



Dermapharm off to an excellent start to financial year 2022

- » Consolidated revenue up 9.1% to EUR 231.6 million
- » Adjusted consolidated EBITDA rises 17.9% to EUR 75.1 million
- » Newly-acquired C³ Group contributes to revenue and earnings for the first time
- » Sustained high demand for products to strengthen the immune system
- » Board of Management confirms outlook for 2022 overall: consolidated revenue expected to increase by 10–13%, EBITDA by 3–7%

Grünwald, 18 May 2022 – Dermapharm Holding SE ("Dermapharm"), a rapidly growing manufacturer of branded pharmaceuticals, increased its consolidated revenue by 9.1% to EUR 231.6 million in the first quarter of financial year 2022 (prior-year period: EUR 212.2 million). Adjusted consolidated earnings before interest, taxes, depreciation and amortisation (EBITDA) also rose, climbing by 17.9% to EUR 75.1 million (prior-year period: EUR 63.7 million). Consequently, the adjusted consolidated EBITDA margin improved by 2.4 percentage points to 32.4%. Unadjusted consolidated EBITDA amounted to EUR 71.3 million and the unadjusted consolidated EBITDA margin amounted to 30.8%.

"Our performance in the first quarter of 2022 was in line with our planning even though the overall conditions have deteriorated considerably since the beginning of financial year 2022. The war in Ukraine and the lockdowns in China have led to disrupted supply chains and price hikes. Nevertheless, thanks to our comprehensive value chain, broadly diversified product portfolio and high efficiency in purchasing, production and distribution, we succeeded in generating further growth and continually maintaining our ability to deliver. The key drivers of growth in the first quarter were our existing product portfolio and our cooperation with BioNTech SE", said Dr Hans-Georg Feldmeier, Chairman of the Board of Management of Dermapharm Holding SE.

Performance of segments on target

Revenue in the **"Branded pharmaceuticals and other healthcare products"** segment amounted to EUR 145.7 million in the first three months of 2022, representing a 11.8% increase (prior-year period: EUR 130.3 million). Adjusted EBITDA also improved during the same period, climbing by 18.0% to EUR 69.4 million (prior-year period: EUR 58.8 million), and the adjusted EBITDA margin increased to 47.6% (prior-year period: 45.1%). This positive trend was due in particular to the rise in demand for products in the pain and inflammation treatment therapeutic area, greater demand for allergy drugs and vaccine production in cooperation with BioNTech SE.

In the **"Herbal extracts"** segment, revenue rose by 28.0% to EUR 25.6 million in the first quarter of 2022 (prior-year period: EUR 20.0 million). Adjusted EBITDA rose by 10.9% to EUR 6.1 million (prior-year period: EUR 5.5 million), and the adjusted EBITDA margin increased to 23.8% (prior-year period: 27.5%). The segment's figures included the C³ Group's revenue and earnings contributions for the first time in the reporting period.

Revenue in the **"Parallel import business"** segment declined slightly as expected by 2.4% to EUR 60.4 million in the reporting period (prior-year period: EUR 61.9 million). By contrast, EBITDA increased from EUR 1.0 million in the first quarter of 2021 to EUR 1.2 million. The EBITDA margin rose from 1.6% in the prior-year period to 2.0%. The decline in revenue was due to a generally declining overall market and lower selling prices. In particular, the increased participation in health insurance discount agreements following the entry into force of the German Act for More Safety in the Supply of Pharmaceuticals (*Gesetz für mehr Sicherheit in der Arzneimittelversorgung*, "GSAV") had an adverse impact on revenue.



Outlook for 2022 overall confirmed in full

In light of the stable business development in the first quarter of 2022, Dermapharm is pleased to confirm its outlook for 2022. The Board of Management continues to expect growth in consolidated revenue by 10% to 13% (2021: EUR 942.9 million) and in consolidated EBITDA by 3% to 7% (EUR 351.1 million).

The full interim statement for Q1 2022 and further information about the Company are available from today at ir.dermapharm.de.

Q1 2022 financials vs. prior year

(excluding segment reconciliation/Group holding company)

EUR million	Q1/2022	Q1/2021	Change
Consolidated revenue	231.6	212.2	+9.1%
<i>Branded pharmaceuticals and other healthcare products</i>	<i>145.7</i>	<i>130.3</i>	<i>+11.8%</i>
<i>Herbal extracts</i>	<i>25.6</i>	<i>20.0</i>	<i>+28.0%</i>
<i>Parallel import business</i>	<i>60.4</i>	<i>61.9</i>	<i>-2.4%</i>
Adjusted* consolidated EBITDA	75.1	63.7	+17.9%
<i>Branded pharmaceuticals and other healthcare products</i>	<i>69.4</i>	<i>58.8</i>	<i>+18.0%</i>
<i>Herbal extracts</i>	<i>6.1</i>	<i>5.5</i>	<i>+10.9%</i>
<i>Parallel import business</i>	<i>1.2</i>	<i>1.0</i>	<i>+ 20.0%</i>
Adjusted* EBITDA margin (%)	32.4	30.0	+2.4 pp
<i>Branded pharmaceuticals and other healthcare products</i>	<i>47.6</i>	<i>45.1</i>	<i>+2.5 pp</i>
<i>Herbal extracts</i>	<i>23.8</i>	<i>27.5</i>	<i>-3.7 pp</i>
<i>Parallel import business</i>	<i>2.0</i>	<i>1.6</i>	<i>+0.4 pp</i>
Consolidated EBITDA	71.3	62.8	+13.5%
EBITDA margin (%)	30.8	29.6	+1.2 pp

* Q1 2022 EBITDA was adjusted for non-recurring expenses amounting to EUR 3.7 million.

Q1 2021 EBITDA was adjusted for non-recurring expenses amounting to EUR 0.9 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-name 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. At the beginning of 2022, the segment was expanded to include Germany-based C³ Group, which develops, manufactures and markets synthetic cannabinoids. C³ Group is the market leader for dronabinol in Germany and Austria.

Dermapharm's business model also includes the "Parallel import business" segment that operates under the "axicorp" brand. Based on revenue, axicorp was among the top five parallel import companies in Germany in 2021.

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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