



Dermapharm Holding SE: Sustained organic growth in high-margin existing branded pharmaceutical business

- » Strong organic growth of existing branded pharmaceutical business across virtually every market compensates for effects from scheduled end of pandemic phase in vaccine cooperation
- » Consolidated revenue and (adjusted) EBITDA thus drop slightly year on year to EUR 578.5 million and EUR 153.0 million, respectively; adjustments decrease significantly by EUR 25.0 million to EUR 6.0 million in first half of financial year 2024
- » Adjusted consolidated EBITDA margin at 26.4%
- » Board of Management confirms outlook for 2024 overall, continues to expect consolidated revenue of EUR 1,170–1,210 million and adjusted EBITDA of EUR 305–315 million.

Grünwald, 14 August 2024 – Dermapharm Holding SE ("Dermapharm"), an innovative and rapidly growing manufacturer of branded pharmaceuticals and other healthcare products, today published its unaudited preliminary consolidated figures (IFRS) for the first half of 2024. Strong growth in the existing business ensures that consolidated revenue remained virtually unchanged in the first six months of financial year 2024 (decline of just 0.6% from EUR 582.1 million in prior-year period to EUR 578.5 million), compensating the effects from the scheduled end of the pandemic phase in vaccine cooperation. Unadjusted EBITDA rose from EUR 137.0 million in the prior-year period to EUR 147.0 million, with the unadjusted EBITDA margin improving by 1.9 percentage points to 25.4% (prior-year period: 23.5%). The adjustments declined significantly by EUR 25.0 million to EUR 6.0 million, with adjusted EBITDA amounting to EUR 153.0 million or 26.4% of net income (prior-year period: EUR 168.0 million or 28.9%).

Dermapharm successfully maintained its growth trend as planned in the first six months of financial year 2024. "We are very pleased in particular with how our branded pharmaceuticals performed: our existing business continues to record strong organic growth. Our growth is not just limited to Germany – the international companies are expanding too, and our focus on products with unique selling points in niche markets is paying off. We also succeeded in reorganising Montavit in a minimum of time, which contributed to the positive result. We're very much heading in the right direction and will achieve our goals for financial year 2024," said Dr Hans-Georg Feldmeier, Chairman of the Board of Management of Dermapharm Holding SE.

In the "**Branded pharmaceuticals**" segment, strong organic growth in the existing portfolio and the earnings from subsidiary Montavit (initial consolidation in July 2023) compensated for the effects from the scheduled end of vaccine production. The above-average margin in the vaccine business meant that the increased revenue in the existing business has not yet lifted the segment's margin.

In the "**Other healthcare products**" segment, revenue and earnings were down significantly due to the persistent consumer reticence in France, Arkopharma's main sales market. On the one hand, Arkopharma benefited from price increases in the previous year, which caused revenue to be generated early. On the other, in contrast to the previous year, when new products were mainly unveiled in the first six months, product launches to support growth have been postponed until the second half of 2024. The positive performance of Euromed's B2B herbal extracts business was one highly encouraging development.

Revenue in the "**Parallel import business**" segment was roughly level with the prior-year period, while EBITDA was up slightly. Product availability improved in recent months, and new additions have enhanced the appeal of the product range.



Further growth expected in financial year 2024

Overall, developments at the Group level in the first half of 2024 were in line with the underlying assumptions. In particular, the strong performance of the existing portfolio in the branded pharmaceuticals segment compensated for the other segments, which are currently falling short of projections.

In light of this, the Board of Management confirms the guidance for full-year 2024, which forecasts consolidated revenue of EUR 1,170–1,210 million and adjusted consolidated EBITDA of EUR 305–315 million.

Dermapharm will publish its final audited figures for the first half of 2024 along with its complete Half-year Financial Report 2024 on 27 August 2024.

IFRS figures for H1 2024 and the prior-year period

(excluding segment reconciliation/Group holding company)

EUR million	H1 2024	H1 2023	Change
Consolidated revenue	578.5	582.1	-0.6%
Adjusted consolidated EBITDA*	153.0	168.0	-8.9%
Adjusted EBITDA margin* (%)	26.4	28.9	-2.5 pp
Consolidated EBITDA	147.0	137.0	7.3%
EBITDA margin (%)	25.4	23.5	1.9 pp

* H1 2024 EBITDA was adjusted for non-recurring items amounting to EUR 6.0 million.

H1 2023 EBITDA was adjusted for non-recurring items amounting to EUR 31.0 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 1,300 marketing authorisations with more than 390 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 Arkopharma, the market leader for herbal food supplements in France, and 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 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 the sixth largest parallel importer 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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