



## *Dermapharm Holding SE builds on success in Q3 2023*

- » Consolidated revenue and EBITDA (adjusted) stay on course, climbing to EUR 866.6 million and EUR 243.8 million, respectively
- » Expansion driven by strong organic growth in the diversified product portfolio and the acquisition of the Arkopharma Group
- » Adjusted consolidated EBITDA margin at 28.1%
- » Board of Management confirms outlook for 2023 overall and expects revenue and adjusted EBITDA at upper range of forecast

### **Grünwald, 15 November 2023 – Dermapharm Holding SE ("Dermapharm"), an innovative rapidly growing manufacturer of branded pharmaceuticals and other healthcare products, today publishes its results for the first nine months of 2023.**

The Group increased revenue by 18.0% to EUR 866.6 million in the reporting period (prior-year period: EUR 734.3 million). Adjusted for non-recurring items amounting to EUR 35.5 million, earnings before interest, taxes, depreciation and amortisation (EBITDA) at the same time rose by 1.8% to EUR 243.8 million (prior-year period: EUR 239.4 million). The adjusted consolidated EBITDA margin amounts to 28.1% (previous year: 32.6%). The unadjusted EBITDA amounts to EUR 208.4 million (prior-year period: EUR 231.9 million), and the unadjusted EBITDA margin amounts to 24.0% (prior-year period: 31.6%).

"Despite the challenging market environment and the end of the pandemic, we succeeded in generating revenue and earnings growth. This was once again driven by the robust growth in our broadly diversified existing portfolio and, of course, the ongoing integration of the Arkopharma Group, including the mounting revenue and earnings synergies – in particular with regard to sales and production. Thanks to systematically implementing our growth strategy with the help of our highly motivated and committed employees worldwide, we can continue to build on our success," said Dr Hans-Georg Feldmeier, Chairman of the Board of Management of Dermapharm Holding SE.

#### **Growth driven by superb performance of the existing portfolio and the Arkopharma Group.**

Despite the very strong demand for products in the existing portfolio, revenue in the "**Branded pharmaceuticals**"<sup>1</sup> segment declined slightly by 9.6% to EUR 395.7 million (prior-year period: EUR 437.7 million) due to the end of vaccine production. 9M 2023 adjusted EBITDA amounts to EUR 183.8 million (prior-year period: EUR 216.9 million). This nevertheless continues to translate to a remarkable adjusted EBITDA margin of 46.4% (previous year: 49.6%).

Revenue in the "**Other healthcare products**"<sup>1</sup> segment grew considerably by 143.6% to EUR 287.9 million (prior-year period: EUR 118.2 million). Accordingly, adjusted EBITDA also saw a pronounced increase of 154.2% to EUR 63.3 million (prior-year period: EUR 24.9 million). This corresponds to a 22.0% adjusted EBITDA margin (previous year: 21.1%). The first-time consolidation of Arkopharma revenue and the higher global demand for herbal extracts and food supplements made a major contribution to the increase in revenue and earnings.

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<sup>1</sup> The prior-year figures have been adjusted to reflect the change in the segment structure.



The increase in revenue in the "**Parallel import business**"<sup>1</sup> segment is due primarily to high product availability and good procurement prices. Revenue increased by 2.6% to EUR 182.9 million (prior-year period: EUR 178.3 million) despite the increase in discounts to the statutory health insurers in connection with the German Act for More Safety in the Supply of Pharmaceuticals (*Gesetz für mehr Sicherheit in der Arzneimittelversorgung*, "GSAV").

However, the increase in revenue has not yet translated into higher earnings contributions within the segment, and adjusted EBITDA amounts to EUR 1.1 million (prior-year period: EUR 3.0 million). This is attributable to a change in the product mix.

#### Outlook for the financial year confirmed

Given that the Company's performance in the first nine months of financial year 2023 was in line with expectations, and in light of the positive outlook for the final quarter of the current financial year, the Board of Management is pleased to confirm the guidance published in the 2022 Annual Report and expects both consolidated revenue and adjusted EBITDA to reach the upper range of the published forecast of between EUR 1,080 and 1,110 million and EUR 300 and 310 million, respectively.

The full interim statement for Q3 2023 is available from today at <https://ir.dermapharm.de/en/>.

#### IFRS figures for 9M 2023 and the prior-year period<sup>1</sup>

(excluding segment reconciliation/Group holding company)

EUR million	9M 2023	9M 2022	Change
<b>Consolidated revenue</b>	<b>866.6</b>	<b>734.3</b>	<b>18.0%</b>
<i>Branded pharmaceuticals</i>	<i>395.7</i>	<i>437.7</i>	<i>-9.6%</i>
<i>Other healthcare products</i>	<i>287.9</i>	<i>118.2</i>	<i>143.6%</i>
<i>Parallel import business</i>	<i>182.9</i>	<i>178.3</i>	<i>2.6%</i>
<b>Adjusted consolidated EBITDA*</b>	<b>243.8</b>	<b>239.4</b>	<b>1.8%</b>
<i>Branded pharmaceuticals</i>	<i>183.8</i>	<i>216.9</i>	<i>-15.3%</i>
<i>Other healthcare products</i>	<i>63.3</i>	<i>24.9</i>	<i>154.22%</i>
<i>Parallel import business</i>	<i>1.1</i>	<i>3.0</i>	<i>-63.3%</i>
<b>Adjusted EBITDA margin* (%)</b>	<b>28.1%</b>	<b>32.6%</b>	<b>-4.5 pp</b>
<i>Branded pharmaceuticals</i>	<i>46.4%</i>	<i>49.6%</i>	<i>-3.2 pp</i>
<i>Other healthcare products</i>	<i>22.0%</i>	<i>21.1%</i>	<i>0.9 pp</i>
<i>Parallel import business</i>	<i>0.6%</i>	<i>1.7%</i>	<i>-1.1 pp</i>



EUR million	9M 2023	9M 2022	Change
<b>Consolidated EBITDA</b>	<b>208.4</b>	<b>231.9</b>	<b>-10.1%</b>
<i>Branded pharmaceuticals</i>	<i>162.0</i>	<i>212.7</i>	<i>-23.8%</i>
<i>Other healthcare products</i>	<i>49.6</i>	<i>21.5</i>	<i>130.7%</i>
<i>Parallel import business</i>	<i>1.1</i>	<i>3.0</i>	<i>-63.9%</i>
<b>EBITDA margin (%)</b>	<b>24.0%</b>	<b>31.6%</b>	<b>-7.6 pp</b>
<i>Branded pharmaceuticals</i>	<i>40.9%</i>	<i>48.6%</i>	<i>-7.7 pp</i>
<i>Other healthcare products</i>	<i>17.2%</i>	<i>18.2%</i>	<i>-1.0 pp</i>
<i>Parallel import business</i>	<i>0.6%</i>	<i>1.7%</i>	<i>-1.1 pp</i>

\* 9M 2023 EBITDA was adjusted for non-recurring expenses amounting to EUR 35.5 million.

9M 2022 EBITDA was adjusted for non-recurring expenses amounting to EUR 7.5 million.

### Company profile:

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

Dermapharm is an innovative and rapidly growing manufacturer of branded pharmaceuticals and other healthcare products. Founded in 1991, the Company is based in Grünwald near Munich. In addition to its main location in Brehna near Leipzig, Dermapharm also operates other production, development and distribution locations in Germany, the rest of Europe and the United States.

In the "Branded pharmaceuticals" segment, Dermapharm has more than 1,200 marketing authorisations with more than 380 active pharmaceutical ingredients. Dermapharm's portfolio of pharmaceuticals is tailored to selected therapeutic areas in which the Company is a market leader, especially in Germany. The Company's integrated business model extends from in-house product development and production through quality management and logistics to the distribution of branded pharmaceuticals by a trained pharmaceutical sales force.

Dermapharm bundles food supplements, herbal pharmaceuticals, cosmetics, medical devices, herbal extracts and medicinal cannabis in its "Other healthcare products" segment. In this 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, and Arkopharma, the market leader for herbal medicines and food supplements in France.

Dermapharm also operates the "Parallel import business" segment under the axicorp brand. axicorp imports originator pharmaceuticals from other EU Member States and resells them to pharmaceutical wholesalers and pharmacies in Germany. This enables axicorp to benefit from the different pricing structures in the individual EU member states. Based on revenue, axicorp is currently one of the top five parallel import companies in Germany.

With a consistent R&D strategy and numerous successful product and company acquisitions and by stepping up its internationalisation efforts, the Group is continuously optimising its business activities and seeks external growth opportunities in addition to organic growth.

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