



## ***Dermapharm Holding SE publishes report for first half of 2018***

- » Group revenues increased by 19.7% to EUR 280.3 million
- » Adjusted EBITDA rose by 29.9% to EUR 70.9 million; EBITDA margin improved to 25.3%
- » New growth opportunities thanks to the acquisitions of Strathmann and Trommsdorff, organic growth and successfully introduced proprietary developments
- » Management Board confirms forecast for fiscal year 2018

**Grünwald, September 12, 2018 – Dermapharm Holding SE (“Dermapharm”), a leading producer of patent-free branded pharmaceuticals for select therapeutic areas based in Germany with a growing international presence, published its report for the first six months of 2018 today. The company increased its revenues by 19.7% to EUR 280.3 million in the reporting period (previous year: EUR 234.2 million). Earnings before interest, taxes, depreciation and amortization (EBITDA) adjusted for IPO preparations and the acquisitions of Strathmann and Trommsdorff in the amount of EUR 3.8 million increased by 29.9% to EUR 70.9 million (same period of the previous year: EUR 54.6 million). Accordingly, the adjusted EBITDA margin was 25.3%, 2 percentage points above the margin of the previous year. Unadjusted EBITDA amounted to EUR 67.1 million and the unadjusted EBITDA margin was 23.9%.**

“The figures for the first half of 2018 reflect the success of our consistent growth strategy. With our latest acquisitions of Strathmann and Trommsdorff, we have not only expanded our current portfolio to include established brand products such as Keltican® forte, but have also gained a significant market share in the new therapeutic area of pain treatment. Ambitious products such as Myopridin® and Ebenol® from Strathmann ideally complement our portfolio in this therapeutic area. This new market rounds off our strategic therapeutic areas, which also include dermatologics, systemic corticoids, women’s healthcare, ophthalmologics and vitamins, minerals and enzymes. In addition, Dermapharm achieved further market approvals in the first half of the year, such as Verrucutan®, Calcilac mono® and Summavit materna®, and is also working on more than 40 ongoing development projects. We have also succeeded in opening up new European markets for our hyperthermia medical devices bite away® and Herpotherm® in Northern, Eastern and Central Europe and plan to market the products in the UK, Western Europe, Asia and the US in the future,” commented Dr. Hans-Georg Feldmeier, CEO of Dermapharm Holding SE.

Revenues in the segment “Branded pharmaceuticals and other healthcare products” rose by 48.1% to EUR 163.2 million (same period of the previous year: EUR 110.2 million). Therefore, reported EBITDA in this segment increased by 25.7% to EUR 64.5 million (same period of the previous year: EUR 51.3 million). This increase is due in large part to positive gross profit development along with reductions in expenditures for discounts from direct contracts with health insurance companies and in material costs. Due to the integration of the new acquisitions, the segment’s EBITDA margin of 39.5% was below the corresponding prior-year figure of 46.6%.

In the “Parallel import business” segment, revenues decreased by 5.6% to EUR 117.1 million in the reporting period (same period of the previous year: EUR 124.0 million). This decline was caused primarily by the concentration on high-margin yet small-volume pharmaceuticals. EBITDA for the Parallel import business increased significantly by 63.1% to EUR 5.4 million in the first half of the year (same period of the previous year: EUR 3.3 million). Dermapharm achieved this by optimizing its product portfolio, increasing its gross profit margin through demand-oriented purchasing and constant cost optimization by relocating its reimported narcotics business in-house. The EBITDA margin in this segment increased accordingly from 2.6% in the prior-year period to 4.6%.

In light of the positive business development in the first half of 2018 and assuming positive market prospects, the Management Board confirms its full-year forecast of revenue growth of 20 to 25% and an improvement in EBITDA of 22 to 27% over fiscal year 2017.



The complete half-year report is available as of today online at [ir.dermapharm.com](http://ir.dermapharm.com).

### Key financial figures for H1 2018 year-on-year

in EUR million	H1/2018	H1/2017	Change
<b>Group revenues</b>	<b>280.3</b>	<b>234.2</b>	<b>19.7%</b>
<i>Branded pharmaceuticals and other healthcare products</i>	163.2	110.2	+ 48.1%
<i>Parallel import business</i>	117.1	124.0	- 5.6%
<i>Reconciliation / Group Holding</i>	-	-	-
<b>Adjusted<sup>1</sup> Group EBITDA</b>	<b>70.9</b>	<b>54.6</b>	<b>+ 29.9%</b>
<b>Adjusted<sup>1</sup> EBITDA margin (in %)</b>	<b>25.3</b>	<b>23.3</b>	<b>+ 2.0pp</b>
<b>Group EBITDA</b>	<b>67.1</b>	<b>54.6</b>	<b>+ 22.9%</b>
<i>Branded pharmaceuticals and other healthcare products</i>	64.5	51.3	+ 25.7%
<i>Parallel import business</i>	5.4	3.3	+ 63.1%
<i>Reconciliation / Group Holding</i>	-2.7	-	-
<b>EBITDA Margin (in %)</b>	<b>23.9</b>	<b>23.3</b>	<b>+ 0.6pp</b>
<i>Branded pharmaceuticals and other healthcare products</i>	39.5	46.6	- 7.1pp
<i>Parallel import business</i>	4.6	2.6	+ 2pp

<sup>1</sup> H1/2018 EBITDA adjusted for one-off costs in connection with the IPO and the acquisitions of Strathmann and Trommsdorff in the amount of EUR 3.8 million

### Company profile:

#### Dermapharm – Pharmaceutical Excellence "Made in Germany"

Dermapharm is a leading manufacturer of patent-free branded pharmaceuticals for selected markets in Germany. Founded in 1991, the company is based in Grünwald near Munich and has its main manufacturing facility in Brehna near Leipzig. The company's integrated business model comprises in-house development, in-house production and distribution of pharmaceuticals and other healthcare products for specifically targeted markets by a medical and pharmaceutical sales force. Dermapharm holds approximately 950 marketing authorizations (*Arzneimittelzulassungen*) for more than 250 active pharmaceutical ingredients, which are marketed as pharmaceuticals, dietary supplements or supplemental balanced diets. This assortment makes the company unique. In addition to Germany, the company's core markets also include Austria and Switzerland. The company plans to further expand its international presence. Dermapharm's business model also includes a parallel import business, which operates under the "axicorp" brand. Based on revenues, Dermapharm was among the top five parallel import companies in Germany in the first half-year 2018.

With a consistent development strategy and numerous successful product and company acquisitions over the past 25 years, Dermapharm has continuously optimized its business and provided external growth impulses in addition to organic growth. Dermapharm intends to continue this profitable growth course in the future. The company is focusing on three strategic growth drivers: in-house development of new products, increase of its international footprint and further acquisitions. These include the acquisition of the pharmaceuticals manufacturer and distributor Trommsdorff in January 2018, whose portfolio includes the well-known brands Keltican<sup>®</sup> forte and Tromcardin<sup>®</sup> complex.



### Contact

cometis AG

Claudius Krause

Phone: +49 (0)611 – 205855-28

Fax: +49 (0)611 – 205855-66

E-mail: [ir@dermapharm.de](mailto:ir@dermapharm.de)