



Dermapharm remains on growth course despite corona pandemic in the first half of 2020

- » Group revenue up 14% year-on-year to EUR 378 million
- » Adjusted EBITDA of EUR 92 million around 2% above previous year's level
- » Allergopharma consolidated for the first time
- » Forecast for 2020 raised to 12-15% revenue and 8-10% EBITDA growth

Grünwald, 21 August 2020 – Dermapharm Holding SE ("Dermapharm"), a leading producer of patent-free branded pharmaceuticals for selected therapeutic areas, published its unaudited preliminary IFRS Group financial figures for the first half of 2020 today.

According to these figures, Group revenue in the first half of 2020 rose by 14% to EUR 378 million (previous year: EUR 333 million). Group EBITDA adjusted for non-recurring expenses in the amount of EUR 6.0 million increased by 2% to EUR 92 million (previous year: EUR 90 million). The adjusted EBITDA margin was 24.3% and thus 2.7 percentage points below the previous year's figure. Unadjusted Group EBITDA amounted to EUR 86 million, which equates to an increase of 5% over the same period of the previous year (EUR 82 million) and an unadjusted EBITDA margin of 22.8%.

"The results for the first half of 2020 reflect both the increased demand for our branded pharmaceuticals in the first quarter and a smoothing of these stockpiling effects in the second quarter. We have succeeded in maintaining our growth course in an environment changed by the corona pandemic. We are devoting great efforts to the integration of Allergopharma into the Group, which we will complete in the areas of IT, logistics and organisation by the end of the year. Allergopharma strengthens our market position in the German-speaking region, drives the internationalisation of the Group and expands our expertise in the area of research and development," commented Dr. Hans-Georg Feldmeier, CEO of Dermapharm Holding SE.

In the segment "Branded pharmaceuticals and other healthcare products", Dermapharm had recorded stockpiling purchases in the first quarter, particularly in the therapeutic areas "Vitamins/Minerals/Enzymes". These inventories built up by wholesalers and pharmacies then led to a corresponding reduction in sales in Germany in the second quarter. Since March 2020, Dermapharm has registered generally restrained demand among international customers as a result of the lockdown regulations. At the same time, the company had postponed its market entry and the corresponding marketing activities for bite-away® in the US due to the global restrictions on travel and contact.

In the "Parallel import business" segment as well, the increased demand for re-imported originator products in the first quarter was offset by lower sales volumes in the second quarter. The introduction of higher-margin cannabis products led to an increase in income from the distribution of narcotics, which is attributable to axicorp's successful marketing activities.

In the "Herbal extracts" segment, sales of extracts to international customers were temporarily significantly lower than originally planned due to the coronavirus. In the second quarter, however, Dermapharm already recorded a significant revival of its business with slight catch-up effects.

On the basis of the business development in the first half of 2020, the Management Board considers Dermapharm to be well positioned for the year as a whole, despite the current challenges. Taking Allergopharma into account, Dermapharm is therefore raising its forecast and now expects an increase of 12-15% in revenue and 8-10% in EBITDA compared to the previous year. Due to the high uncertainty regarding the further development of the Covid-19 pandemic, the present forecast is made under significantly increased uncertainty.



Dermapharm will publish its final figures for the first half of 2020 together with its complete Half-Year Financial Report 2020 on 9 September 2020.

Key financial figures by annual comparison in accordance with IFRS (preliminary)

in EUR millions	H1 2020	H1 2019	Change
Group revenue	378	333	14%
Adjusted Group EBITDA*	92	90	2%
Adjusted EBITDA margin* (in %)	24.3	27.0	- 2.7pp
Group EBITDA	86	82	5%
EBITDA margin (in %)	22.8	24.6	- 1.8pp

* EBITDA H1 2020 adjusted for non-recurring expenses in connection with the acquisition of Allergopharma and restructuring expenses, as well as PPA effects amounting to EUR 6.0 million. EBITDA in H1 2019 was adjusted for non-recurring expenses in connection with the acquisitions of Euromed, Fitvia and other acquisition efforts, PPA effects and EUR 8.5 million in restructuring expenses at Bio-Diät-Berlin and its subsidiary Kräuter Kühne.

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 trained medical and pharmaceutical sales force. Dermapharm has approximately 250 active pharmaceutical ingredients for around 900 marketing authorisations (Arzneimittelzulassungen), which are marketed as pharmaceuticals, dietary supplements or supplemental balanced diets. This range makes the company unique. Besides 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 that operates under the "axicorp" brand. Based on revenues, Dermapharm was among the top five parallel import companies in Germany in 2019. In the "Herbal extracts" segment, Dermapharm has access to the growth market for herbal pharmaceuticals through the Spanish company Euromed S.A., one of the leading manufacturers of herbal extracts and natural active ingredients.

With a consistent R&D 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 on this profitable growth course in the future. The company is focusing on a three-pillar strategy: in-house development of new products, increase of its international footprint and further acquisitions.

Contacts

Investor Relations & Corporate Communications
 Britta Hamberger
 Phone: +49 (0)89 – 64186-233
 Fax: +49 (0)89 – 64186-165
 E-mail: ir@dermapharm.com

cometis AG
 Claudius Krause
 Phone: +49 (0)611 – 205855-28
 Fax: +49 (0)611 – 205855-66
 E-mail: ir@dermapharm.com