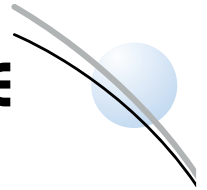




Dermapharm Holding SE



INTERIM STATEMENT
Q1 **2023**

Consolidated results at a glance

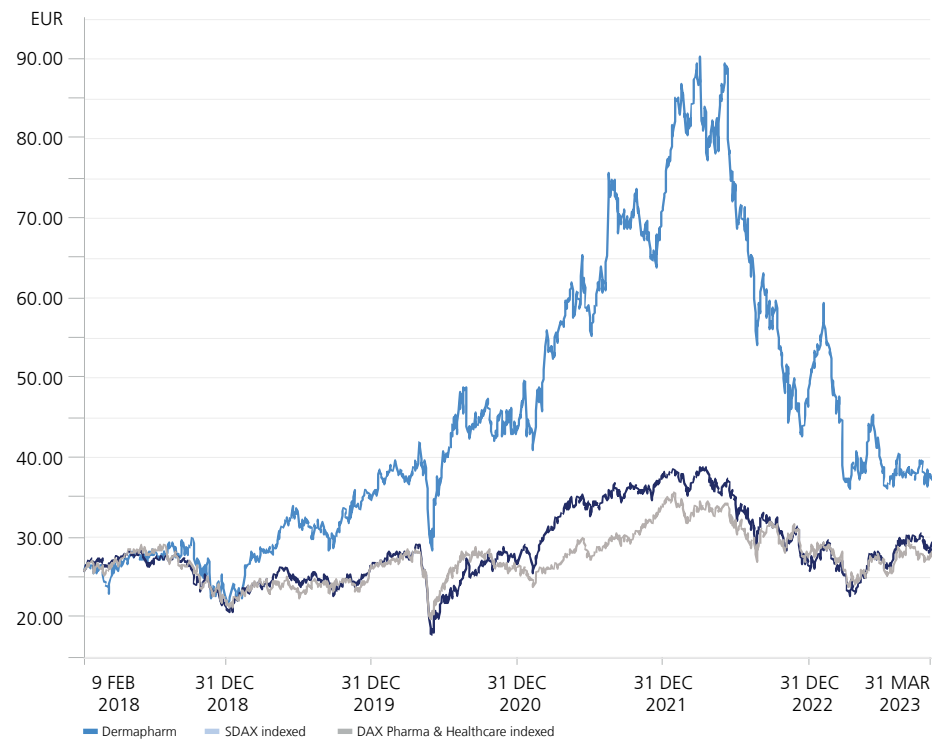
		Q1 2023	Q1 2022
Revenue	EUR million	319.1	231.6
Adjusted EBITDA*	EUR million	105.8	75.1
Adjusted EBITDA margin*	%	33.2	32.4
Unadjusted EBITDA	EUR million	98.0	71.3
Unadjusted EBITDA margin	%	30.7	30.8
Operating result	EUR million	84.3	58.1
EBT	EUR million	69.8	57.4
Profit or (loss) for the period	EUR million	49.1	37.1
Earnings per share	EUR	0.92	0.69
		31 March 2023	31 December 2022
Total assets	EUR million	2,168.0	1,412.8
Equity	EUR million	581.1	532.5
Equity ratio	%	26.8	37.7
Cash and cash equivalents	EUR million	213.1	151.0
Net debt	EUR million	923.6	367.8

* Q1 2023 EBITDA was adjusted for non-recurring expenses amounting to EUR 7.8 million.

Q1 2022 EBITDA was adjusted for non-recurring expenses amounting to EUR 3.7 million.

SHARE INFORMATION

Dermapharm Holding SE share (Xetra)



General information

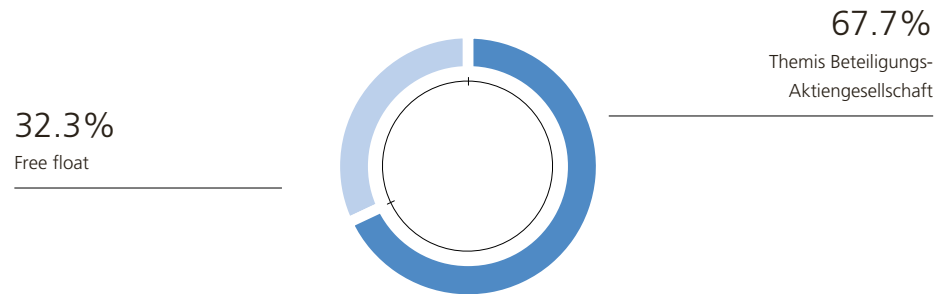
German Securities Code (WKN)	A2GS5D
ISIN	DE000A2GS5D8
Ticker symbol	DMP
Type of shares	No-par value ordinary bearer shares
Initial listing	9 February 2018
Number of shares	53.84 million
Stock exchange	Regulated Market (Prime Standard) of the Frankfurt Stock Exchange
Analysts	Harald Hof, Alster Research Gerhard Orgonas, Berenberg Alexander Thiel, Jefferies Stephan Wulf, ODDO BHF Marietta Miemietz, Pareto Securities
Designated Sponsors	Berenberg Stifel

Key share figures Q1 2023

Share information Q1 2023 (XETRA)

High (17 January 2023)	EUR 40.62
Low (23 March 2023)	EUR 36.22
Closing Price (31 March 2023)	EUR 37.44
Trading volume (1 January 2023 to 31 March 2023, average number of shares)	30,089 shares
Market capitalisation (as at 31 March 2023)	EUR 2,015.8 million

Shareholder structure



Information based on voting rights notifications received pursuant to German Securities Trading Act (Wertpapierhandelsgesetz, "WpHG") as at 15 November 2022

Financial Calendar 2023

Annual General Meeting 2023	14 June 2023
Publication of 2023 Half-Yearly Financial Report	29 August 2023
Publication of Q3 Quarterly Report	15 November 2023

REPORT ON ECONOMIC POSITION

1. Course of business

From an operating standpoint, Dermapharm Holding SE performed in line with expectations in the first three months of 2023. This was based in particular on the revenue contributions due to the acquisition of the Arkopharma Group, resurgent growth in the “Parallel import business” segment and strong growth in the existing portfolio.

Consolidated revenue increased by 37.8% to EUR 319.1 million as compared to the prior-year period (Q1 2022: EUR 231.6 million). At the same time, adjusted EBITDA increased by 40.9% to EUR 105.8 million (Q1 2022: EUR 75.1 million). Unadjusted EBITDA increased to EUR 98.0 million, representing a 37.4% increase (Q1 2022: EUR 71.3 million).

The adjusted EBITDA margin amounted to 33.2% (Q1 2022: 32.4%), and the unadjusted EBITDA margin amounted to 30.7% (Q1 2022: 30.8%).

The overall performance in the first three months of 2023 has underscored the fact that Dermapharm’s business model has proven it can remain successful in the long-term, even in the face of the lingering effects of the war in Ukraine.

To the extent possible, Dermapharm uses its own resources to develop, manufacture and market its products. The Group leverages the reputations of Germany and other European countries as manufacturing powerhouses and the quality associated with products manufactured there.

Branded pharmaceuticals and other healthcare products

In the “Branded pharmaceuticals and other healthcare products” segment, Dermapharm increased revenue by 10.8% to EUR 161.4 million (Q1 2022: EUR 145.7 million). The increase was attributable primarily to the stable demand for products in the existing portfolio, as well as further organic growth in the therapeutic areas of dermatology, allergology and pain and inflammation.

This resulted in an adjusted EBITDA of EUR 81.2 million, representing a year-on-year increase of 17.0% (Q1 2022: EUR 69.4 million). The segment’s adjusted EBITDA margin amounted to 50.3% (Q1 2022: 47.6%).

Unadjusted EBITDA rose to EUR 74.0 million (Q1 2022: EUR 66.4 million). The segment’s unadjusted EBITDA margin amounted to 45.8% (Q1 2022: 45.6%).

Herbal extracts

In the “Herbal extracts” segment, Dermapharm generated EUR 91.3 million in revenue in the first three months of 2023 (Q1 2022: EUR 25.6 million). The sharp year-on-year increase in revenue was based mainly on the additional contributions to revenue resulting from the acquisition of the Arkopharma Group, which was included for the first time as at 1 January 2023.

Adjusted EBITDA thus amounted to EUR 24.1 million (Q1 2022: EUR 6.1 million). The adjusted EBITDA margin thus amounted to 26.4% (Q1 2022: 23.8%).

The unadjusted EBITDA amounted to EUR 23.4 million (Q1 2022: 5.4 million), and the EBITDA margin amounted to 25.7% (Q1 2022: 21.1%).

Parallel import business

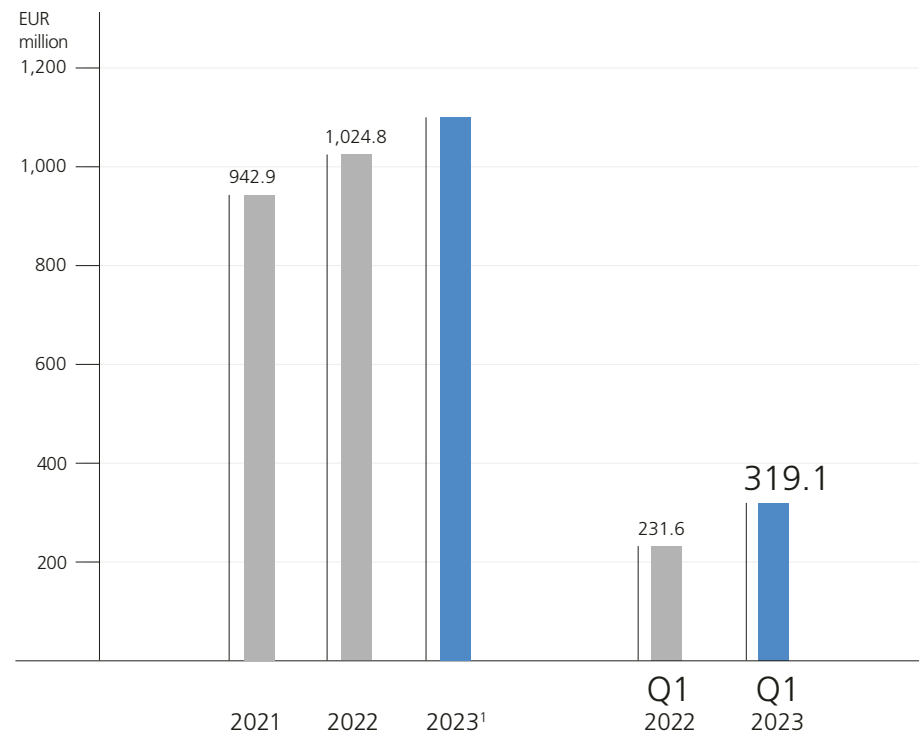
Revenue for the parallel import business rose by 9.9% to EUR 66.4 million (Q1 2022: EUR 60.4 million). Thanks to good order intake in conjunction with solid product availability in the parallel import business, the segment outperformed competitors, bolstered by growth in revenue from the OTC product line.

EBITDA for this segment increased by 50.0% to EUR 1.8 million (Q1 2022: EUR 1.2 million). The segment's EBITDA margin improved accordingly in the first three months of 2023 to 2.7% (Q1 2022: 2.0%).

2. Revenue and earnings performance

Revenue trend

Yearly and quarterly comparison of revenue trend

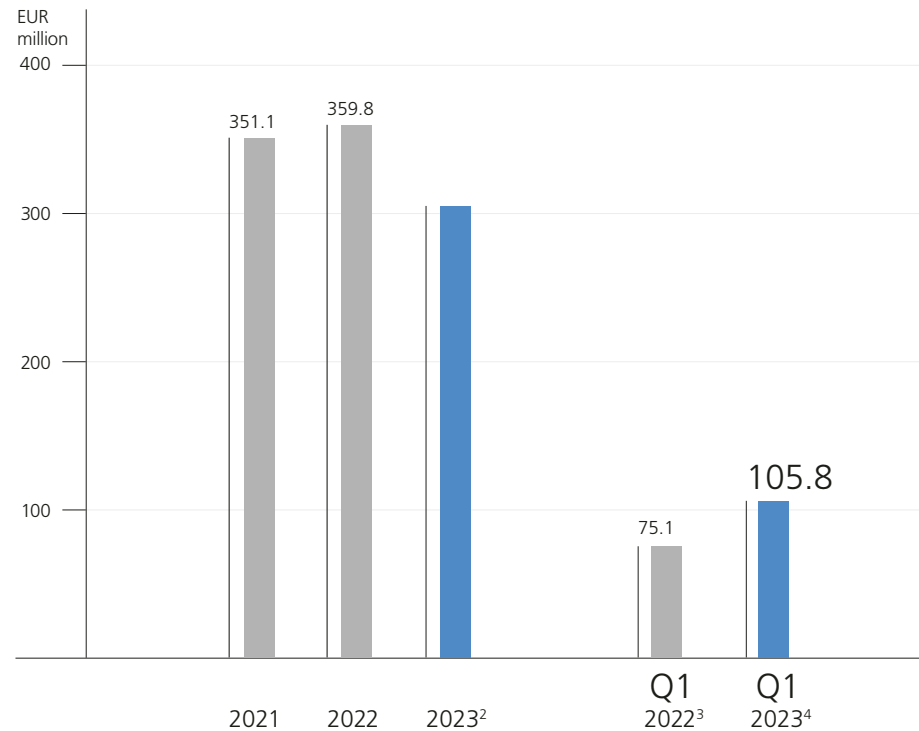


Revenue in the first three months of 2023 amounted to EUR 319.1 million, up by 37.8% year on year (Q1 2022: EUR 231.6 million).

¹ Estimated revenue for the year in line with growth forecast between EUR 1,080 million and EUR 1,110 million.

Earnings before interest, tax, depreciation and amortisation (EBITDA)

Yearly and quarterly comparison of EBITDA trend¹



¹ Adjusted for non-recurring items.

² Estimated EBITDA in line with forecast between EUR 300 million and EUR 310 million.

³ Q1 2022 EBITDA adjusted by non-recurring expenses of EUR 3.0 million in connection with the acquisition and share purchase of C³ and CORAT, as well as an adjustment in connection with the purchase price allocation (IFRS 3) for Cernelle amounting to EUR 0.7 million.

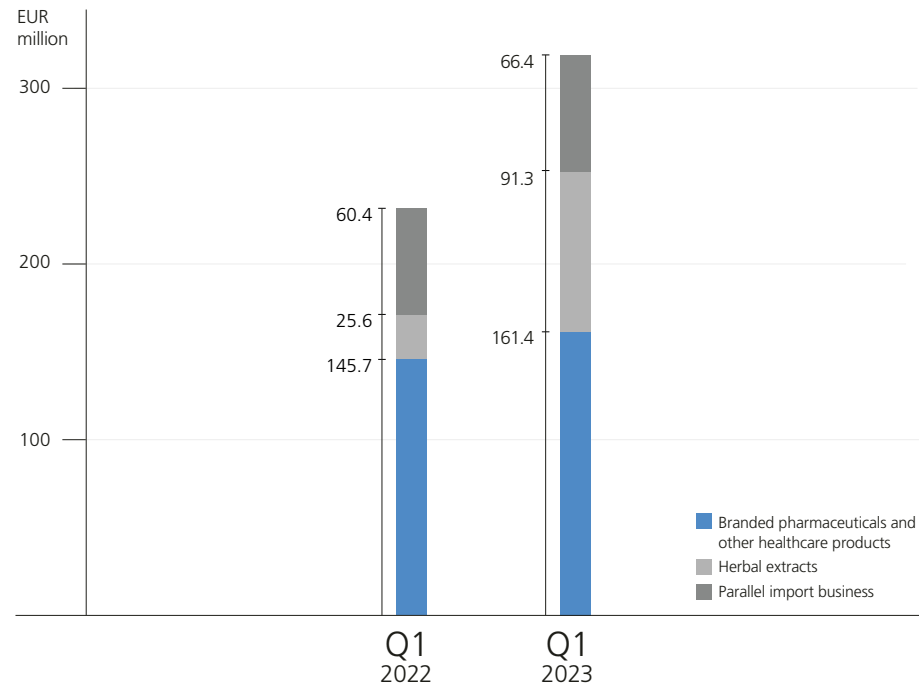
⁴ Q1 2023 EBITDA adjusted by EUR 7.8 million in non-recurring expenses relating to the acquisition of the Arkopharma Group.

The adjusted consolidated EBITDA for the first three months of 2023 amounted to EUR 105.8 million, up 40.9% on the prior-year period (Q1 2022: EUR 75.1 million). As a result, the adjusted EBITDA margin amounted to 33.2% (Q1 2022: 32.4%).

At the same time, unadjusted EBITDA increased from EUR 71.3 million to EUR 98.0 million. This corresponds to a 30.7% unadjusted EBITDA margin (Q1 2022: 30.8%).

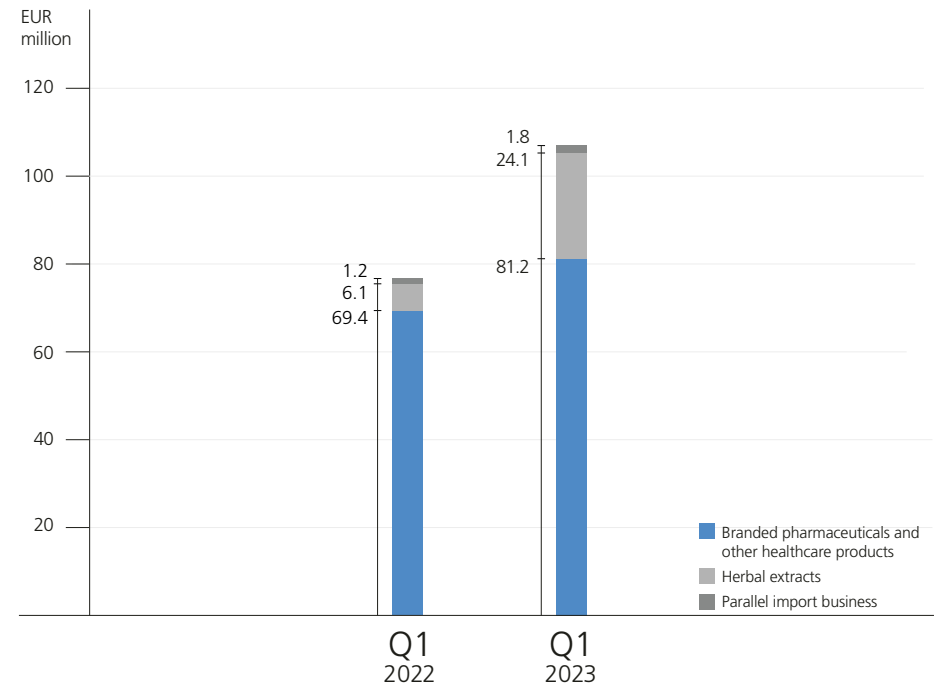
Performance of the segments

Quarter-on-quarter revenue trend by segment



- Revenue in the “Branded pharmaceuticals and other healthcare products” segment increased by 10.8% to EUR 161.4 million in the first three months of 2023 (Q1 2022: EUR 145.7 million).
- Revenue for the “Herbal extracts” segment increased by 256.6% from EUR 25.6 million to EUR 91.3 million.
- Revenue in the “Parallel import business” segment increased by 9.9% to EUR 66.4 million in the reporting period (Q1 2022: EUR 60.4 million).

Quarter-on-quarter EBITDA trend by segment¹



¹ Adjusted for non-recurring items.

- Adjusted EBITDA in the “Branded pharmaceuticals and other healthcare products” segment increased by 17.0% to EUR 81.2 million (Q1 2022: EUR 69.4 million). At 50.3% (previous year: 47.6%), the segment’s adjusted EBITDA margin was 2.7 percentage points higher than in the prior-year period.
- Adjusted EBITDA for the “Herbal extracts” segment increased from EUR 6.1 million to EUR 24.1 million. The adjusted EBITDA margin amounted to 26.4% (Q1 2022: 23.8%).
- EBITDA in the “Parallel import business” segment amounted to EUR 1.8 million in the first three months of 2023 (Q1 2022: EUR 1.2 million). This represents an increase of 50.0%. As a result, the EBITDA margin amounted to 2.7% (Q1 2022: 2.0%).

Report on expected developments

The Group's performance in Q1 2023 was in line with our assumptions. The Board of Management is therefore pleased to confirm the guidance from the 2022 Annual Report. The Board of Management expects consolidated revenue to grow to between EUR 1,080 million and EUR 1,110 million in financial year 2023. Adjusted EBITDA is expected to fall within a range of EUR 300 million and EUR 310 million.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2023

Rounding differences may arise due to the different presentation of figures in EUR million in the economic report and EUR thousand in the interim consolidated financial statements and segment reporting.

Condensed statement of financial position

Assets EUR thousand	31 March 2023	31 December 2022
Non-current assets		
Intangible assets	310,023	305,044
Goodwill	834,541	271,319
Property, plant and equipment	271,439	225,673
Investments accounted for using the equity method	33,620	34,920
Equity investments	437	441
Other non-current financial assets	41,666	41,493
Total non-current assets	1,491,726	878,890
Current assets		
Inventories	315,369	255,721
Trade receivables	105,468	96,715
Other current financial assets	13,720	14,656
Other current assets	25,581	15,790
Tax assets	3,000	43
Cash and cash equivalents	213,149	151,021
Total current assets	676,288	533,947
Total assets	2,168,013	1,412,836

Equity and liabilities
EUR thousand

	31 March 2023	31 December 2022
Equity		
Issued capital	53,840	53,840
Capital reserves	100,790	100,790
Retained earnings	404,762	355,357
Other reserves	21,171	21,604
Equity attributable to owners of parent	580,563	531,592
Non-controlling interests	491	900
Total equity	581,054	532,491
Non-current liabilities		
Provisions for employee benefits	106,259	89,277
Non-current financial liabilities	1,119,253	511,560
Other non-current liabilities	12,973	11,198
Deferred tax liabilities	54,042	50,518
Total non-current liabilities	1,292,526	662,553
Current liabilities		
Other provisions	29,063	24,925
Current financial liabilities	16,861	4,887
Trade payables	80,405	56,100
Other current financial liabilities	606	2,369
Other current liabilities	60,798	33,157
Tax liabilities	106,700	96,354
Total current liabilities	294,433	217,792
Total equity and liabilities	2,168,013	1,412,836

Condensed statement of comprehensive income

EUR thousand	Q1 2023	Q1 2022
Revenue	319,118	231,641
Change in inventories	11,986	4,215
Own work capitalised	3,747	4,082
Other operating income	10,309	3,373
Cost of materials	-122,471	-93,317
Personnel expenses	-66,052	-44,290
Depreciation, amortisation and reversal of impairment	-14,983	-12,570
Other operating expenses	-57,357	-35,048
Operating result	84,297	58,087
Share of profit/loss of companies accounted for using the equity method, after tax	-1,301	690
Financial income	425	1,086
Financial expenses	-13,629	-2,460
Financial result	-14,504	-684
Earnings before taxes	69,792	57,402
Income tax expenses	-20,693	-20,265
Profit or loss for the period	49,099	37,138

EUR thousand	Q1 2023	Q1 2022
Other comprehensive income not reclassified to profit or loss in subsequent periods:		
Actuarial gains/losses from remeasurement of defined benefit pension plans	-30	-
Deferred taxes on items that will not be reclassified	8	-
Other comprehensive income which may be reclassified to profit or loss in subsequent periods:		
Foreign operations - currency translation differences	-411	-602
Other comprehensive income, after tax	-433	-602
Total comprehensive income for the period	48,666	36,536
Profit or loss for the period attributable to		
Owners of the parent	49,404	37,371
Non-controlling interests	-305	-233
	49,099	37,138
Total comprehensive income for the period attributable to		
Owners of the parent	48,971	36,769
Non-controlling interests	-305	-233
	48,666	36,536
Earnings per share		
Basic (= diluted) earnings per share (EUR)	0.92	0.69

Condensed statement of cash flows

EUR thousand	Q1 2023	Q1 2022
Earnings before taxes	69,792	57,402
Depreciation, amortisation / (reversal of impairment) of fixed assets	15,098	12,538
(Increase)/decrease in working capital (assets)	-15,353	-22,853
Increase/(decrease) in working capital (liabilities)	-834	2,215
Increase/(decrease) in provisions for employee benefits	625	184
Other non-cash items	266	-134
Share of (profit)/loss of companies accounted for using the equity method, after tax	1,301	-690
(Gain)/loss on disposal of non-current assets	30	-17
Interest expense/(income)	12,687	1,046
Income tax payments	-9,737	-10,179
Net cash flows from operating activities	73,874	39,512
Proceeds from the disposal of intangible assets and property, plant and equipment	2	10
Proceeds from disposals of financial assets	-	10,000
Business combinations, less cash	-391,111	-70,561
Payments for investments in intangible assets and property, plant and equipment	-7,049	-10,621
Payments for investments in financial assets	-	-25
Interest received	71	136
Cash flows from investing activities	-398,086	-71,061

EUR thousand	Q1 2023	Q1 2022
Proceeds from borrowings	650,000	20,000
Repayments of borrowings	-258,778	-20,493
Payments of lease liabilities	-1,666	-1,220
Interest paid	-2,920	-1,319
Cash flows from financing activities	386,636	-3,033
Net increase/decrease in cash, cash equivalents and bank overdrafts	62,425	-34,582
Cash, cash equivalents and bank overdrafts as at 1 January	151,019	161,414
Effect of exchange rate changes on cash and cash equivalents	-303	-29
Cash, cash equivalents and bank overdrafts as at 31 March	213,141	126,803
Bank overdrafts as at 1 January	-2	-
Bank overdrafts as at 31 March	-8	-744
Cash and cash equivalents as at 31 March	213,149	127,547

Segment reporting

Q1 EUR thousand	Branded pharmaceuticals and other healthcare products		Herbal extracts*		Parallel import business		Reconciliation/ Group holding company		Group	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	163,463	146,452	91,964	25,714	66,437	60,352	-2,745	-877	319,118	231,641
<i>of which intersegment revenue</i>	2,064	721	681	157	-	-	-2,745	-877	-	-
Revenue from external customers	161,399	145,732	91,282	25,557	66,437	60,352	-	-	319,118	231,641
Revenue growth	11%	12%	257%	28%	10%	-3%	-	-	38%	9%
EBITDA	74,013	66,352	23,439	5,351	1,819	1,248	-1,293	-1,604	97,979	71,347
<i>of which earnings from investments accounted for using the equity method</i>	-1,301	690	-	-	-	-	-	-	-1,301	690
EBITDA margin	46%	46%	26%	21%	3%	2%	-	-	31%	31%

* As from 1 January 2023 with Arkopharma-Group; as from 1 February 2022 with C³-Group

IMPRINT

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