

## PharmaSGP: Product portfolio further expanded and internationalisation driven forward in H1 2021

- **Group revenues (€ 26.4 million) and adjusted EBITDA (€ 6.5 million) impacted by an overall market burdened by Covid-19**
- **Visible improvement in Q2 despite continued difficult market environment; market recovery expected in H2**
- **Acquisition of Baldriparan<sup>®</sup>, Formigran<sup>®</sup>, Spalt<sup>®</sup> and Kamol<sup>®</sup> expands product portfolio, opens up new therapeutic areas and taps five new European markets**
- **Full year guidance raised on September 15, 2021 due to the acquisition: revenues between € 60 million and € 65 million, adjusted EBITDA margin of 27-31 %**

**Gräfelfing, September 16, 2021** – PharmaSGP’s half-year results continue to reflect the COVID-19 pandemic, especially the nationwide lockdowns that lasted until the second quarter. In the second quarter of 2021, however, PharmaSGP reported renewed revenue growth of 14.0% compared to the first quarter of 2021. PharmaSGP expects the OTC markets to recover in the second half of the year.

PharmaSGP’s revenues for the first half year in total were still negatively affected, decreasing by 21.8 % to € 26.4 million (previous year: € 33.8 million). From the first to the second quarter, however, tangible growth of 14.0 % was recorded. In line with the overall market development, revenues in the strategically important “Health Brands” category reduced by 15.8 % to € 24.1 million (previous year: € 28.6 million). As expected, revenues in the “Beauty Brands” category, which was heavily affected by the pandemic, decreased by 54.8 % to € 2.3 million in the first half of the year (previous year: € 5.2 million). Earnings before interest, tax, depreciation and amortization adjusted for one-time costs and special effects (adjusted EBITDA) amounted to € 6.5 million (previous year: € 10.9 million) due to the revenue development. This corresponds to an adjusted EBITDA margin (measured against revenues) of 24.6 % (previous year: 32.1 %). Unadjusted EBITDA amounted to € 5.9 million.

“Nationwide lockdowns hit our target markets hard, resulting in less footfall in pharmacies, among other effects,” comments CEO Natalie Weigand. She identifies significant growth opportunities for the second half of the year and for the future: “We have taken advantage of the difficult times and strategically expanded our platform by acquiring a product portfolio with four iconic brands. With Baldriparan<sup>®</sup>, Formigran<sup>®</sup>, Spalt<sup>®</sup> and Kamol<sup>®</sup>, we have added four very well-known and popular brands to our platform. This has enabled us to further expand our “Health Brands” category and add new therapeutic areas – with Formigran<sup>®</sup>, Spalt<sup>®</sup> and Kamol<sup>®</sup> we serve the important “pain” category. With Baldriparan<sup>®</sup> we have acquired the number one natural sleep aid in Germany.”

“Thanks to this acquisition we have also tapped five new markets in Europe,” adds Michael Rudolf, CFO of PharmaSGP. “With Switzerland, Hungary, Poland, the Czech Republic and Slovakia, we are now active in a total of eleven countries and have pushed ahead our internationalisation. Our platform enables us to optimally exploit the brands’ potential, and

our effective D2C marketing puts us in a position not only to boost revenue but also to achieve cost optimizations thanks to integration into our efficient business model.”

The further course of the COVID-19 pandemic represents a key factor for the overall development and growth of PharmaSGP in 2021. It is assumed that no renewed negative impact will occur in the second half of 2021 in relation to the European OTC markets relevant for PharmaSGP. Due to the expansion of the product portfolio, the Management Board increased the forecast for the 2021 financial year on September 15, 2021. For the 2021 financial year, the Management Board now expects revenues of between € 60 million and € 65 million. Compared to the 2020 financial year, the adjusted EBITDA margin is expected to rise to between 27 % and 31 %. Further potential acquisitions are not included in the forecast.

PharmaSGP will publish the full half year financial report 2021 on September 30, 2021 on the company’s website within the “Publications” section at [ir.sgp-pharma.com](http://ir.sgp-pharma.com).

## OVERVIEW OF PRELIMINARY YEAR-ON-YEAR FIGURES

<b>Group figures (in € million)</b>	<b>H1 2021</b>	<b>H1 2020</b>	<b>Δ</b>
Revenues	26.4	33.8	-21.8%
Adjusted EBITDA	6.5	10.9	-40.2%
Unadjusted EBITDA	5.9	9.7	-39.1%
Adjusted EBITDA margin	24.6%	32.1%	
Unadjusted EBITDA margin	22.4%	28.8%	

  

<b>Revenues by regions (in € million)</b>	<b>H1 2021</b>	<b>H1 2020</b>	<b>Δ</b>
Germany	17.9	24.6	-27.3%
Italy	3.6	4.1	-12.1%
Austria	3.5	3.1	+13.2%
Other European countries	1.5	2.1	-28.3%

  

<b>Share of revenues by regions</b>	<b>H1 2021</b>	<b>H1 2020</b>	<b>Δ</b>
Germany	67.6%	72.7%	
Italy	13.6%	12.1%	
Austria	13.2%	9.1%	
Other European countries	5.6%	6.1%	

  

<b>Revenues by product category (in € million)</b>	<b>H1 2021</b>	<b>H1 2020</b>	<b>Δ</b>
Health Brands	24.1	28.6	-15.8%
Beauty Brands	2.3	5.2	-54.8%

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## ABOUT PHARMASGP HOLDING SE

PharmaSGP is a leading consumer health company with a diversified portfolio of over-the-counter (OTC) pharmaceuticals and other healthcare products that are marketed with the focus on the pharmacy distribution channel. These products are mostly based on natural active pharmaceutical ingredients with documented efficacy and few known side effects.

The Company's core brands cover chronic indications, including rheumatic pain, nerve pain and other age-related ailments. In Germany, PharmaSGP is the market leader for systemic chemical-free pain remedies with its brand families RubaXX® for rheumatic pain and Restaxil® for neuralgic pain. Furthermore, PharmaSGP also offers leading products against sexual weakness and vertigo symptoms. Since introducing the first product from the current product portfolio in 2012, PharmaSGP has successfully established its business model in other European countries, including Austria, Italy, Belgium, Spain and France. In September 2021, the product portfolio was expanded by the brands Baldriparan®, Formigran®, Spalt® and Kamol®, thus also strengthening or developing the indications pain and sleep disorder. The sales territory was expanded to include Switzerland and Eastern Europe.

In 2020, PharmaSGP generated revenues of EUR 63.2 million at an adjusted EBITDA margin of 26.9 %.

In order to further expand its competitive position, PharmaSGP plans to increase the number of indications covered by PharmaSGP's product offering, increase PharmaSGP's European footprint, and accelerate its growth strategy especially by capitalizing on selected M&A opportunities.