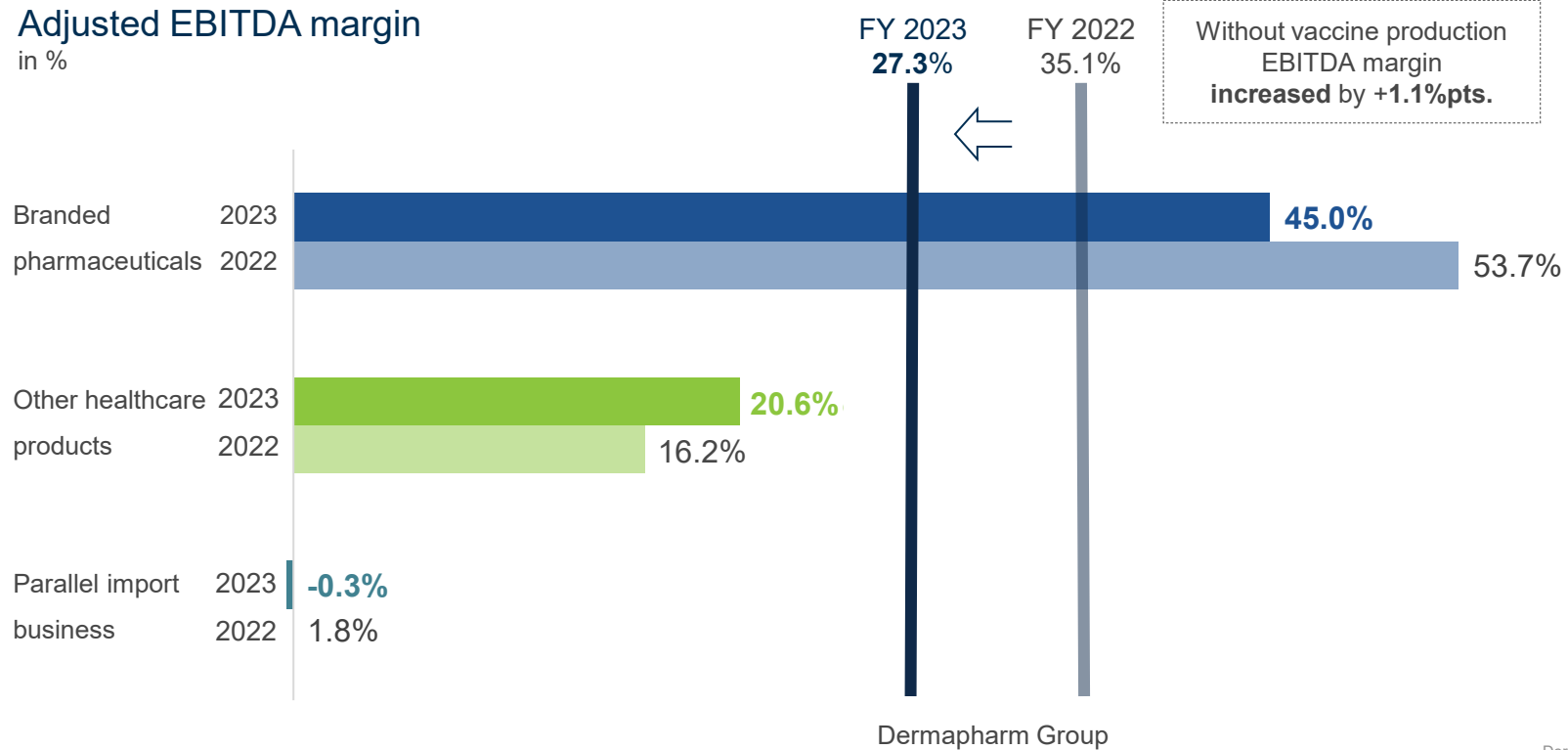
- In particular **Myditin** and further dosage forms of **Dekristol** and **Dekristolvit** contributed to revenue growth

¹ International business without Arkopharma, Montavit, mibe UK; without vaccine business

Adjusted EBITDA margin per segment

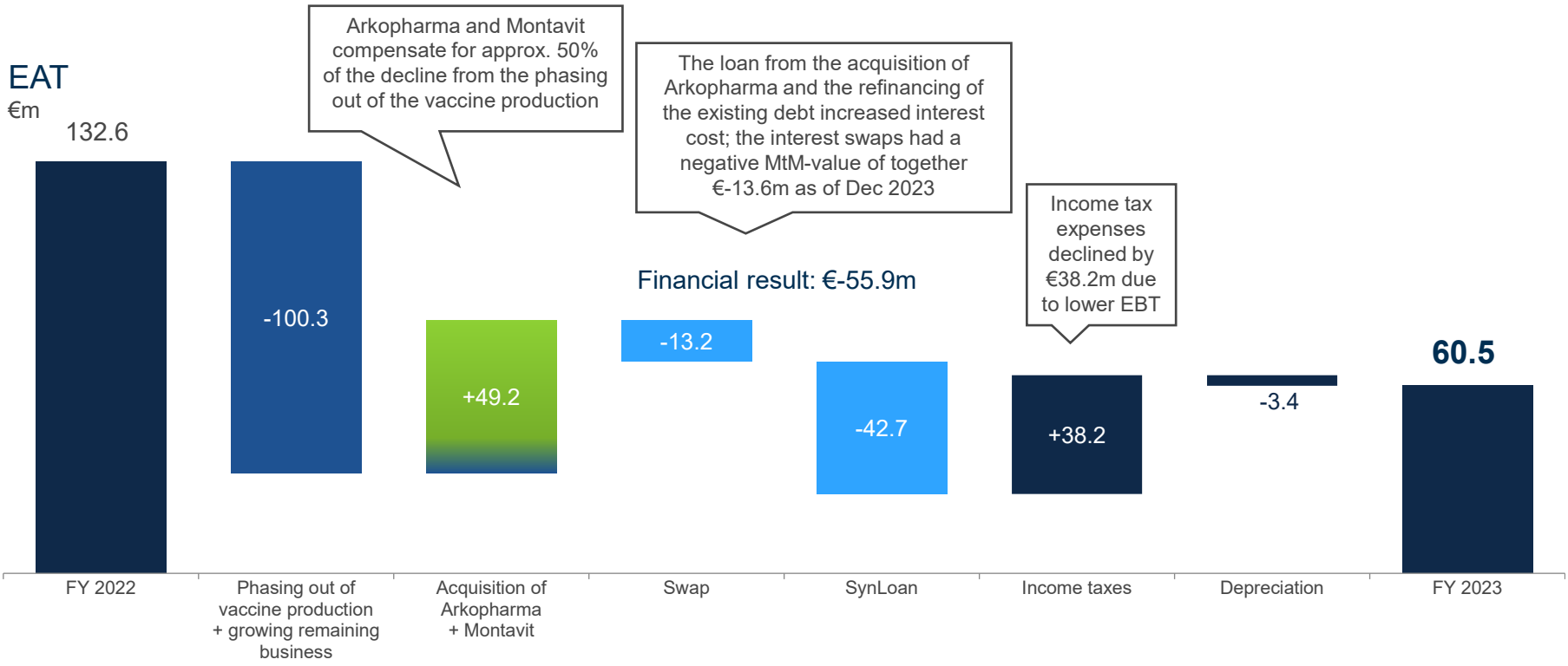
Strong profitability despite phasing out of vaccine production

Adjusted EBITDA margin in %



Earnings after tax (EAT)

Decline impacted by phasing out of vaccine production and negative financial result



Headcount and cost development between 2021 and 2023



Increase in personnel expenses mainly HC related from Arkopharma and Montavit acquisitions

Personnel expenses vs. headcount

	Personnel expenses (€m)	Ø number of employees	Ø personnel costs (€)
2021	164.7	2,373	69,406
2022	184.1	2,563	71,830
2023	264.5	3,497	75,636
CAGR 2021-23	25.6%	21.4%	4.4%

Increase in personnel expenses due to

- increase in the average number of employees and the associated rise in personnel expenses. This was primarily due to the acquisitions of the **Arkopharma Group and Montavit**

Increase in **average** personnel expenses due to

- **inflation adjustment** in salaries

Magnitude of EBITDA adjustments largely unchanged compared to prior year

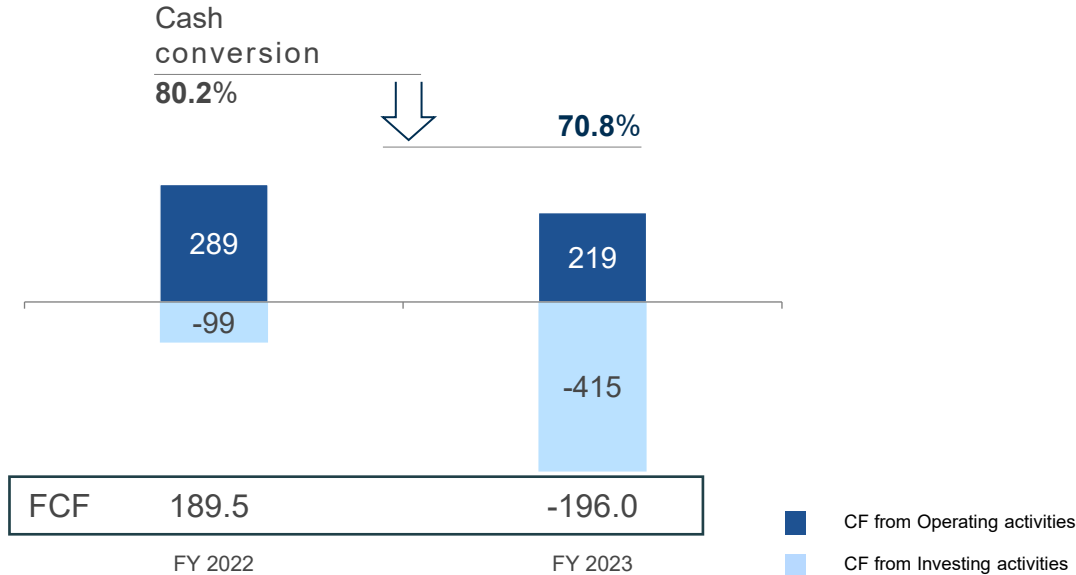
€m	FY 2022	FY 2023	
PPA-effects	4.1	17.6	Arkopharma, (FY 2022: AB Cernelle, Wellster, Candoro ethics)
Acquisition costs	4.4	8.7	Arkopharma, Candoro ethics, Wellster, Montavit
Impairment	14.6	6.6	Corat
Deconsolidation	-	2.0	fitvia, bellavia, mibe UK, Corat, Gynial
Restructuring	2.3	0.8	fitvia, Candoro ethics
Profit from acquisition at a price below market value (reducing earnings)	-	-5.8	Montavit
Other	2.7	-	Cilian + exceptional compensation
Total	28.4	29.9	

Strong cash flows and cash conversion

High cash conversion of 70.8% with large investments to fund future growth

Cash flow and cash conversion¹

€m and in % of Group EBITDA

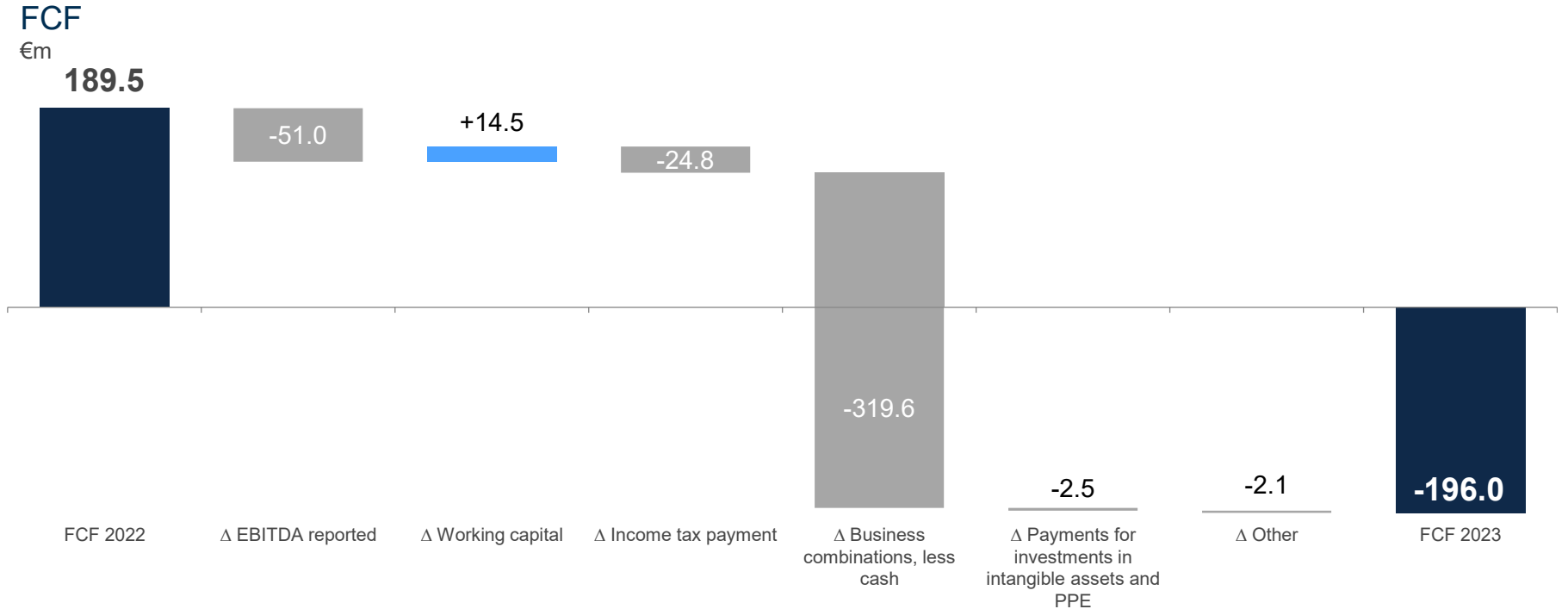


- **CF from operating activities** mainly influenced by reduced EBITDA, partially offset by cash inflows from a lower **working capital** in FY 2023
- **CF from investing activities** reflects
 - Acquisitions of **Arkopharma** and **Montavit** in FY 2023 (**Candoro ethics** in FY 2022)
 - Normal investments in intangible and tangible assets
- **Free cash flow: €-196.0m in FY 2023** (FY 2022 €189.5m)
- **Cash conversion¹** slightly decreased to **70.8%** in FY 2023

¹ Cash conversion defined as operating cash flow / (adjusted) EBITDA.

Free cash flow in FY 2023

FCF notably impacted by the investment in Arkopharma

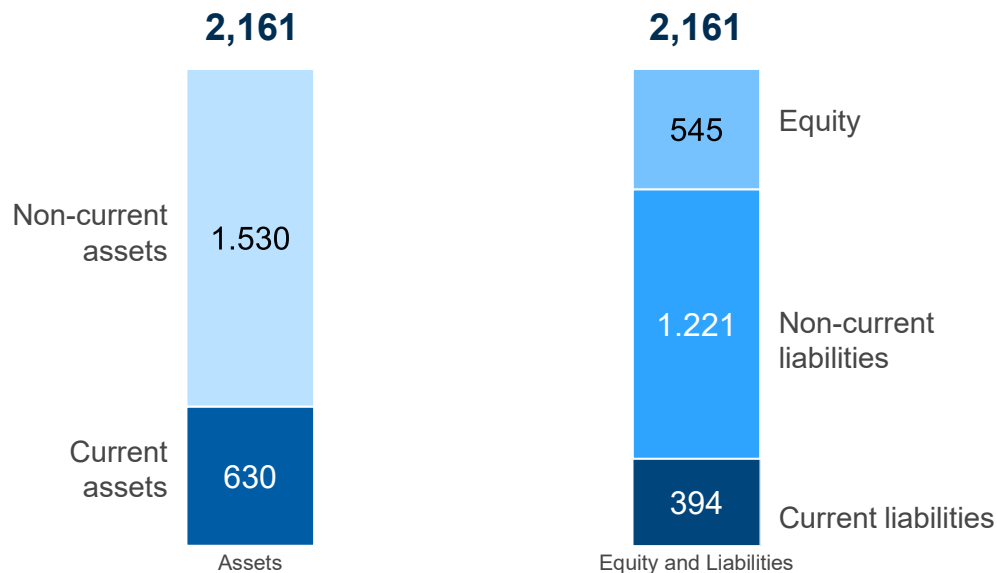


Balance Sheet of Dermapharm Group

Assets and liabilities show a step change increase from the initial disclosure of Arkopharma related assets financed by the new SLA

Balance sheet as of 31 December 2023

€m



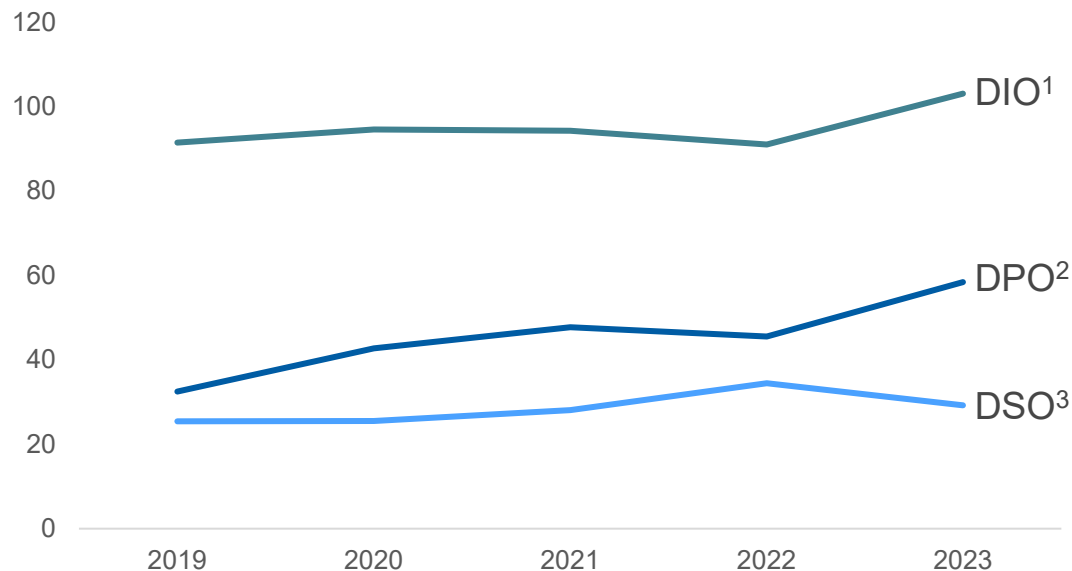
- **Total assets increased strongly to €2,161m** (Dec22: €1,413m), based in particular on the acquisition of the Arkopharma Group and the intangible assets identified as part of the PPA
 - sharp rise of **non-current assets (€1,530m; Dec22: €879m)** due to Arkopharma goodwill (€307.3m) and product brands (€172.5m)
 - slightly higher **current assets (€630m; Dec22: €534m)**
- **Equity** increases by 2.4% to €545m or 25.2% of total assets (Dec22: €532m or 37.7%)
- **Current and non-current liabilities total €1,616m** (Dec22: €881m); increase driven by rise in non-current financial liabilities because of syndicated loan financing the Arkopharma acquisition

Focus on working capital management

Consequent monitoring of cash conversion cycle

Cash conversion

days



- **Level of stock** (DIO) ensures ability to deliver products on time and in full
- **Short payment terms** (DSO) support our liquidity...
- ... and secure **settlement of liabilities** (DPO)

Debt increased

Due to acquisitions of Arkopharma and Montavit

Key figures

€m	31 Dec 2022	31 Dec 2023
Liabilities to banks	403.8	962.3
Promissory note loans	99.8	99.8
Leasing liabilities	12.7	18.2
Cash	151.0	158.7
Net financial debt (net debt)	367.8	936.6
Adj. EBITDA	359.8	310.2
Net debt / Adj. EBITDA (leverage ratio)¹	1.0x	3.0x
Shareholders' equity	531.6	539.2
Equity ratio	38%	25%

¹ According to SFA (Senior facility agreement) definition

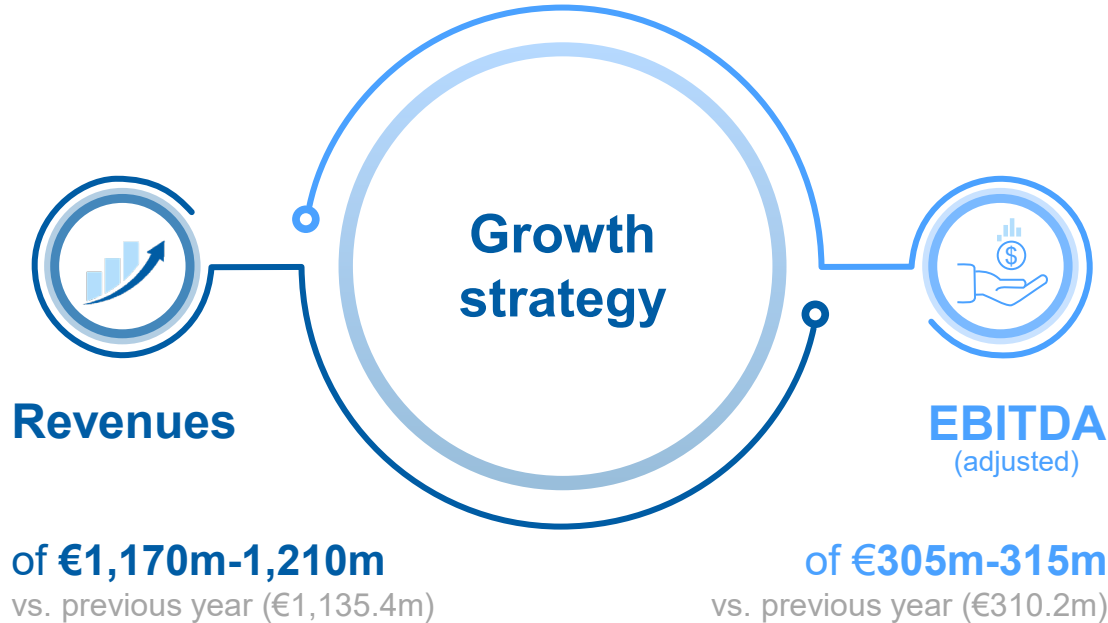


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Outlook 2024

Outlook 2024

Our strong products and sustainable synergies are further compensating the phasing out of vaccine business



- Revenue growth is based on **organic growth** supported by new launches of in-house developments, synergy potential with Arkopharma and **growing international presence** in branded pharmaceutical business
- The expectations for FY 2024 consider general **cost-cutting measures in the healthcare sector** to the detriment of pharmaceutical companies and the **increase in existing requirements for the authorisation** of medicinal products
- Further **recovery in Europe** and a continuation of the **positive development of the non-European** markets are expected. The effects of Russia's war against Ukraine are not expected to have a significant negative impact on the Group's business model



Backup

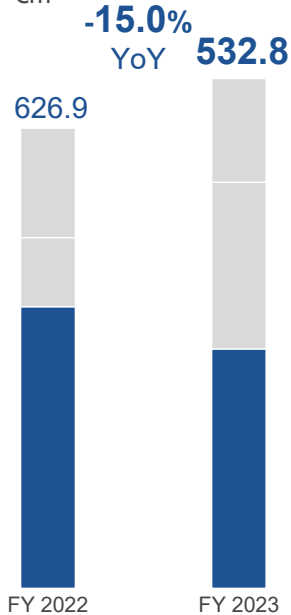


Branded pharmaceuticals

Strong organic growth partially compensates for phasing out of vaccine production

Revenue

€m



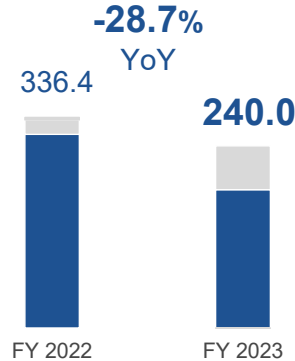
EBITDA¹

€m, adjusted

53.7%
EBITDA
Margin

↓

45.0%



Revenue decline of 15.0% to €532.8m, following

- phasing out of vaccine production since Q2 2023 ...
- ... partly compensated by strong organic growth especially in Dermatology, Pain & Inflammation and Gynaecology & Urology as well as successful launch of in-house developed products and growing international presence

▪ with 5.8% organic growth in existing portfolio
Adjusted **EBITDA decrease** by **-28.7%** to **€240.0m**, reported **EBITDA declines** by **-27.3%** to **€229.0m**, driven by

- lower high margin revenues from vaccine production which are only partially compensated by “classic” branded pharmaceuticals products

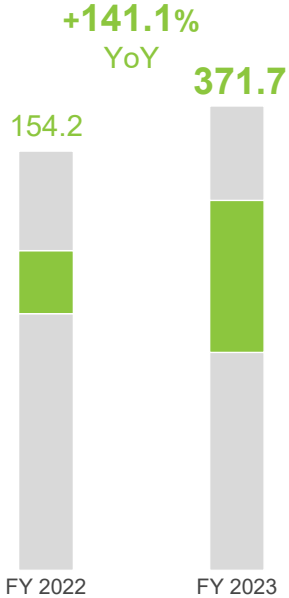
¹ EBITDA FY 2022 adjusted for non-recurring costs of €21.5m in connection with the acquisition of Corat, Candoro ethics, Cernelle and Nutravivis, consulting costs in connection with further acquisition efforts, restructuring of fitvia, Cilian (exclusive right of negotiation) and impairment of Corat.
EBITDA FY 2023 adjusted for non-recurring costs of €11.0m in connection with M&A related items (M&A-related expenses, initial consolidation and deconsolidation effects as well as expenses an income in connection with the sale of shares)

Other healthcare products

Arkopharma driving revenue and margin trend

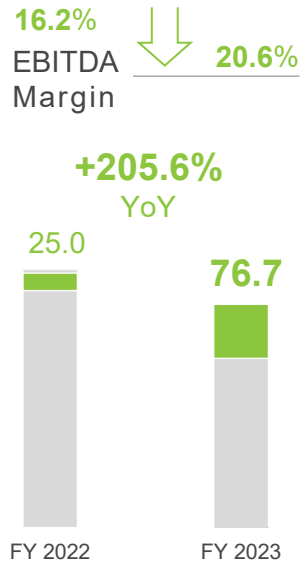
Revenue

€m



EBITDA¹

€m, adjusted



Significant revenue growth by >100% to €371.7m, driven by

- initial consolidation of Arkopharma as of Jan 2023
- existing products' revenues approximately at prior year level

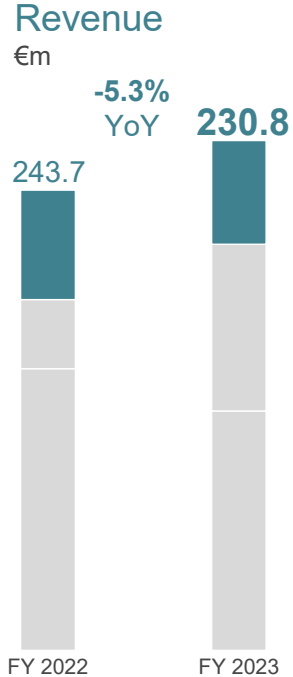
Adj. EBITDA of €76.7m is more than double the EBITDA in prior year's period (reported EBITDA of €57.8m)

- **EBITDA margin** increase by +4.4% points to **20.6%** reflects Arkopharma's EBITDA contribution and margin.

¹ EBITDA FY 2022 adjusted for non-recurring costs of € 5.7m in connection with restructuring of Spectrum and PPA-effects for Cernelle and Candoro ethics. EBITDA FY 2023 adjusted for non-recurring costs of €18.9m in connection with PPA effects of Arkopharma and restructuring expenses in the course of relocation of Candoro ethics

Parallel import business

Rebates to SHI companies and unfavourable changes in product mix leave their mark



Revenues decreased by -5.3% to **€230.8m**, driven by

- higher rebates to statutory health insurers

EBITDA decrease by 117.8% to **€-0.8m** driven by

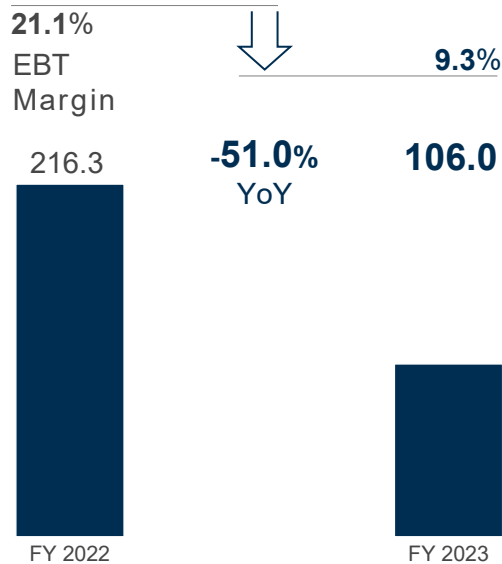
- change in the product mix to less profitable products due to the limited availability of goods

Earnings before tax (Group EBT)

Result decreases due to increase in interest expenses

Earnings before tax (EBT)¹

€m



- Unadjusted **EBT decreased** by **51.0%** to **€106.0m** translating to a **margin of 9.3%**
- Lower **EBT profitability** mainly driven by
 - almost unchanged high **depreciation and amortisation** (€-104.6m vs. €-101.2m in 2022) due to impairment of development costs for the bite away (€-15.0) and amortisation of PP&E, product portfolio and customer orders as part of the purchase price allocation at the Arkopharma Group (€-24.6m)
 - Increased **financial expenses** of €-73.0m vs. FY 2022: €-14.5m) mainly as a result of
 - the increase in interest expenses resulting from the syndicated loan agreement

¹ Calculation of EBT based on unadjusted Group EBITDA of €280.3 (FY 2023) and €331.3m (FY 2022), respectively.

Financial calendar 2024



This publication includes statements, estimates, opinions and projections with respect to the anticipated future performance of Dermapharm Holding SE (together with its consolidated subsidiaries, "Dermapharm") and such statements, estimates, opinions and projections ("Forward-Looking Statements") reflect various assumptions concerning anticipated results based on Dermapharm's current business plan or publicly available sources which have not been independently verified or assessed by Dermapharm and which may prove to be incorrect.

The Forward-Looking Statements reflect current expectations based on the current business plan and various other assumptions, involve significant risks and uncertainties, should not be read as a guarantee of future performance or results and may not necessarily be accurate indications of whether or not such results will be achieved. The Forward-Looking Statements only speak as of the date of this publication. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of Dermapharm and the estimates given herein. These factors include those discussed in Dermapharm's financial statements which are available on Dermapharm's website. Each recipient of this publication should make its own assessment of the validity of Forward-Looking Statements and other assumptions and, Dermapharm accepts no liability with respect to any Forward-Looking Statements or other assumptions.

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