



Dermapharm forecasts exceptionally strong growth for 2021 and confirms preliminary figures

- » Revenue and earnings up due to organic growth and successful acquisitions
- » Vaccine production to commence in May 2021 at Allergopharma's site in Reinbek
- » Consolidated revenue to grow by 24 % – 26 % in 2021
- » Consolidated EBITDA to increase by 45 % – 50 % in 2021
- » Dividend proposal of EUR 0.88 per share for 2020

Grünwald, 13 April 2021 – Dermapharm Holding SE ("Dermapharm"), a rapidly growing manufacturer of branded pharmaceuticals for selected therapeutic areas in Germany, today published its full Annual Report 2020. Dermapharm confirms its preliminary consolidated figures (IFRS) for financial year 2020. Both consolidated revenue and consolidated earnings continue on their clear growth trajectory. Growth was driven by the rise in demand for products to strengthen the immune system, the integration of Allergopharma GmbH & Co. KG in the Dermapharm Group, and the cooperation agreement with BioNTech SE to manufacture the Comirnaty® vaccine.

On the basis of the final, audited consolidated figures (IFRS), consolidated revenue rose by 13.3 % year on year to EUR 793.8 million in 2020 (previous year: EUR 700.9 million). Adjusted for non-recurring expenses amounting to EUR 16.1 million, earnings before interest, taxes, depreciation and amortisation (EBITDA) rose by 13.0 % to EUR 200.7 million (previous year: EUR 177.6 million). At 25.3 %, the adjusted EBITDA margin remained at exactly the same high level as in financial year 2019. Unadjusted EBITDA amounted to EUR 184.5 million, up 9.5 % on the prior-year figure of EUR 168.5 million. The unadjusted EBITDA margin was down slightly, declining by 0.8 percentage points to 23.2 % in financial year 2020 (previous year: 24.0 %).

"2020 was an eventful year and Dermapharm faced a host of new challenges during the COVID-19 pandemic. Our business model has proven adaptable and exceptionally resilient to crises. Our employees are highly committed, our production and logistics facilities are state-of-the-art and flexible and our product range is growing, all of which underpinned our success in financial year 2020. With the market environment changing rapidly, we balanced out risks in certain sub-markets by systematically exploiting opportunities in others. In particular, our products developed to strengthen the immune system – especially our vitamin D compound Dekristol® – saw a considerable jump in demand. The figures for the 2020 reporting period pay testament to our successful and profitable growth strategy," commented Dr. Hans-Georg Feldmeier, CEO of Dermapharm Holding SE.



Significant growth in the "Branded pharmaceuticals and other healthcare products" division

The greatest contribution to consolidated revenue came from the "Branded pharmaceuticals and other healthcare products" division. Its revenue rose by 22.4 % as against 2019 to EUR 471.3 million (previous year: EUR 385.1 million). As well as organic growth based on higher volumes, this revenue growth was due mainly to the acquisition of Allergopharma and the inclusion of Fitvia for a first full 12-month period. From October 2020 onwards, the division also generated additional revenue from its cooperation and supply agreement entered into with BioNTech SE to produce the Comirnaty® vaccine. The division's EBITDA grew by 11.8 % to EUR 171.1 million (previous year: EUR 153.0 million). The EBITDA margin in the "Branded pharmaceuticals and other healthcare products" division decreased slightly, dropping by 3.4 percentage points to 36.3 %, which nevertheless remains very high.

The "Herbal extracts" division generated revenue of EUR 71.9 million in financial year 2020 (previous year: EUR 72.3 million). This minimal decline in revenue was due to the COVID-19 pandemic, which dampened demand for herbal extracts and nutraceuticals. Euromed increased its contribution to earnings despite the drop in revenue; however, higher costs at the FYTA Group, which is accounted for using the equity method, led to an overall decrease in EBITDA at the division. The division's EBITDA amounted to EUR 15.2 million (previous year: EUR 16.4 million) and its EBITDA margin was 21.1 % (previous year: 22.7 %).

Revenue in the "Parallel import business" division increased by 2.9 % to EUR 250.6 million (previous year: EUR 243.5 million). The rise in revenue was due primarily to increased demand for reimported anaesthetics, including medicinal cannabis. The COVID-19 pandemic caused shifts in the product mix to the detriment of high-margin travel medications and vaccines. In order to remain competitive, the importers must also participate in tenders for discount agreements, although this weighs on product margins. That caused the division's EBITDA to decrease by 16.9 % to EUR 6.9 million (previous year: EUR 8.3 million). Consequently, the EBITDA margin declined by 0.6 percentage points to 2.8 % (previous year: 3.4 %). axicorp, the subsidiary responsible for the parallel import business, remains one of the top five German importers by revenue.

Annual General Meeting 2021 – dividend to rise to EUR 0.88 per share

The Annual General Meeting of Dermapharm Holding SE will take place on 23 June 2021. For financial year 2020, the Board of Management and Supervisory Board are proposing that the dividend be increased by 10 % to EUR 0.88 per share.

Outlook for 2021: strong revenue and earnings growth expected

"The completed acquisition and integration of Allergopharma opens up excellent prospects for us in the growth market of allergology. We are also continuing to press forward with our own product development and are expecting to launch several new products again this year. Our expanded cooperation agreement with BioNTech SE to manufacture vaccines is a particular source of pride. We already began producing the Comirnaty® vaccine at our Brehna site in October 2020 and from early May we will also be manufacturing the vaccine at Allergopharma's site in Reinbek. In doing so, we are playing an important role in the fight against COVID-19. By quickly adapting our production capacities at two different sites to manufacture the vaccine, we have demonstrated that Dermapharm can leverage its broad and flexible operations in Germany to hone in on and rapidly respond to market changes and seize the resulting opportunities," continued Dr. Feldmeier.



On the basis of the expanded partnership with BioNTech SE, increases in volume and the successful launch of internally developed products, the Board of Management expects that consolidated revenue will grow organically by between 24 % and 26 % for the current financial year, with an increase of 45 % to 50 % in consolidated EBITDA.

The full Annual Report 2020 was published today at <https://ir.dermapharm.de/>.

**IFRS figures for 2020 and the previous year:
(excluding division reconciliation/Group holding company)**

EUR million	2020	2019	Change
Consolidated revenue	793.8	700.9	13.3 %
<i>Branded pharmaceuticals and other healthcare products</i>	<i>471.3</i>	<i>385.1</i>	<i>22.4 %</i>
<i>Parallel import business</i>	<i>250.6</i>	<i>243.5</i>	<i>2.9 %</i>
<i>Herbal extracts</i>	<i>71.9</i>	<i>72.3</i>	<i>-0.6 %</i>
Adjusted consolidated EBITDA*	200.7	177.6	13.0 %
Adjusted EBITDA margin* (%)	25.3	25.3	0.0 pp
Consolidated EBITDA	184.5	168.5	9.5 %
<i>Branded pharmaceuticals and other healthcare products</i>	<i>171.1</i>	<i>153.0</i>	<i>11.8 %</i>
<i>Parallel import business</i>	<i>6.9</i>	<i>8.3</i>	<i>-16.9 %</i>
<i>Herbal extracts</i>	<i>12.3</i>	<i>12.8</i>	<i>-3.9 %</i>
EBITDA margin (%)	23.2	24.0	-0.8 pp
<i>Branded pharmaceuticals and other healthcare products</i>	<i>36.3</i>	<i>39.7</i>	<i>-3.4 pp</i>
<i>Parallel import business</i>	<i>2.8</i>	<i>3.4</i>	<i>-0.6 pp</i>
<i>Herbal extracts</i>	<i>17.1</i>	<i>17.7</i>	<i>-0.6 pp</i>

* 2020 EBITDA was adjusted for non-recurring expenses amounting to EUR 16.1 million.

* 2019 EBITDA was adjusted for non-recurring expenses amounting to EUR 9.1 million.



Company profile:

Dermapharm – Pharmaceutical Excellence "Made in Germany"

Dermapharm is a rapidly growing manufacturer of 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, production and the distribution of pharmaceuticals and other healthcare products for specifically targeted markets by a trained medical and pharmaceutical sales force. Dermapharm has more than 380 active pharmaceutical ingredients for more than 1,300 marketing authorisations, which are marketed as pharmaceuticals, food supplements or supplemental balanced diets. This range makes the company unique. Aside from Germany, the Company's core markets also currently 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 revenue, Dermapharm was among the top five parallel import companies in Germany in 2020. In the "Herbal extracts" division, 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 plant-based active ingredients. With a consistent R&D strategy and numerous successful product and company acquisitions over the past 30 years, Dermapharm has continuously optimised its business and sought external growth opportunities in addition to organic growth. Dermapharm intends to continue on this profitable growth course in the future. The Company's focus lies on a three-pillar strategy: developing new products in-house, expanding its international footprint and completing further acquisitions.

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