



Dermapharm Holding SE publishes H1 2021 report, confirms outlook for 2021 overall

- » Consolidated revenue up year on year by 13% to EUR 428 million
- » Adjusted consolidated EBITDA up approximately 50% year on year at EUR 137 million
- » Adjusted consolidated EBITDA margin improves to 32.0%
- » Sustained high demand for products to strengthen the immune system
- » Outlook for 2021 confirmed

Grünwald, 7 September 2021 – Dermapharm Holding SE ("Dermapharm"), a rapidly growing manufacturer of off-patent branded pharmaceuticals for selected therapeutic areas in Germany, today published its report on the first half of 2021. Dermapharm also confirmed its preliminary consolidated figures (IFRS).

Dermapharm was able to increase its revenues by 13.1 % to EUR 427.8 million (previous year: EUR 378.2 million) based on final IFRS Group financial figures, which were subjected to an auditor's review. According to the finalised, audited IFRS consolidated figures, Dermapharm lifted its revenue in H1 2021 by 13.1% to EUR. Adjusted for non-recurring items amounting to EUR 2.4 million, the Group's earnings before interest, taxes, depreciation and amortisation (EBITDA) rose by an outstanding 49.4% to EUR 137.0 million (previous year: EUR 91.7 million). Consequently, the adjusted consolidated EBITDA margin also improved by 7.8 percentage points to 32.0% (previous year: 24.2%). Unadjusted consolidated EBITDA for the first six months of 2021 amounted to EUR 134.6 million (previous year: EUR 85.7 million), representing an increase of 57.1%. Prior to adjustment, the consolidated EBITDA margin rose by 8.8 percentage points to 31.5% (previous year: 22.7%).

Dermapharm successfully maintained its growth trend as planned in the first six months of financial year 2021. "As a Group, we've done outstanding work in the first six months of 2021. Thanks to that hard work, we were able to lift consolidated revenue as well as consolidated EBITDA significantly despite the many restrictions imposed in the wake of COVID-19. Demand for products to strengthen the immune system remained unabated at a high level. In the second half of the year, we laid the groundwork for future growth by acquiring an equity interest in CORAT Therapeutics GmbH in July 2021. CORAT Therapeutics develops neutralising antibodies to heal hospitalised COVID-19 patients suffering from medium to severe symptoms. Through this investment, we will also acquire access to key pharmaceuticals research technologies. The Group's growth strategy also involves the planned capital expenditures at our main manufacturing facility in Brehna so that we will be able to fill and package up to 250 million doses of the vaccine, or 42 million vials, for BioNTech SE every year starting in 2022", said Dr Hans-Georg Feldmeier, Chairman of the Board of Management of Dermapharm Holding SE.

"Branded pharmaceuticals and other healthcare products" segment is primary revenue driver in first half of 2021

The **"Branded pharmaceuticals and other healthcare products"** segment accounted for the greatest share of the Group's successful performance in H1 2021, with revenues up 27.9% to EUR 271.2 million during that period (previous year: EUR 212.1 million). Adjusted EBITDA also increased unusually sharply during this period, by 71.1% to EUR 128.7 million (previous year: EUR 72.2 million). The adjusted EBITDA margin increased by 12.0 percentage points year on year to 47.7% (previous year: 35.7%). This increase in revenue and earnings was due to the sustained high demand for products that strengthen the immune system, particularly the vitamin D compound Dekristol[®], as well as to the allergies specialist Allergopharma. Vaccine production at mibe GmbH Arzneimittel's site in Brehna and Allergopharma's site in Reinbek also made a vital contribution to earnings.



Revenue from the "**Herbal extracts**" segment amounted to EUR 39.3 million, roughly on par with the figure from the previous year (EUR 34.9 million). By contrast, adjusted EBITDA increased by 6.3% to EUR 8.4 million (previous year: EUR 7.9 million). Our adjusted EBITDA margin improved by 1.2 percentage points to 21.3% (previous year: 20.1%). Exchange rate effects caused by the weak US dollar had a negative impact on segment revenue. However, this effect was largely offset by the incipient recovery in demand for herbal extracts on the global market.

Revenue in the "**Parallel import business**" segment decreased by 7.5% to EUR 117.2 million in the first half of 2021 (previous year: EUR 126.7 million). Reported EBITDA also saw an above-average decline by 82.7% to EUR 0.9 million (previous year: EUR 5.2 million). This translates to a 0.8% EBITDA margin (previous year: 4.1%). This marked reduction resulted mainly from the weakening overall re-exports market, the adjustments made to reference prices as at April 2021 and higher discounts to health insurance organisations in connection with the German Act for More Safety in the Supply of Pharmaceuticals (*Gesetz für mehr Sicherheit in der Arzneimittellversorgung*, "GSAV").

Board of Management confirms outlook for 2021 overall

After a successful first half of 2021, the Board of Management is pleased to confirm its forecast for the full year and continues to expect an increase in revenue by between 24% and 26%, as well as an increase in consolidated EBITDA by between 45% and 50%.

The full report on the first half of 2021 was published today at <https://ir.dermapharm.de>.

H1 2021 financials vs. prior year (IFRS)

(excluding segment reconciliation/Group holding company)

EUR million	H1 2021	H1 2020	Change
Consolidated revenue	427.8	378.2	13.1%
<i>Branded pharmaceuticals and other healthcare products</i>	271.2	212.1	27.9%
<i>Herbal extracts</i>	39.3	39.4	0%
<i>Parallel import business</i>	117.2	126.7	-7.5%
Adjusted consolidated EBITDA*	137.0	91.7	49.4%
Adjusted EBITDA margin* (%)	32.0	24.2	7.8 pp
Consolidated EBITDA	134.6	85.7	57.1%
<i>Branded pharmaceuticals and other healthcare products</i>	128.7	75.2	71.1%
<i>Herbal extracts</i>	8.4	7.9	6.3%
<i>Parallel import business</i>	0.9	5.2	-82.7%
Consolidated EBITDA margin (%)	31.5	22.7	8.8 pp
<i>Branded pharmaceuticals and other healthcare products</i>	47.5	35.5	12.0 pp
<i>Herbal extracts</i>	21.3	20.1	1.2 pp
<i>Parallel import business</i>	0.8	4.1	-3.3 pp

* H1 2021 EBITDA was adjusted for non-recurring expenses amounting to EUR 2.4 million.
H1 2020 EBITDA was adjusted for non-recurring expenses amounting to EUR 6.0 million.



Company profile:

Dermapharm – Pharmaceutical Excellence "Made in Germany"

Dermapharm is a rapidly growing manufacturer of branded pharmaceuticals. Founded in 1991, the Company is based in Grünwald near Munich. The Company's integrated business model comprises in-house development, production and the distribution of brand products by a trained pharmaceutical sales force. In addition to its main location in Brehna near Leipzig, Dermapharm also operates other production, development and distribution locations in Europe (primarily in Germany) and the United States.

In the "Branded pharmaceuticals and other healthcare products" segment, Dermapharm has approximately 1,300 marketing authorisations with more than 380 active pharmaceutical ingredients. Dermapharm's portfolio of pharmaceuticals, medical devices and food supplements are tailored to selected therapeutic areas in which the Company is a market leader, especially in Germany.

In the "Herbal extracts" segment, Dermapharm can tap the expertise of the Spanish company Euromed S.A., a leading global manufacturer of herbal extracts and plant-based active ingredients for the pharmaceuticals, nutraceuticals, foodstuffs and cosmetics industries.

Dermapharm's business model also includes the "Parallel import business" segment that operates under the "axicorp" brand. Based on revenue, Dermapharm was among the top five parallel import companies in Germany in 2020.

With a consistent R&D strategy and numerous successful product and company acquisitions and by stepping up its internationalisation efforts, Dermapharm has continuously optimised its business over the past 30 years and sought external growth opportunities in addition to organic growth. Dermapharm is firmly committed to continuing on this profitable growth course in the future.

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