



Dermapharm Holding SE hits upper end of guidance range for adjusted EBITDA, primarily due to steadily growing international presence in branded business

- » Consolidated revenue up 10.8% year on year to EUR 1,135.4 million
- » Adjusted consolidated EBITDA declines by 13.8% to EUR 310.2 million
- » Adjusted consolidated EBITDA margin: 27.3%
- » Board of Management proposes dividend of EUR 0.88 per share at Annual General Meeting
- » "Other healthcare products" segment strengthened
- » Further revenue and EBITDA growth expected in 2024

Grünwald, 14 March 2024 – Dermapharm Holding SE ("Dermapharm"), a rapidly growing manufacturer of branded pharmaceuticals and other healthcare products, today publishes its unaudited preliminary consolidated figures (IFRS) for financial year 2023. The Group increased revenue by 10.8% to EUR 1,135.4 million in the reporting period (prior-year period: EUR 1,024.8 million). Adjusted earnings before interest, taxes, depreciation and amortisation (EBITDA) declined by 13.8% to EUR 310.2 million (prior-year period: EUR 359.8 million). The adjusted consolidated EBITDA margin amounts to 27.3% (prior-year period: 35.1%). Unadjusted consolidated EBITDA amounts to EUR 280.3 million (prior-year period: EUR 331.3 million) and the unadjusted consolidated EBITDA margin amounts to 24.7% (prior-year period: 32.3%). The Board of Management proposes that the Annual General Meeting distribute a dividend of EUR 0.88 per share to the shareholders.

"2023 was marked by various macroeconomic and geopolitical challenges. The aftermath of the coronavirus pandemic and the repercussions of Russia's invasion of Ukraine led to inflation, increases in the prices of energy and raw materials and supply chain disruptions. Nevertheless, our business performed extremely well in 2023. We exceeded our guidance for consolidated revenue and reached the upper end of the forecast range for adjusted EBITDA. Our business model once again proved its resilience, driven by both the Arkopharma acquisition and organic growth in our existing portfolio," said Dr Hans-Georg Feldmeier, Chairman of the Board of Management of Dermapharm Holding SE.

Growth was driven by the acquisition of Arkopharma, including initial revenue and production synergies, and our strong branded pharmaceuticals.

After contributing to revenue and earnings in Q1, vaccine production in cooperation with BioNTech in the "**Branded pharmaceuticals**" segment declined as expected in the remaining three quarters of 2023 as the pandemic receded. Going forward, the contributions from participation in pandemic preparedness programmes and the provision of basic medical services to the population are expected to be significantly lower. This decline was only partially offset despite strong organic growth, particularly in products in the pain and inflammation, dermatology, and gynaecology and urology therapeutic areas. In addition to our internally developed products, the main growth drivers were our international companies in Poland and Ukraine.

The "**Other healthcare products**" segment set new revenue and EBITDA records as it benefited in particular from the Arkopharma Group, which was consolidated for the first time in January 2023. This positive development is also underpinned by higher global demand, most notably for herbal extracts and food supplements.



The "**Parallel import business**" segment recorded slightly lower revenue and EBITDA as compared to the prior-year period. The decline is attributable primarily to the higher manufacturers' rebate, which increased by 5 percentage points to 12% in financial year 2023, and the temporary shortage of products in the parallel import market.

Further growth expected in financial year 2024

The Board of Management expects consolidated revenue to increase to between EUR 1,170 million and EUR 1,210 million in the current 2024 financial year. Adjusted consolidated EBITDA is expected to amount to between EUR 305 million and EUR 315 million.

The Board of Management is proposing that the Annual General Meeting approve a dividend of 88 cents per share for the past financial year.

Dermapharm will publish its final audited figures for financial year 2023 along with its complete 2023 annual report on 28 March 2024.

IFRS figures for 2023 and the prior-year period¹

(excluding segment reconciliation/Group holding company)

EUR million	2023	2022	Change
Consolidated revenue	1,135.4	1,024.8	10.8%
Adjusted consolidated EBITDA*	310.2	359.8	-13.8%
Adjusted EBITDA margin* (%)	27.3	35.1	-7.8 pp
Consolidated EBITDA	280.3	331.3	-15.4%
EBITDA margin (%)	24.7	32.3	-7.6 pp

* 2023 EBITDA was adjusted for non-recurring items amounting to EUR 29.9 million.
2022 EBITDA was adjusted for non-recurring items amounting to EUR 28.4 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 Sandersdorf-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 400 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

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



of herbal extracts and plant-based active ingredients for the pharmaceuticals, nutraceuticals, foodstuffs and cosmetics industries, and Arkopharma, the market leader for herbal 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 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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