



Dermapharm plans further profitable growth in 2018

- » Sales and earnings growth in 2017 resulted from a successful strategy with a focus on select therapy fields
- » Both segments “Branded pharmaceuticals and other healthcare products” and “Parallel import business” contributed to the growth achieved in 2017
- » Ongoing product portfolio expansion, internationalization and integration of acquired companies and products into the Group are all proceeding according to plan
- » Revenue is expected to grow between 20-25% year-on-year in 2018 with adjusted EBITDA up 22-27%

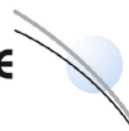
Grünwald, Germany, April 27, 2018 – Dermapharm Holding SE (“Dermapharm”), a leading producer of patent-free branded pharmaceuticals for select therapy fields in Germany with a growing international presence, published its full report for fiscal year 2017 today. The company confirmed its preliminary IFRS financial figures published in early April with a positive development in 2017, significant revenue growth and an improved EBITDA margin. Dermapharm sees itself well positioned for 2018 as well and expects to continue its profitable growth course.

On the basis of final, audited IFRS figures, Dermapharm was able to increase revenue by 5.1% to EUR 467.1 million in fiscal year 2017 (previous year: EUR 444.5 million). Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to EUR 112.9 million (previous year: EUR 102.7 million), adjusted for one-time costs for IPO preparations of EUR 2.7 million. The adjusted EBITDA margin increased to 24.2% (previous year: 23.1%). Unadjusted EBITDA amounted to EUR 110.2 million (previous year: EUR 102.7 million) while the unadjusted EBITDA margin increased slightly to 23.6% (previous year: 23.1%).

Dr. Hans-Georg Feldmeier, CEO of Dermapharm Holding SE, is satisfied: “The positive business development in 2017 confirms our chosen strategy with its concentration on select therapy fields. The primary growth drivers came from preparations that have innovative unique selling propositions or were not the focus of medication-related discount agreements with health insurance companies. We were also able to further increase the sales share of high-margin products paid for directly by end consumers. The share of prescription medicines in the self-payer segment also increased.” Sales of the newly acquired Bio-Diät-Berlin GmbH were also consolidated for the first time in fiscal year 2017 from the fourth quarter onwards (around EUR 2.6 million).

Both Dermapharm segments “Brand pharmaceuticals and other healthcare products” and “Parallel import business” contributed to sales and earnings growth in 2017. Sales of branded pharmaceuticals increased by 7.6% to EUR 225.6 million (previous year: EUR 209.6 million). Segment EBITDA rose by 8.3% to EUR 104.6 million (previous year: EUR 96.6 million). This increase was largely due to the positive development of gross profit (+8.3%) alongside reduced expenses for government rebates, discounts from direct contracts with health insurance companies and material costs. At 46.4% (previous year: 46.1%), the segment’s EBITDA margin was slightly above the previous year’s level. The revenue of the Parallel import business increased by 3.0% to EUR 243.0 million (previous year: EUR 235.9 million). The increase was mainly due to a growing market capable of importing alongside consistent, demand-oriented portfolio optimization. Axicorp, the subsidiary responsible for the Parallel import business, was able to maintain and further expand its position as one of the top four parallel import companies in Germany. EBITDA in this segment rose by 16.4% to EUR 7.1 million (previous year: EUR 6.1 million). Besides optimizing the product portfolio and increasing the gross profit margin through demand-driven purchasing, cost optimization through the in-house relocation of the reimported anesthetics business contributed to EBITDA growth. The segment’s EBITDA margin increased slightly in 2017 to 2.9% (previous year: 2.6%).

In order to continue this success story in 2018 and beyond, numerous steps were taken in the past fiscal year as part of the growth strategy, which is based on three pillars: product portfolio expansion with in-house new product development, increased international footprint and further acquisitions.

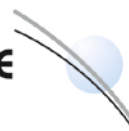


Dermapharm is constantly striving to develop and launch further pharmaceuticals and other healthcare products to expand its product portfolio. In 2017, Dermapharm received 71 new marketing authorizations, 16 in Germany. Marketing authorizations included the vitamin D preparation Dekristol® for other European countries, VITA aktiv® B12, the skin preparation Solacutan® and the hair growth agent Minoxicatan®. The strong product pipeline with more than 40 ongoing development projects for new products in all product areas was also successfully developed. The pipeline comprises 28 pharmaceuticals and other healthcare products expected to be marketable by 2023. In view of its international presence and the introduction of select products from the existing product portfolio as well as new product developments in select markets, a subsidiary was founded in the UK in 2017 and a sales manager was appointed. In February 2018 another subsidiary was founded in Italy. Furthermore, Dermapharm received EU approvals for several newly developed pharmaceuticals in 2017. 2017 was also a successful year for Dermapharm in terms of M&A activities. In September 2017, Dermapharm acquired the Riemser division of hyperthermal medical products and successfully established bite away® and Herpotherm® on the German market. The acquisition of Bio-Diät-Berlin GmbH followed in October 2017. Bio-Diät-Berlin develops, produces and markets non-prescription pharmaceuticals and other healthcare products. In January 2018, Strathmann GmbH was acquired by Dermapharm. Also in January 2018 Dermapharm successfully completed the acquisition of Trommsdorff GmbH & Co. KG. Strathmann distributes a wide range of OTC and prescription-only products. Revenues from Strathmann products are mainly generated in the self-payer segment, which is also important for Dermapharm. Trommsdorff produces and distributes well-known branded products such as Keltican® and Tromcardin®. The products of both companies ideally complement Dermapharm's competence in its key therapy fields. With all acquisitions Dermapharm reduces its dependence on the reimbursement of costs by the statutory health insurance companies.

For 2018, Dermapharm expects the planned introduction of additional attractive RX and OTC products. New medications and healthcare products from the successful acquisitions will also support the 2018 portfolio. Dermapharm moreover will continue its regional expansion in 2018. Besides the UK and Italy, the Spanish market is also set to be developed. Through a combined approval process for several countries, Dermapharm plans to obtain marketing authorizations for several target markets as quickly as possible when introducing new products. For bite away® and Herpotherm®, Dermapharm is in preparation for market launch in select international markets in Europe (the Baltic states, Belgium, Italy, the UK, Croatia, Luxembourg, the Netherlands, Austria, Poland, Switzerland, Scandinavia, Hungary) as well as in China and Israel via its own foreign subsidiaries and also in cooperation with sales partners in the current business year.

Dr. Hans-Georg Feldmeier believes that Dermapharm is very well prepared for the future: "All signs point to continued profitable growth in 2018. We are on track in all areas: our attractive product pipeline is well filled, the integration of our acquired companies and products is proceeding according to plan and we are also making the desired progress with regard to the internationalization of our business. Against this backdrop, we expect revenue growth of between 20% and 25% in fiscal year 2018 compared to the previous year. Adjusted EBITDA is expected to increase by 22% to 27% year-on-year in 2018."

The complete 2017 Annual Report is available online as of today at ir.dermapharm.com.



Key financial figures 2017 in year-on-year comparison

in EUR million	2017	2016	Change
Group revenue	467.1	444.5	+ 5.1%
<i>Branded pharmaceuticals and other healthcare products</i>	225.6	209.6	+ 7.6%
<i>Parallel import business</i>	243.0	235.9	+ 3.0%
Adjusted Group EBITDA*	112.9	102.7	+ 9.9%
Adjusted EBITDA margin* (in %)	24.2	23.1	+ 1.1pp
Group EBITDA	110.2	102.7	+ 7.3%
<i>Branded pharmaceuticals and other healthcare products</i>	104.6	96.6	+ 8.3%
<i>Parallel import business</i>	7.1	6.1	+ 16.4%
EBITDA margin (in %)	23.6	23.1	+ 0.5pp
<i>Branded pharmaceuticals and other healthcare products</i>	46.4	46.1	+0.3pp
<i>Parallel import business</i>	2.9	2.6	+0.3pp

* Adjusted for one-off costs of EUR 2.7 million for IPO preparations.

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 900 marketing authorizations (*Arzneimittelzulassungen*) for more than 200 active pharmaceutical ingredients, which are reflected in a broad assortment of products. 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 four parallel import companies in Germany in 2016.

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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