



Dermapharm continues profitable growth in first half of 2018

- » Group revenues increased by around 20% from last year to EUR 280.3 million
- » Adjusted EBITDA increased by around 30% over last year to EUR 70.9 million
- » Adjusted EBITDA margin improved by about 2% from last year to approx. 25%
- » Management Board confirms previous forecast for fiscal year 2018

Grünwald, August 21, 2018 – Dermapharm Holding SE (“Dermapharm”), a leading producer of patent-free branded pharmaceuticals for select therapeutic areas based in Germany with a growing international presence, published its unaudited preliminary IFRS financial figures for the first half of 2018 today. Both the highly profitable segment “Branded Pharmaceuticals and Other Healthcare Products” and the “Parallel Import Business” contributed to the rise in revenues and earnings.

On a preliminary basis, Group revenues rose by 19.7% to EUR 280.3 million in the first half of 2018 (previous year: EUR 234.2 million). Dermapharm also significantly improved its earnings before interest, taxes, depreciation and amortization (EBITDA) in the first half of 2018. The company's EBITDA adjusted for one-off costs amounting to EUR 1.4 million related to IPO preparations and the acquisitions of Strathmann and Trommsdorff in the amount of EUR 2.4 million increased by 29.9% to EUR 70.9 million (previous year: EUR 54.6 million). Dermapharm was therefore able to continue increasing its rising profitability in the first half of 2018, achieving an adjusted EBITDA margin at Group level of 25.3% (same period of the previous year: 23.3%). Unadjusted EBITDA amounted to EUR 67.1 million, an increase of 22.9% compared to the same period of the previous year, and an unadjusted EBITDA margin of 23.9%.

Dr. Hans-Georg Feldmeier, CEO of Dermapharm Holding SE, explains the course of business in the first half of 2018: “The figures for the first six months of the current fiscal year reflect the success of our consistent growth strategy. With our latest acquisitions of Strathmann and Trommsdorff, we have not only expanded our current portfolio with established brand products such as Keltican® forte, but have also gained a significant market share in a new therapeutic area. The therapeutic area of pain treatment rounds off our strategic therapeutic areas, which include dermatologics, systemic corticoids, women’s healthcare, ophthalmologics and vitamins, minerals and enzymes. With Myopridin® and Ebenol® from Strathmann, our portfolio now includes ambitious products in this new market. In addition, Dermapharm achieved further market approvals in the first half of the year, such as Verrucutan®, Calcilac mono® or Summavit materna®, and is also working on more than 40 ongoing development projects. We have also succeeded in opening up new European markets for our hyperthermia products bite away® and Herpotherm® in Northern, Eastern and Central Europe and plan to market the products in the UK, Western Europe, Asia and the US in the future.”

In light of the positive business development in the first half of 2018, the Management Board of Dermapharm Holding SE can confirm its previous forecast for fiscal year 2018 and continues to assume revenue growth of 20 to 25% over the previous year and an increase in adjusted EBITDA of 22 to 27% over the previous year. Dermapharm is pursuing its objective of consistently using both organic and external growth opportunities to become the leading European pharmaceutical producer in select markets.

Dermapharm will publish the final figures for the first half of 2018 with its complete interim report for 2018 on September 12, 2018.



Group revenues and EBITDA as of June 30, 2018, compared to the same period of the previous year (IFRS, preliminary)

in EUR millions	June 30, 2018	June 30, 2017	Change
Group revenues	280.3	234.2	+ 19.7%
Adjusted Group EBITDA*	70.9	54.6	+ 29.9%
Adjusted EBITDA margin* (in %)	25.3	23.3	+ 2.0pp
Group EBITDA	67.1	54.6	+ 22.9%
EBITDA margin (in %)	23.9	23.3	+ 0.6pp

*Adjusted for one-off costs amounting to EUR 1.4 million in connection with the IPO and the acquisitions of Strathmann and Trommsdorff in the amount of EUR 2.4 million.

Company profile:

Dermapharm – Pharmaceutical Excellence "Made in Germany"

Dermapharm is a leading manufacturer of patent-free branded pharmaceuticals for selected markets in Germany. Founded in 1991, the company is based in Grünwald near Munich and has its main manufacturing facility in Brehna near Leipzig. The company's integrated business model comprises in-house development, in-house production and distribution of pharmaceuticals and other healthcare products for specifically targeted markets by a medical and pharmaceutical sales force. Dermapharm holds approximately 950 marketing authorizations (*Arzneimittelzulassungen*) for more than 250 active pharmaceutical ingredients, which are marketed as pharmaceuticals, dietary supplements or supplemental balanced diets. This assortment makes the company unique. In addition to Germany, the company's core markets also include Austria and Switzerland. The company plans to further expand its international presence. Dermapharm's business model also includes a parallel import business, which operates under the "axicorp" brand. Based on revenues, Dermapharm was among the top five parallel import companies in Germany in the first half-year 2018.

With a consistent development strategy and numerous successful product and company acquisitions over the past 25 years, Dermapharm has continuously optimized its business and provided external growth impulses in addition to organic growth. Dermapharm intends to continue this profitable growth course in the future. The company is focusing on three strategic growth drivers: in-house development of new products, increase of its international footprint and further acquisitions. These include the acquisition of the pharmaceuticals manufacturer and distributor Trommsdorff in January 2018, whose portfolio includes the well-known brands Keltican® forte and Tromcardin® complex.

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