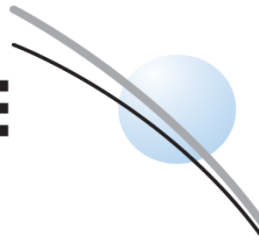


Dermapharm Holding SE



**Investor and Analyst Conference Call
Q3 2018**

Grünwald, November 20, 2018

Disclaimer

This publication includes statements, estimates, opinions and projections with respect to the anticipated future performance of Dermapharm Holding SE (together with its consolidated subsidiaries, “Dermapharm”) and such statements, estimates, opinions and projections (“Forward-Looking Statements”) reflect various assumptions concerning anticipated results based on Dermapharm’s current business plan or publicly available sources which have not been independently verified or assessed by Dermapharm and which may prove to be incorrect.

The Forward-Looking Statements reflect current expectations based on the current business plan and various other assumptions, involve significant risks and uncertainties, should not be read as a guarantee of future performance or results and may not necessarily be accurate indications of whether or not such results will be achieved. The Forward-Looking Statements only speak as of the date of this publication. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of Dermapharm and the estimates given herein. These factors include those discussed in Dermapharm’s financial statements which are available on Dermapharm’s website. Each recipient of this publication should make its own assessment of the validity of Forward-Looking Statements and other assumptions and, Dermapharm accepts no liability with respect to any Forward-Looking Statements or other assumptions.

Except as provided by law, Dermapharm assumes no obligation whatsoever to update or revise any of the information, Forward-Looking Statements and conclusions contained herein, or to reflect new events or circumstances or to correct any inaccuracies which may become apparent subsequent to the date hereof.

Today's agenda

1. Overview

2. Financial figures 9M 2018

3. Outlook FY 2018

Overview

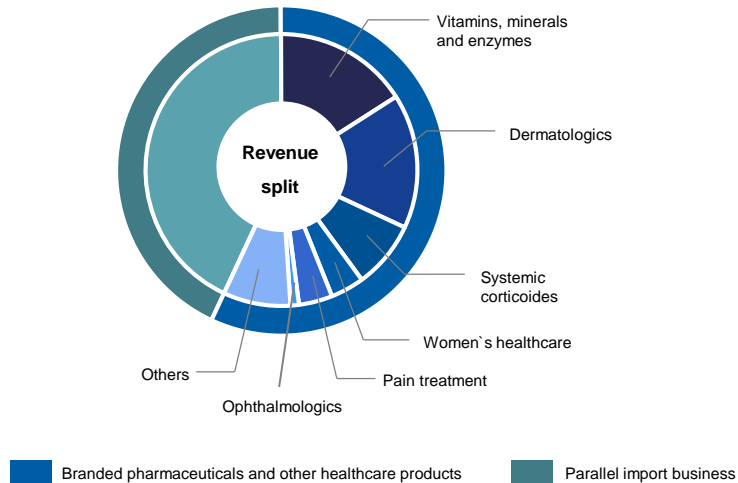
Section 1

Dermapharm – Pharmaceutical excellence “Made in Germany”

A leading German pharmaceutical company...

- Dermapharm is a **leader in branded pharmaceuticals** in selected markets in **Germany** and has an increasing international footprint
- **Flexible** pharmaceutical manufacturing and distribution capabilities with **highly efficient** and **low risk** R&D process based on patent-free APIs resulting in short time-to-market
- **~250** active pharmaceutical ingredients (APIs) and **~950⁽¹⁾** marketing authorizations (MA), which can be partly **leveraged internationally**
- A **top 5** parallel import business in Germany based on revenue
- Continuous **business optimization and growth** through **successful M&A**

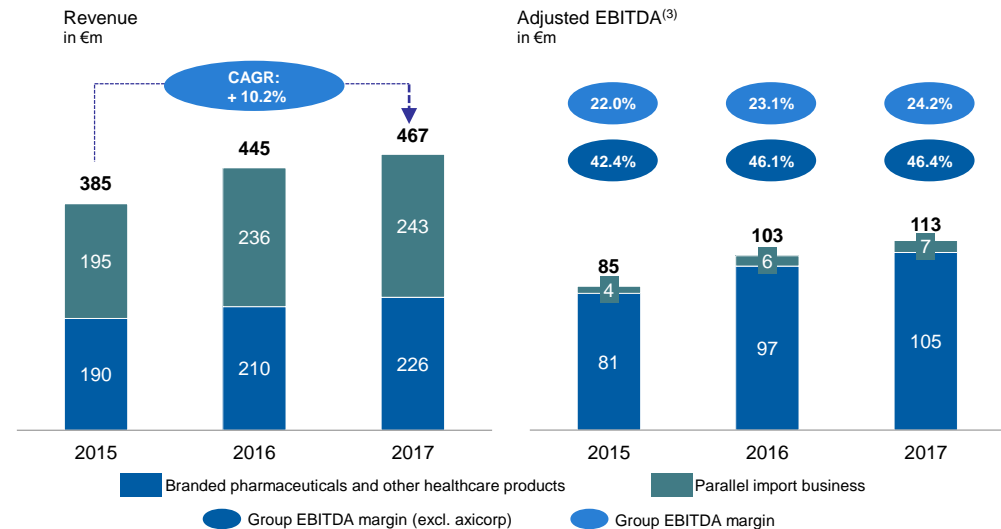
...with a highly attractive product portfolio⁽²⁾...



...based on an integrated business model...



...resulting in attractive financials



Dermapharm – The Management Team



Dr. Hans Feldmeier

Chief Executive Officer

15 years company affiliation



Karin Samusch

Chief Business Development Officer

27 years company affiliation



Stefan Grieving

Chief Marketing Officer

8 years company affiliation



Stefan Hümer

Chief Financial Officer

12 years company affiliation

Highlights Q3 2018 – Success story with profitable growth continued

Dermapharm

1

Significant revenue growth continues

Revenues increased by 22.7% to € 429.0 million

2

Disproportionate EBITDA⁽¹⁾ growth

Adjusted EBITDA⁽¹⁾ increased by 28.3% to € 106.4 million; adjusted EBITDA margin up to 24.8%

3

Significant growth impulses from Branded Pharmaceuticals

Branded Pharmaceuticals segment with 52.5% revenue growth

4

Product portfolio

Successful launch of self-developed products in different countries

5

M&A activities

Integration of the acquisitions of Strathmann and Trommsdorff are proceeding according to plan

6

Regional expansion

Subsidiaries established in Great Britain and Italy, sales managers appointed, regulatory approvals for some of Dermapharm's existing and newly developed products obtained

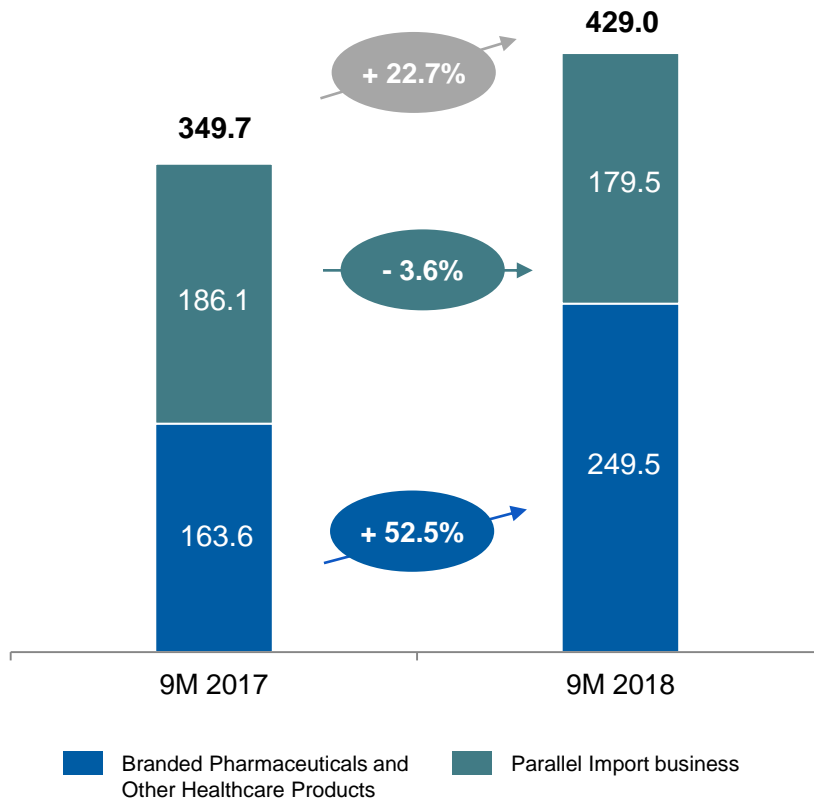
Financial figures 9M 2018

Section 2

Dermapharm Group Revenue – Driven by significant growth in Branded Pharmaceuticals segment

Dermapharm's revenue development

9M 2017 vs 9M 2018 €m, YoY growth (%)



Dermapharm Group

- **Strong revenue growth** of 22.7% to € 429.0 million
- **Main growth drivers:**
 - Successful company acquisitions and integration as well as
 - expansion of the product portfolio through introduction of new, self-developed products in selected markets.

Branded Pharmaceuticals & Other Healthcare Products

- **Revenues again significantly up by 52.5%** to € 249.5 million
- Increase from **consolidation of Strathmann and Trommsdorff** and also from **organic growth**

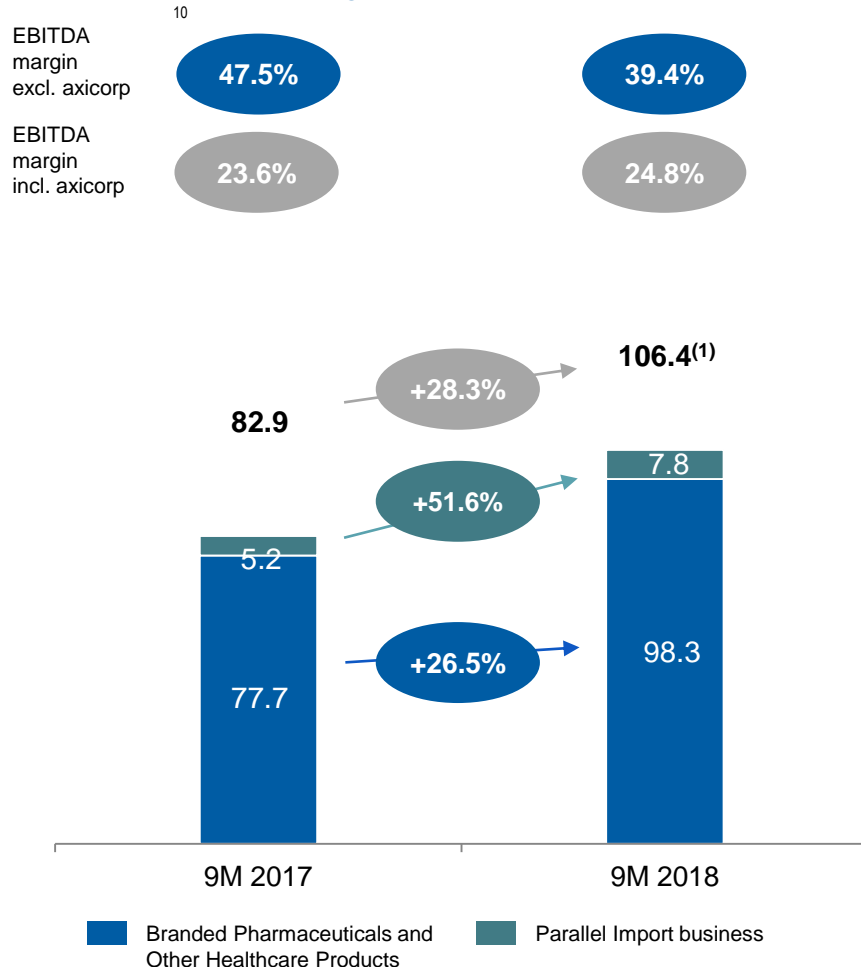
Parallel Import business

- Segment revenues **decreased by 3.6%** to € 179.5 million
- Decline due to **concentration on high-margin, but small-volume preparations**

Dermapharm Group EBITDA – Disproportional EBITDA growth

Dermapharm's EBITDA development

9M 2017 vs 9M 2018 €m, YoY growth (%)



Dermapharm Group

- EBITDA growth driven by **Branded Pharmaceuticals**
- One-time costs of € 1.4 million** for IPO preparations
- One-time costs of € 2.4 million** for brokerage and consulting in connection with the newly acquired companies Trommsdorff and Strathmann
- EBITDA up by 28.3%** to € 106.4 million (adjusted) and 23.8% to € 102.6 million (unadjusted)
- Strong EBITDA margin of 24.8%** (adjusted) and 23.9% (unadjusted)

Branded Pharmaceuticals & Other Healthcare Products

- EBITDA up by 26.5% to € 98.3 million (unadjusted)** and **increase mainly based** on positive development of gross profit while reducing expenses for SHI rebates and material costs, and
- EBITDA margin of 39.4%** (unadjusted) and below 2017 due to initial consolidation of Strathmann and Trommsdorff

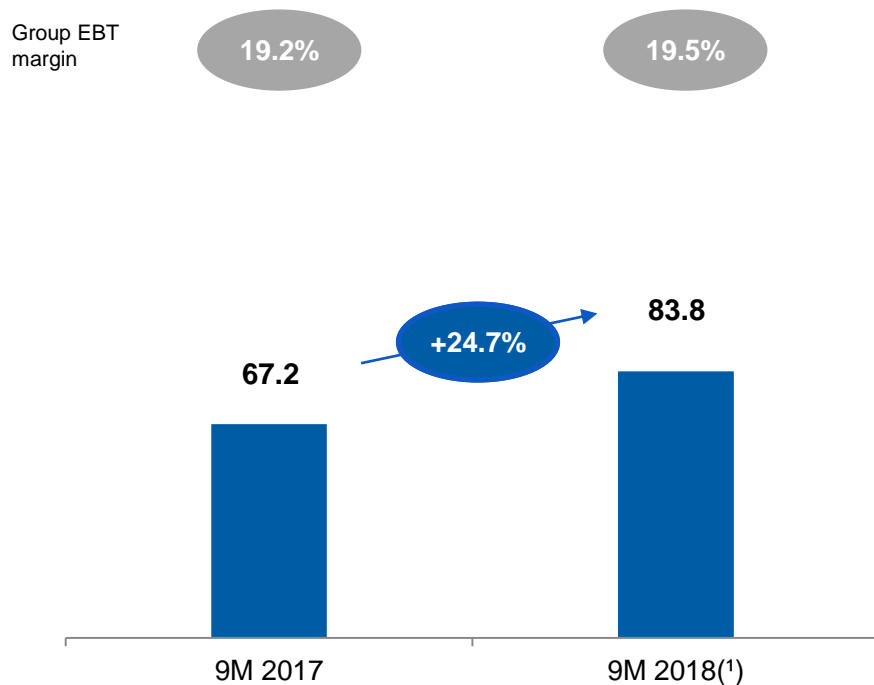
Parallel Import business

- Disproportional EBITDA growth of 51.6%** to € 7.8 million; EBITDA margin up to 4.4%
- Growth largely based on **optimization of the product portfolio** and **demand-driven sourcing**
- Costs were on a stable basis**

Earnings before tax (EBT) – Reflecting company’s high profitability

Dermapharm’s EBT development

9M 2017 vs 9M 2018 €m, YoY growth (%)



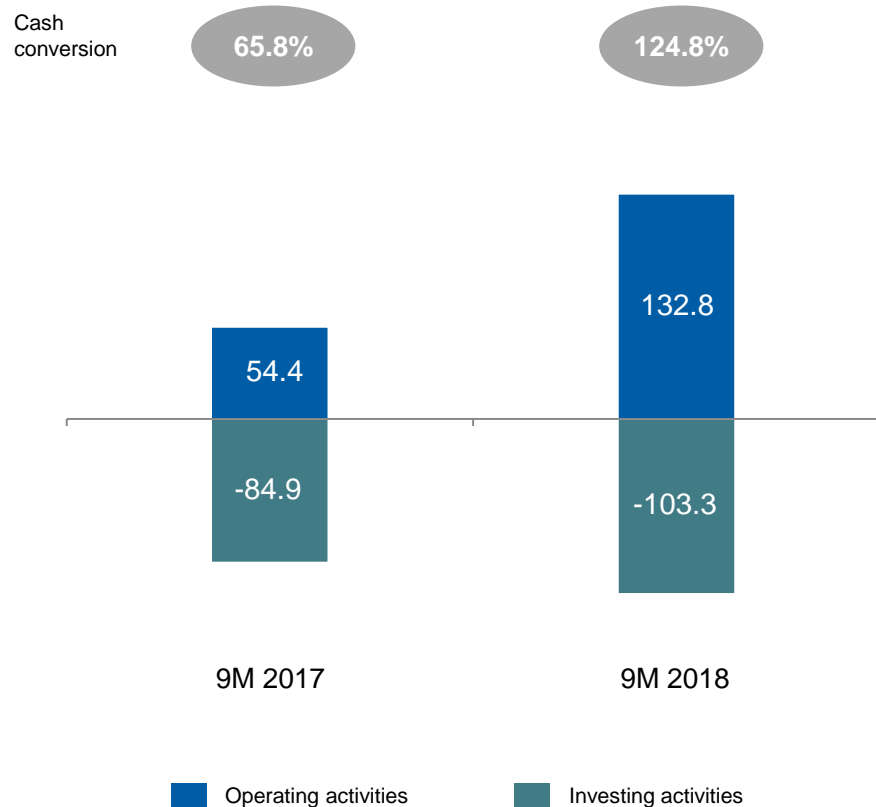
Comments

- **EBT (adjusted) increased by 24.7%** to € 83.8 million resulting in a **margin of 19.5%**
- **Depreciations and amortization at € 19.2 million** and € 8.0 million above the previous year
- **Financial result of € 2.3 million** below previous year’s level of € 3.3 million

Strong Cash flows and cash conversion – Reflecting strong dedication to future growth

Strong cash flow and cash conversion⁽¹⁾

in €m / in % of group EBITDA



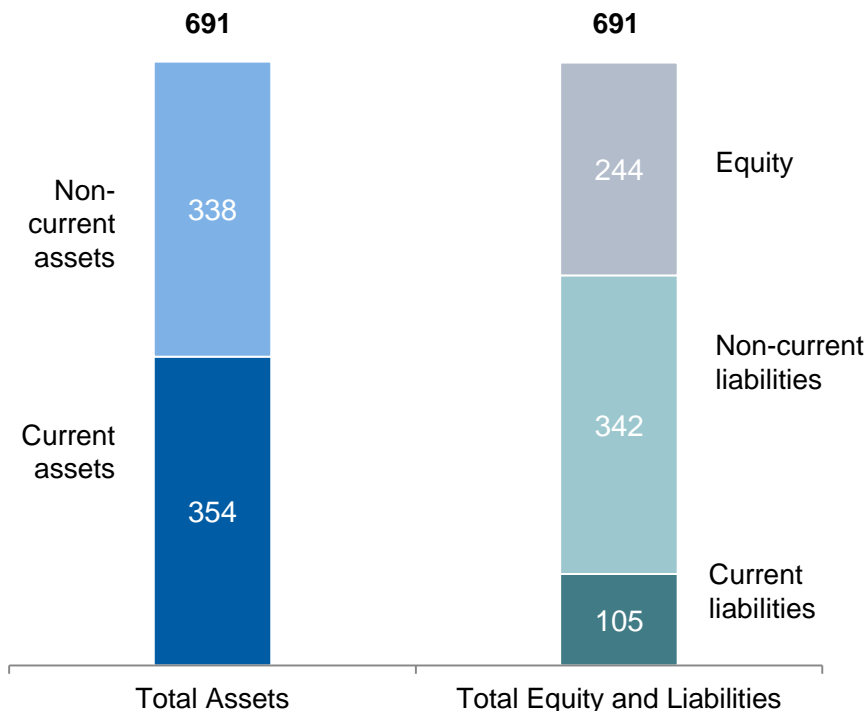
Comments

- **CF from operating activities up** due to positive business development
- **CF from investing activities** mainly reflecting M&A
- Strathmann
- Trommsdorff
- **Free cash flow: € 29.5 million** in 9M 2018
- **Cash conversion** increased in 9M 2018 to **124.8%**

Balance sheet of Dermapharm Group

Balance Sheet as of 30 September 2018

in €m



Comments

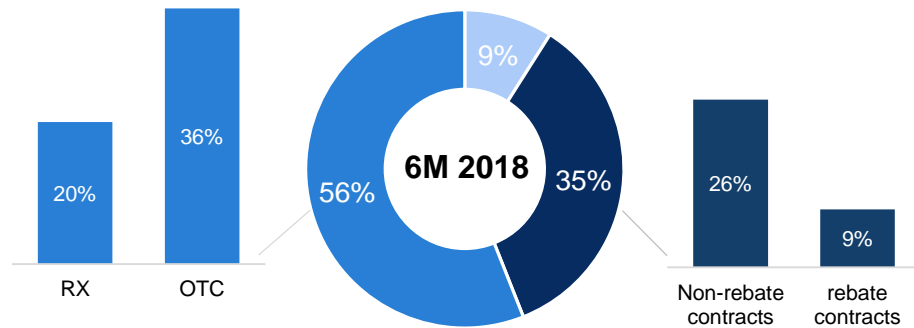
- **Total assets** increased to € 691.4 million
- **Non-current assets** increased mainly due to the increase in intangible assets, Goodwill and Property, plant and equipment
- **Current assets** increased mainly due to higher inventories, trade receivables and cash
- **Equity** increased to € 243.6 million
- **Current and non-current financial liabilities** amounted to € 277.9 million and € 29.0 million and mainly include
 - Bank loans, and
 - Promissory loans
- **Net debt / unadjusted EBITDA⁽¹⁾**: 0,8x

Outlook FY 2018

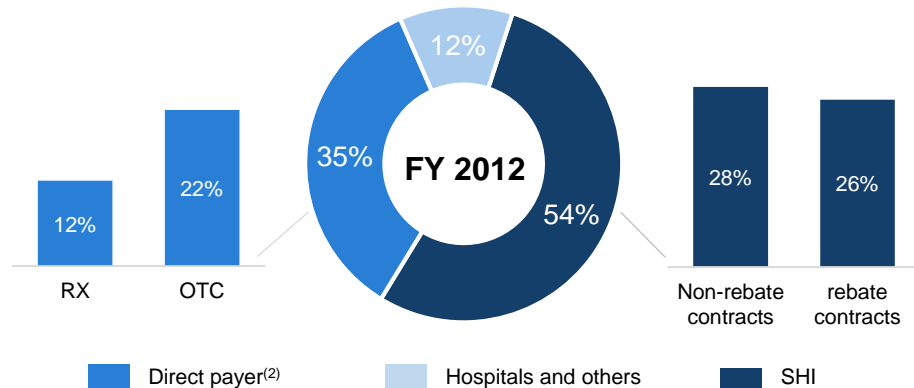
Section 3

Dermapharm follows a consequent portfolio strategy

Revenue by market access excl. axicorp⁽¹⁾



MARGIN



Comments

- **Acquisitions** of Trommsdorff, Strathmann, and the hyperthermic devices **further strengthen portfolio shift in 6M 2018**
- **Portfolio shift overall leads to**
 - an **increasing share of self-payers products** with strong margins
 - an **increasing share of OTC products**
 - **decreasing dependence** on a highly regulated SHI market
 - **higher independency from SHI rebate contracts** with low margins

Growth strategy – Update on in-house development

Q3 2018

Achievements

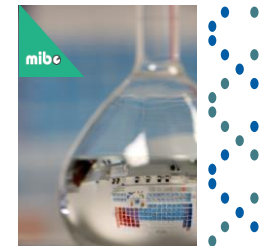
- All ongoing development projects on track
- **Several new products launched in different countries**
 - Germany: Myopridin®, Summavit® materna, Silicea® Nagelaufbauserum, Dekristolvit® 1.000 drops, Verrucutan®, Urocys®, Calcilac mono®, Lactofem Feuchtcreme®, **Silicea® Skin Repair Spray®**, **Physiotop®**, **easydrop®**
 - Austria: Metasol® 16 mg and 32 mg ampoules, Minoxidil® 2% and 5%, Dienovel®, bite away®, **Physiotop®**, **Chinaöl®**
 - Poland: Momecutan®, **Verrucutan®**, **Finapil®**
 - Switzerland: Amorocutan Nail lacquer®, bite away®, Herpotharm®, **Solacutan®**
 - Croatia: bite away®
 - Ukraine: Dekristol® 4.000, **Dekristol® 1000**



2018

Plans

- **More than 40 ongoing development projects** with new products for all product areas
- Out of this product pipeline **28 products to be registered** in the upcoming years in Germany and other European countries
- **Pruritherm® development** and clinical studies



Pruritherm®



Growth strategy – Update on internationalization

Q3 2018

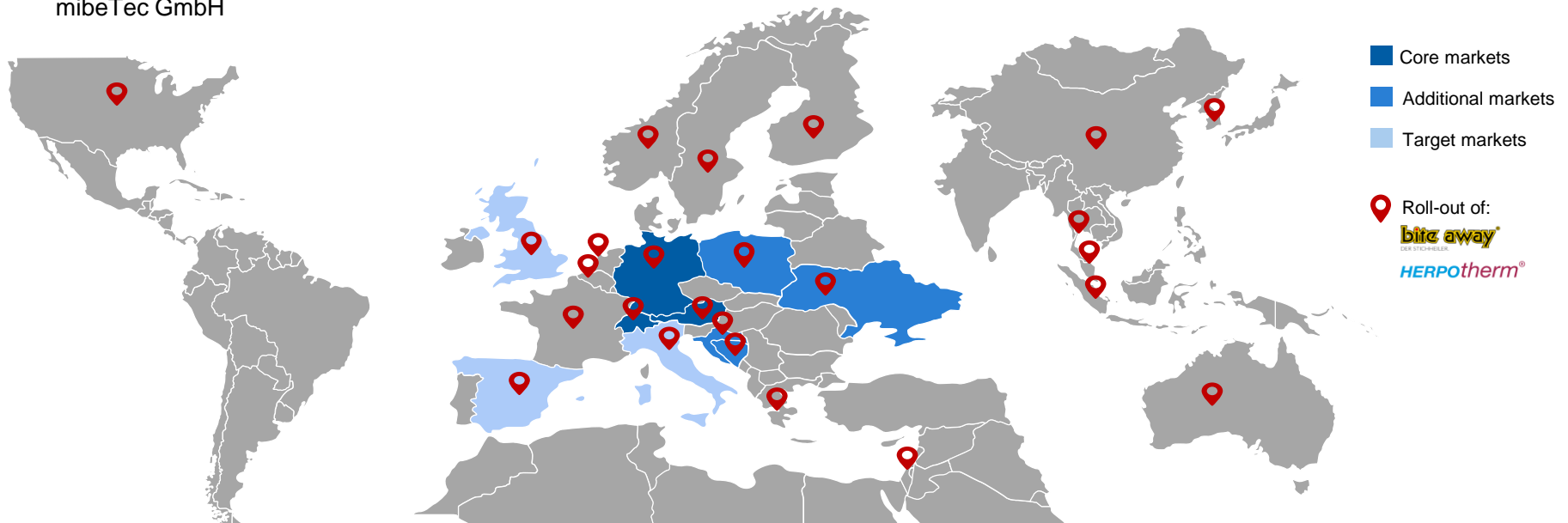
Achievements

- **Subsidiaries established** in the UK and Italy (Feb 2018)
- **Sales managers** hired in the UK and Italy
- **Marketing authorizations obtained in EU** for several of recently developed pharmaceuticals
- Scheduled preparation of **European roll-out** of bite away® and Herpotherm® and start in own markets
- Numerous **international sales partners** in the field of hyperthermic medical products gained through subsidiary mibeTec GmbH

2018

Plans

- Launch of first products in **UK and Italy**
- Entering **Spain**
- Continuous screening of **international M&A opportunities**
- **International roll-out** of bite away® and Herpotherm® in **several countries and regions through different sales channels**



Growth strategy – Update on M&A activities

Q3 2018

Achievements

- Integration and consolidation of **Strathmann, Trommsdorff, Bio Diät and Hyperthermic-Medical-Devices** further **strengthen overall strategy with product portfolio** characterized by:
 - Focus on **niche markets with low competition**
 - Mainly **original products with USPs focusing on self-payers**
 - Extension of the therapy groups** by the area **pain treatment**
 - Marketing and sale** of former mibe products (Gabrilen, Hygroton, Suxilep) **by Trommsdorff and GP field force**
 - Preparation transfer logistics of Bio Diät** to mibe Brehna **completed**. Scheduled start from January 1, 2019
 - Successful certification** of MibeTec GmbH by TÜV-Süd for the products **bite away® and Herpotherm®**, this replaces the former owner as manufacturer
 - Increase in bite-away sales by > 100%** in all established sales channels (amazon / Rossmann) and **expansion into the pharmacy market**

2018

Plans

- Integration** of Bio-Diät-Berlin, Strathmann and Trommsdorff **on track**:
 - Leveraged product marketing through existing sales forces
 - Standardization of IT systems
 - Realization of synergies regarding i.e. overhead or sourcing
 - Cost reduction through site selection
- Dermapharm owns the **worldwide marketing rights for bite away® and Herpotherm®** and intends to **market** these devices **globally**
- International roll-out** of bite away® and Herpotherm® in **several counties and regions through different sales channels**



- Approval process** for closing the acquisition of **EUROMED S.A.**

EUROMED

Growth strategy – Expansion of production and logistics capacities

Q3 2018

Achievements

mibe GmbH in Brehna - Construction of a new Central Logistics building

- **Start of the construction project realized in September 2018**

2018/19

Plans

- **Completion of the project until September 2019**
- Following **Integration of logistics processes** of Strathmann and Trommsdorff

Melasan GmbH in Austria - Construction of a new production building

- **Planning and building permission is granted**
- This marks an **important milestone for growth in the food supplement sector**

- **Completion of the project until November 2019**



**Reserve area
20,000m²**

Business update on axicorp Group

Q3 2018

Achievements

- Reduction of purchase prices
- Further broadening of sourcing
- Further leverage of the call center
- Sale of **bite away®** to **6,500 pharmacies** via call center during the **introductory phase in the pharmacy market**

Examples of parallel imported originator-products:



2018

Plans

- Finalization of the **falsification guideline project**
- Ongoing **portfolio optimization**
- Launch of **additional Dermapharm-OTC products**

Leveraging the call center for additional OTC products:



Growth strategy on track and confirming guidance 2018

Revenues 2018

+20% to +25%

- over the previous year (2017: € 467 million)

**EBITDA
2018**

(adjusted)

+22% to +27%

- over the previous year (2017: € 113 million (adjusted))
-

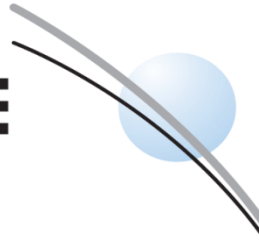
“Growth rates based on organic growth and the four acquisitions 2017/18, which are included in the forecast.”

Investor contact

cometis AG
Claudius Krause

E-Mail: ir@dermapharm.de
Phone: +49 (0) 611 20 58 55 28

Dermapharm Holding SE



**Becoming the leading European pharmaceuticals
manufacturer in selected markets**