



Dermapharm Holding SE intensifies its internationalisation efforts by acquiring Arkopharma

- » Internationalisation expanded in Western and Southern Europe
- » Strengthening expertise in the development of innovative food supplements
- » Synergies in marketing OTC health products
- » Revenue growth of more than EUR 200 million

Grünwald, 5 January 2023 – Dermapharm Holding SE ("Dermapharm"), a rapidly growing manufacturer of branded pharmaceuticals, has completed its acquisition of Apharma TopCo SAS, holding company of the Arkopharma Group ("Arkopharma"), via wholly owned subsidiary Dermapharm AG. It acquires the French market leader in herbal medicines and food supplements and is tapping new sales channels in western and southern Europe.

The Arkopharma acquisition closed today, Thursday, 5 January 2023. Arkopharma was founded in 1980 in Carros, a suburb of Nice, France, with a focus on phytotherapy. Arkopharma has since grown to become the French market leader in herbal medicines and food supplements, and employs some 950 staff. It is also the number three in Spain and is represented via subsidiaries in Portugal, Italy, Belgium, the Netherlands and Switzerland.

Like Dermapharm, Arkopharma boasts a fully integrated business model that covers the entire value chain from purchasing, through research and development, down to in-house manufacturing capacities, marketing and sales. Arkopharma's portfolio focuses on seven specialist areas featuring strong brands: Phytotherapy (products such as Arkogélules/Arkofluides), Hair & Beauty (Forcapil®), Fatigue & Energy (Azinc/Arkovital®), Sleep & Stress (Arkorelax®), Immunity (Arkoroyal®), Urinary (Cys-Control®) and Joint (Chondro-Aid®).

The Arkopharma acquisition marks a change of pace for Dermapharm as it steps up its internationalisation efforts and gains a first foothold in the French market.

"By acquiring Arkopharma we are significantly expanding our international presence in Western and Southern Europe. Very soon we will be able to leverage the broad and well-founded European sales network to market our medical devices and food supplements. As well as cross-selling effects, we will also benefit from Arkopharma's expertise in developing herbal medicines and food supplements. We will develop Arkopharma into our growth platform in Western and Southern Europe," said Dr Andreas Eberhorn, Chief Marketing Officer at Dermapharm Holding SE.

Arkopharma generated revenue in excess of EUR 200 million in financial year 2022, of which roughly 8.5% was reinvested in research and development on new products. Its EBITDA margin was more than 20%.

"Now that the active phase of containing the COVID-19 pandemic has been brought to a successful close, vaccine revenue will decline as expected. Given this, the assumption at present is that we will hit the lower end of our forecast in 2022. To continue meeting high expectations going forward, we have reinvested the profits from vaccine production in acquiring Arkopharma. It will more than offset the decline in revenues from the cooperation with BioNTech and will be a solid earner," added Christof Dreiholz, Chief Financial Officer of Dermapharm Holding SE.



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 more than 1,200 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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