

INTERIM STATEMENT Q1

2021

**Dermapharm Holding SE**



## CONSOLIDATED RESULTS AT A GLANCE

		Q1 2021	Q1 2020
Revenue	EUR million	212.2	192.5
Adjusted EBITDA*	EUR million	63.7	49.4
Adjusted EBITDA margin*	%	30.0	25.7
Unadjusted EBITDA	EUR million	62.8	49.2
Unadjusted EBITDA margin	%	29.6	25.6
Operating result	EUR million	51.8	39.7
EBT	EUR million	49.0	36.8
Consolidated net profit	EUR million	36.2	26.8
Earnings per share	€	0.67	0.50

		31 March 2021	31 December 2020
Total assets	EUR million	1,276.8	1,224.4
Equity	EUR million	360.9	324.6
Equity ratio	%	28.3	26.5
Cash and cash equivalents	EUR million	145.7	120.3
Net debt	EUR million	460.5	486.8

\* Q1 2021 EBITDA adjusted for non-recurring costs of EUR 0.9 million.  
Q1 2020 EBITDA adjusted for non-recurring costs of EUR 0.2 million.

### Financial calendar 2021

Virtual Annual General Meeting 2021	23 June 2021
Publication of the preliminary figures for H1 2021	24 August 2021
Publication of 2021 Half-Yearly Financial Report	7 September 2021
Publication of Q3 Interim Statement	16 November 2021

# LETTER TO THE SHAREHOLDERS

*Dear ladies and gentlemen,  
dear shareholders,*

Dermapharm got off to a very successful start in financial year 2021. Despite the ongoing lockdown, we succeeded in outperforming the prior-year quarter, which had been exceptionally strong due to stockpiling effects in connection with the outbreak of the COVID-19 pandemic, so that all signs are already pointing to what is set to be an extraordinarily successful financial year for the Company.

Compared to Q1 2020, revenue increased by 10.3% to EUR 212 million. Adjusted EBITDA jumped by 29.0% to EUR 64 million. At 29.6%, the adjusted EBITDA margin was also higher year on year.

Our continued growth in the first quarter of financial year 2021 was attributable in particular to the additional revenue and earnings contributions from Allergopharma GmbH & Co. KG, mibe GmbH Arzneimittel's production of the Comirnaty® vaccine as part of the cooperation with BioNTech SE, and the continued high demand for products that boost the immune system, primarily our vitamin D compound Dekristol®.

In the first months of 2021 we also laid the foundation for expanding our cooperation with BioNTech to produce the Comirnaty® vaccine at our subsidiary Allergopharma GmbH & Co. KG's manufacturing facility in Reinbek. We successfully applied the expertise we gained at mibe to implement the manufacturing processes at Allergopharma. We fast-tracked the necessary preparations, and, on 30 April 2021, we were joined by Federal Minister of Health Jens Spahn, Minister-President Daniel Günther and Minister Dr Heiner Garg as we officially kicked off production. Between 40 and 50 million vaccine doses will be manufactured per month in Reinbek and then transferred to other locations in the BioNTech SE/Pfizer network to be filled in to vials. We are now manufacturing the urgently needed vaccine at two facilities and are proud to have doubled our role in the fight against COVID-19.

The Group demonstrated the great feats it is capable of achieving by rapidly implementing the complex processes for manufacturing the vaccine, thereby laying the foundation for its extraordinarily high growth targets for financial year 2021. This is also thanks in particular to our state-of-the-art production facilities in Germany and our highly-qualified staff. Going forward, we will continue to build on this quality to further advance the Group's development.

We expect the restrictions that have been put in place to combat the COVID-19 pandemic to be eased during the course of the year, which should further stimulate demand for our products, particularly as doctor's appointments and pharmacy visits pick up again and our sales force returns to work in full. We will also continue to systematically pursue our proven corporate strategy by investing in specific product developments, driving forward our internationalisation efforts and reviewing promising M&A transactions.

Grünwald, May 2021

The Board of Management

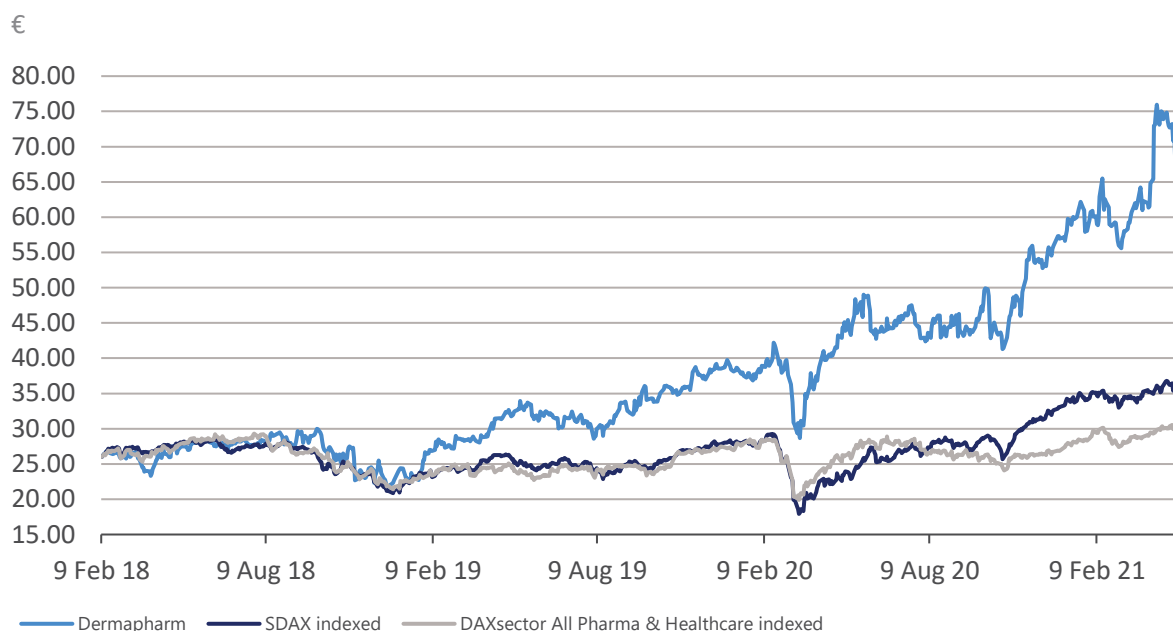
Dr Hans-Georg Feldmeier  
Chief Executive Officer

Hilde Neumeyer  
Chief Financial Officer  
Chief Compliance Officer

Dr Jürgen Ott  
Chief Marketing Officer

Karin Samusch  
Chief Business  
Development Officer

## SHARE INFORMATION



Source: Closing prices XETRA

### General information

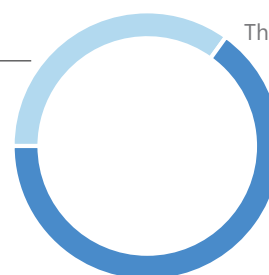
German Securities Code (WKN)	A2GS5D
ISIN	DE000A2GS5D8
Ticker symbol	DMP
Type of shares	No-par value ordinary bearer shares
Initial listing	9 February 2018
Number of shares	53.84 million
Stock exchange	Regulated Market (Prime Standard) of the Frankfurt Stock Exchange
Analysts	Charlotte Friedrichs, Joh. Berenberg, Gossler & Co. KG Daniel Wendorff, Commerzbank AG Alexander Thiel, Jefferies International Ltd Dennis Berzhanin, Pareto Securities AS Dr. Marcus Wieprecht, Stifel Europe Bank AG
Designated Sponsors	Joh. Berenberg, Gossler & Co. KG Commerzbank AG Mainfirst Bank AG

### The shares at a glance (XETRA)

High (16 April 2021)	75.95 €
Low (20 December 2018)	21.625 €
Closing price (14 May 2021)	70.60 €
Trading volume (9 February 2018 to 14 May 2021, average number of shares)	41.292 shares
Market capitalisation (as at 31 March 2021)	EUR 3,284.8 million

### Shareholder structure

Free Float  
**34.95 %**



Themis Beteiligungs-  
Aktiengesellschaft  
**65.05 %**

Information based on voting rights notifications received pursuant to German Securities Trading Act (Wertpapierhandelsgesetz, "WpHG") as at 18 May 2021

# REPORT ON ECONOMIC POSITION

## 1. Course of business

Dermapharm Holding SE excelled from a strategic and operating standpoint in the first quarter of 2021. This excellent start to the 2021 financial year is due in particular to the successful integration of Allergopharma GmbH & Co. KG (acquired in the previous year), organic growth (primarily in the "vitamins/minerals/food supplements" therapeutic area, which was driven by persistently high demand particularly during the ongoing COVID-19 pandemic), and the production of a COVID-19 vaccine at mibe GmbH Arzneimittel's manufacturing facility in Brehna in cooperation with BioNTech SE.

Consolidated revenue increased by 10.2% to EUR 212.2 million as compared to the prior-year period (Q1 2020: EUR 192.5 million). At the same time, adjusted EBITDA increased by 28.9% to EUR 63.7 million (Q1 2020: EUR 49.4 million). Unadjusted EBITDA amounted to EUR 62.8 million, representing a 27.6% increase (Q1 2020: EUR 49.2 million).

The adjusted EBITDA margin amounted to 30.0% (Q1 2020: 25.7%). The unadjusted EBITDA margin amounted to 29.6% (Q1 2020: 25.6%).

The overall performance in the first three months of 2021 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 COVID-19 pandemic.

### Segment Branded pharmaceuticals and other healthcare products

In the "Branded pharmaceuticals and other healthcare products" segment, Dermapharm significantly increased revenue by 22.7% to EUR 130.3 million (Q1 2020: EUR 106.2 million). This increase was due mainly to Allergopharma GmbH & Co. KG's revenue contribution, which had not yet been included in the same period of the previous year. Growth was further driven by higher demand for our products, which, due to the COVID-19 pandemic, related primarily to products in the "vitamins/minerals/ food supplements" therapeutic area, and the production of the vaccine at mibe GmbH Arzneimittel's manufacturing facility. Thus far, Dermapharm has not been affected by API supply bottlenecks since the outbreak of the pandemic.

This resulted in an adjusted EBITDA of EUR 58.8 million, representing a 34.6% year-on-year increase (Q1 2020: EUR 43.7 million). The segment's adjusted EBITDA margin amounted to 45.1% (Q1 2020: 41.1%).

Unadjusted EBITDA rose to EUR 58.7 million (Q1 2020: EUR 43.5 million). The segment's unadjusted EBITDA margin amounted to 45.0% (Q1 2020: 41.0%).

### Segment Herbal extracts

In the "Herbal extracts" segment, Euromed contributed EUR 20.0 million to revenue in Q1 2021 (Q1 2020: EUR 18.9 million). Overall, global demand for herbal extracts picked up after initially declining following the outbreak of the COVID-19 pandemic. Euromed benefited both from larger orders from major customers as well as from higher prices for key herbal extracts.

The segment's contribution to adjusted EBITDA, taking into account the negative result EUR -1.0 million (Q1 2020: EUR -0.9 million) from investment in the FYTA Group, which was accounted for using the equity method, amounted to EUR 5.5 million (Q1 2020: EUR 3.9 million). The EBITDA margin thus amounted to 27.5% (Q1 2020: 20.6%). The unadjusted EBITDA amounted to EUR 4.8 million (Q1 2020: 3.9 million), and the EBITDA margin amounted to 24.0% (Q1 2020: 20.6%) higher than the previous year.

### Segment Parallel import business

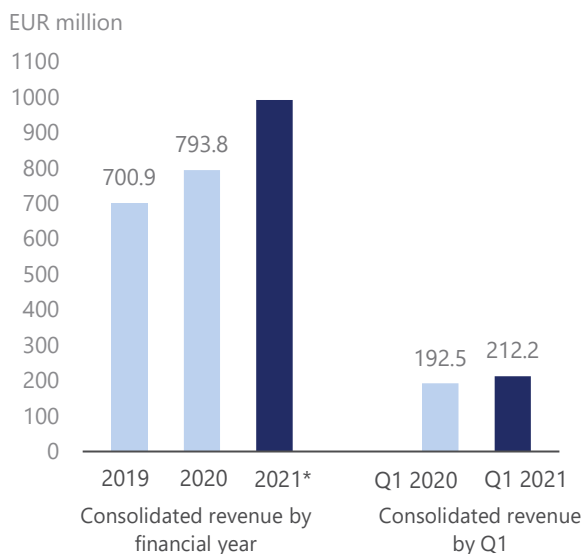
Revenue for the parallel import business decreased by 8.3% to EUR 61.9 million (Q1 2020: EUR 67.5 million). The decline is due primarily to the lower demand seen across the entire parallel import market since the outbreak of the COVID-19 pandemic. The increase in revenue from reimported anaesthetics and medical cannabis failed to offset this decrease.

EBITDA for this segment decreased disproportionately by 66.7% to EUR 1.0 million (Q1 2020: EUR 3.0 million). The segment's EBITDA margin fell accordingly in the first three months of 2021 to 1.6% (Q1 2020: 4.4%). In particular, the increased participation in health insurance discount agreements following the entry into force of the German Act for More Safety in the Supply of Pharmaceuticals (*Gesetz für mehr Sicherheit in der Arzneimittelversorgung*, "GSAV") led to an immediate deterioration of the margin.

## 2. Revenue and earnings performance

### Revenue trend

#### Yearly and quarterly comparison of revenue trend

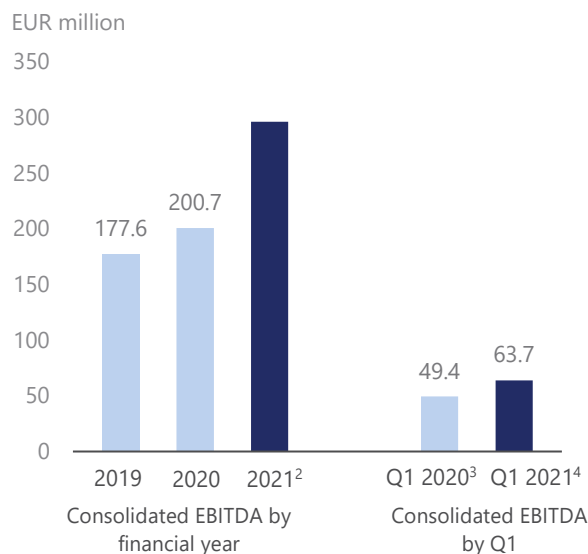


\* Estimated annual revenue in line with forecast growth of 24-26%.

- Dermapharm got off to a successful start in financial year 2021.
- Revenue in Q1 2021 amounted to EUR 212.2 million, up 10.2% year on year (Q1 2020: EUR 192.5 million).

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

#### Yearly and quarterly comparison of EBITDA<sup>1</sup> trend



<sup>1</sup> Adjusted for non-recurring expenses.

<sup>2</sup> Estimated EBITDA in line with forecast growth of 45-50%.

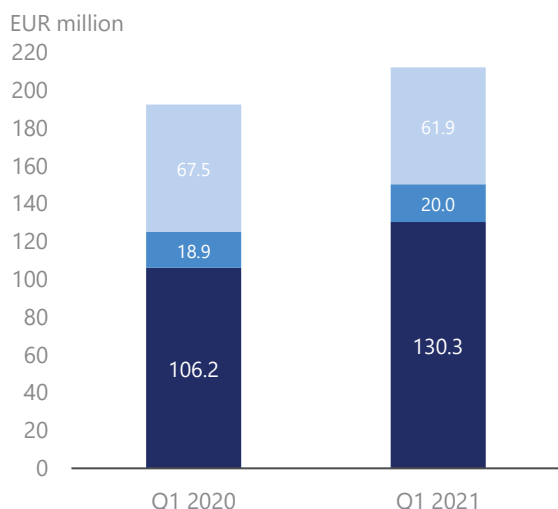
<sup>3</sup> Q1 2020 EBITDA adjusted for non-recurring expenses in connection with the acquisition of Allergopharma amounting to EUR 0.2 million.

<sup>4</sup> Q1 2021 EBITDA adjusted by non-recurring expenses in connection with the acquisition of Allergopharma and by EUR 0.9 million as part of the purchase price allocation of FYTA.

- Dermapharm increased its adjusted consolidated EBITDA year on year by EUR 28.9% from EUR 49.4 million in Q1 2020 to EUR 63.7 million in Q1 2021. This resulted in a 30.0% adjusted EBITDA margin.
- At the same time, unadjusted EBITDA increased from EUR 49.2 million to EUR 62.8 million. This corresponds to a 29.6% unadjusted EBITDA margin.

## Performance of the segments

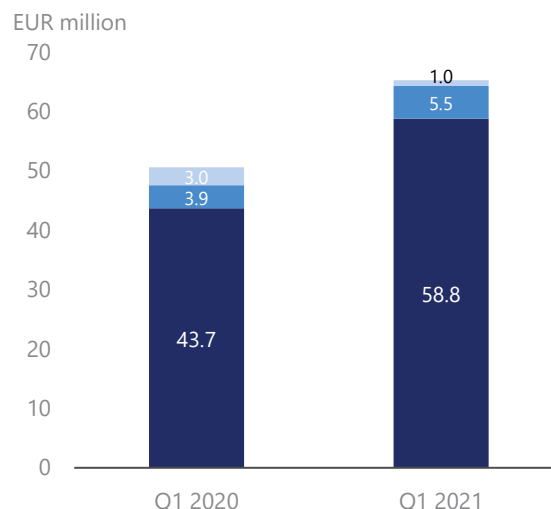
### Quarter-on-quarter revenue trend by segment



- Branded pharmaceuticals and other healthcare products
- Herbal extracts
- Parallel import business

- Revenue in the "Branded pharmaceuticals and other healthcare products" segment increased by 22.7% to EUR 130.3 million in Q1 2021 (Q1 2020: EUR 106.2 million).
- Revenue for the "Herbal extracts" segment increased by 5.8% from EUR 18.9 million to EUR 20.0 million.
- Revenue in the "Parallel import business" segment decreased by 8.3% to EUR 61.9 million in the reporting period (Q1 2020: EUR 67.5 million).

### Quarter-on-quarter EBITDA trend by segment



- Branded pharmaceuticals and other healthcare products
- Herbal extracts
- Parallel import business

- Adjusted EBITDA in the "Branded pharmaceuticals and other healthcare products" segment increased by 34.6% to EUR 58.8 million (Q1 2020: EUR 43.7 million). At 45.1% (previous year: 41.1%), the segment's adjusted EBITDA margin was 4.0 percentage points higher than in the prior-year quarter.
- Adjusted EBITDA for the "Herbal extracts" segment increased by 41.0% from EUR 3.9 million to EUR 5.5 million. The adjusted EBITDA margin amounted to 27.5% (Q1 2020: 20.6%).
- EBITDA in the "Parallel import business" segment amounted to EUR 1.0 million in Q1 2021 (Q1 2020: EUR 3.0 million). This represents a 66.7% decrease. As a result, the EBITDA margin amounted to 1.6% (Q1 2020: 4.4%).

### 3. Events after the reporting period

No noteworthy events which might influence Dermapharm's business development have occurred between the end of the reporting period, 31 March 2021, and the date of this interim statement.

## REPORTS ON EXPECTED DEVELOPMENTS

In light of the positive operating result in the first quarter and the Company's expected positive performance during the further course of the 2021 financial year and despite the uncertainties surrounding the ongoing COVID-19 pandemic, the Board of Management confirms the outlook presented in the Annual Report as at 31 December 2020 with respect to the Company's development in 2021. This is based primarily on the expectation that the expansion of the cooperation with BioNTech SE to manufacture the vaccine will contribute to revenue and earnings, that the integration of Allergopharma GmbH & Co. KG will further boost growth and profitability, and that the easing of restrictions will stimulate demand for our products.

Accordingly, the Board of Management continues to expect a year-on-year increase in consolidated revenue of 24–26% and in consolidated EBITDA of 45–50% for financial year 2021.



# INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2021

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

<b>Assets</b>		
<b>EUR thousand</b>	<b>31 March 2021</b>	<b>31 December 2020</b>
<b>Non-current assets</b>		
Intangible assets	295,583	297,342
Goodwill	266,346	266,268
Property, plant and equipment	199,943	199,619
Investments accounted for using the equity method	58,730	59,130
Equity investments	377	383
Other non-current financial assets	1,621	1,603
<b>Total non-current assets</b>	<b>822,600</b>	<b>824,345</b>
<b>Current assets</b>		
Inventories	216,109	205,726
Trade receivables	70,906	55,515
Other current financial assets	3,360	3,849
Other current assets	15,876	12,527
Tax assets	427	362
Cash and cash equivalents	145,745	120,301
Non-current assets held for sale	1,767	1,773
<b>Total current assets</b>	<b>454,190</b>	<b>400,052</b>
<b>Total assets</b>	<b>1,276,790</b>	<b>1,224,396</b>

<b>Equity and liabilities</b> <b>EUR thousand</b>	<b>31 March 2021</b>	<b>31 December 2020</b>
<b>Equity</b>		
Issued capital	53,840	53,840
Capital reserves	100,790	100,790
Retained earnings	213,393	177,082
Other reserves	(9,698)	(9,746)
<b>Equity attributable to owners of parent</b>	<b>358,325</b>	<b>321,966</b>
Non-controlling interests	2,550	2,616
<b>Total equity</b>	<b>360,875</b>	<b>324,582</b>
<b>Non-current liabilities</b>		
Provisions for employee benefits	145,338	144,753
Non-current financial liabilities	579,787	580,759
Other non-current financial liabilities	224	261
Other non-current liabilities	11,665	11,222
Deferred tax liabilities	30,052	29,948
<b>Total non-current liabilities</b>	<b>767,067</b>	<b>766,943</b>
<b>Current liabilities</b>		
Other provisions	23,763	23,778
Current financial liabilities	26,265	26,044
Trade payables	59,795	50,370
Other current financial liabilities	1	4
Other current liabilities	29,282	23,823
Tax liabilities	9,741	8,852
<b>Total current liabilities</b>	<b>148,848</b>	<b>132,872</b>
<b>Total equity and liabilities</b>	<b>1,276,790</b>	<b>1,224,396</b>

## CONDENSED STATEMENT OF COMPREHENSIVE INCOME

EUR thousand	Q1 2021	Q1 2020
Revenue	212,211	192,469
Change in inventories	5,847	13,171
Own work capitalised	3,495	3,364
Other operating income	2,339	4,673
Cost of materials	(88,142)	(102,734)
Personnel expenses	(40,717)	(30,792)
Depreciation, amortisation and reversal of impairment	(11,427)	(9,930)
Other operating expenses	(31,828)	(30,497)
<b>Operating result</b>	<b>51,777</b>	<b>39,724</b>
Share of profit/loss of companies accounted for using the equity method, after tax	(400)	(488)
Financial income	106	291
Financial expenses	(2,459)	(2,735)
<b>Financial result</b>	<b>(2,753)</b>	<b>(2,931)</b>
<b>Earnings before taxes</b>	<b>49,024</b>	<b>36,792</b>
Income tax expenses	(12,778)	(9,976)
<b>Profit or loss for the period</b>	<b>36,246</b>	<b>26,817</b>
<i>Other comprehensive income not reclassified to profit or loss in subsequent periods:</i>		
Actuarial gains/losses from remeasurement of defined benefit pension plans	-	-
Deferred taxes relating to items not subject to reclassification	-	-
Gains/losses from remeasurement of property, plant and equipment	-	-
<i>Other comprehensive income which may be reclassified to profit or loss in subsequent periods:</i>		
Foreign operations - currency translation differences	47	(239)
<b>Other comprehensive income, after tax</b>	<b>47</b>	<b>(239)</b>
<b>Total comprehensive income for the period</b>	<b>36,293</b>	<b>26,578</b>
<b>Profit or loss for the period attributable to</b>		
Owners of the parent	36,312	26,664
Non-controlling interests	(66)	153
	<b>36,246</b>	<b>26,817</b>
<b>Total comprehensive income for the period attributable to</b>		
Owners of the parent	36,359	26,425
Non-controlling interests	(66)	153
	<b>36,293</b>	<b>26,578</b>
<b>Earnings per share</b>		
Basic (= diluted) earnings per share (EUR)	<b>0.67</b>	<b>0.50</b>

## CONDENSED STATEMENT OF CASH FLOWS

EUR thousand	Q1 2021	Q1 2020
Profit or loss for the period	49,024	36,792
Depreciation, amortisation / (reversal of impairment) of fixed assets	11,291	9,864
(Increase)/decrease in working capital (assets)	(28,521)	(23,582)
Increase/(decrease) in working capital (liabilities)	15,479	13,566
Increase/(decrease) in provisions for employee benefits	290	(198)
Other non-cash items	(483)	(104)
Share of (profit)/loss of companies accounted for using the equity method, after tax	400	488
(Gain)/loss on disposal of non-current assets	(49)	(51)
Interest expense/(income)	2,162	2,346
Income tax payments	(11,781)	(8,830)
<b>Net cash flows from operating activities</b>	<b>37,813</b>	<b>30,022</b>
Proceeds from the disposal of intangible assets and property, plant and equipment	130	296
Cash outflows for investments in intangible assets and property, plant and equipment	(9,508)	(7,910)
Payments for investments in financial assets	-	(100)
Dividends from companies accounted for using the equity method	-	1,652
<b>Cash flows from investing activities</b>	<b>(9,378)</b>	<b>(6,063)</b>
Proceeds from borrowings	-	942
Repayments of borrowings	(603)	(447)
Payments of lease liabilities	(1,124)	(996)
Interest paid	(1,696)	(1,554)
<b>Cash flows from financing activities</b>	<b>(3,422)</b>	<b>(2,055)</b>
<b>Net increase/decrease in cash, cash equivalents and bank overdrafts</b>	<b>25,012</b>	<b>21,904</b>
Cash, cash equivalents and bank overdrafts as at 1 January	120,300	108,992
Effect of exchange rate changes on cash and cash equivalents	432	36
<b>Cash, cash equivalents and bank overdrafts as at 31 March</b>	<b>145,745</b>	<b>130,933</b>
Bank overdrafts as at 1 January	0	(5,963)
Bank overdrafts as at 31 March	0	(7,761)
<b>Cash and cash equivalents as at 31 March</b>	<b>145,745</b>	<b>138,694</b>

## SEGMENT REPORTING

<b>Q1 2021 EUR thousand</b>	<b>Branded pharmaceuticals and other healthcare products</b>	<b>Herbal extracts</b>	<b>Parallel import business</b>	<b>Reconciliation / Group holding company</b>	<b>Group</b>
Revenue	130,570	20,066	61,938	(363)	212,211
<i>of which intra-segment revenue</i>	308	55	-	(363)	-
Revenue from external customers	130,262	20,011	61,938	-	212,211
Revenue growth	22.7%	6.1%	(8.2%)	-	10.3%
EBITDA	58,730	4,768	1,039	(1,734)	62,804
<i>of which earnings from investments accounted for using the equity method</i>	574	(974)	-	-	(400)
EBITDA margin	45.1%	23.8%	1.7%	-	29.6%

<b>Q1 2020 EUR thousand</b>	<b>Branded pharmaceuticals and other healthcare products</b>	<b>Herbal extracts</b>	<b>Parallel import business</b>	<b>Reconciliation / Group holding company</b>	<b>Group</b>
Revenue	106,882	18,929	67,455	(797)	192,469
<i>of which intra-segment revenue</i>	728	69	-	(797)	-
Revenue from external customers	106,154	18,860	67,455	-	192,469
Revenue growth	25.7%	(8.4%)	15.2%	-	17.7%
EBITDA	43,515	3,881	2,972	(1,202)	49,166
<i>of which earnings from investments accounted for using the equity method</i>	454	(942)	-	-	(488)
EBITDA margin	41.0%	20.6%	4.4%	-	25.5%

# IMPRINT

## Publisher

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