



Interim Statement
Q1 2024



PHARMA
SGP

PharmaSGP at a Glance

PharmaSGP is a consumer health company with a diversified portfolio of leading over-the-counter (OTC) pharmaceuticals and other healthcare products.

PharmaSGP's OTC products cover highly relevant and chronic indications. In a structurally growing market, it has thereby been able to establish market-leading positions in many important areas, such as rheumatic and neuralgic pain, sleep disorders or men's and women's health. In Germany for example, PharmaSGP is the market leader for systemic chemical-free OTC pain remedies with its brand families RubaXX® for rheumatic pain and Restaxil® for neuralgic pain (nerve pain).

With the acquisition of the established OTC brands Baldriparan®, Formigran®, Spalt® and Kamol® in September 2021, PharmaSGP has expanded its portfolio through further market leaders in their categories. For example, Baldriparan® is the No. 1 herbal sleep aid in pharmacies, and Formigran® is the leading OTC pharmaceutical against migraine.

Over the past twelve years, PharmaSGP has created a platform to successfully integrate and grow brands in all its European markets. Five key factors are the basis for the ongoing success:

- A proven, scalable asset-light business model combined with established processes
- A highly diversified European supply chain
- Broad and long-standing regulatory expertise
- A strong and specialized Direct-to-Consumer (D2C) marketing strategy

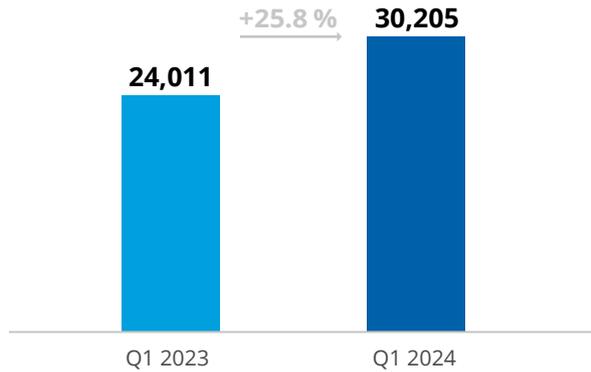
- A wide target group media reach of more than 165 million contacts per month

In order to focus on its success drivers, PharmaSGP has deliberately established a scalable, asset-light business model which can also be transferred quickly and efficiently to other target markets. The entire manufacturing process is handled by a diversified network of third-party manufacturers in Europe. In Germany and in foreign markets, individual local logistics providers supply wholesalers and to a lesser extent pharmacies directly. Combined with many years of experience of approval processes for new OTC pharmaceuticals in Germany and abroad, as well as regulatory requirements for other healthcare products, PharmaSGP's platform allows it to quickly and efficiently establish and grow both new and existing brands and to establish its business model in other countries with little investment. PharmaSGP's products are marketed directly to their target group, especially senior citizens, under well-known pharmaceutical brands via a specialized D2C marketing strategy with a wide target group media reach and efficient commercial media conditions.

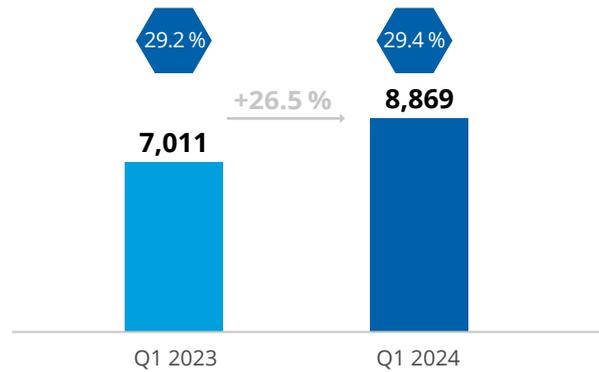
Since the launch of the first product from the current product portfolio in 2012, PharmaSGP has successfully transferred its business model to Austria, Italy, Belgium, France and Spain. Since September 2021, the Group has expanded its operations to Switzerland and Eastern European EU countries.

Overview of Performance Indicators

Revenues
in € thousand



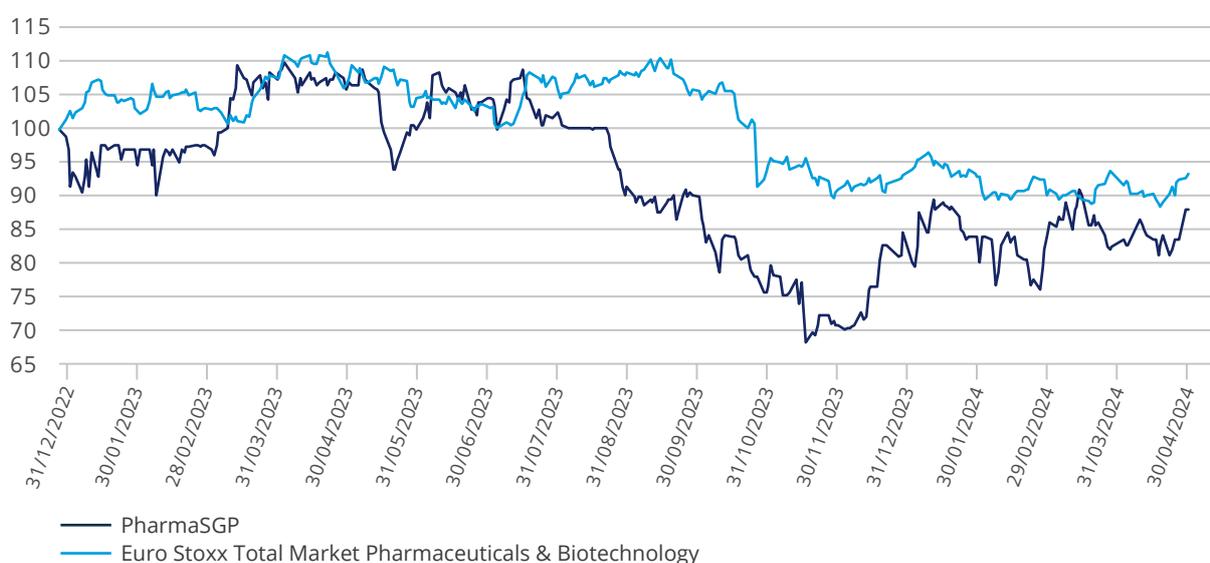
Adjusted EBITDA
in € thousand



PharmaSGP on the Capital Market

In the period under review from January 2023 to April 2024, the share price of PharmaSGP peaked at € 29.30. On 30 April 2024, the share closed at a price of € 23.40, which corresponds to a market capitalization of € 280.8 million or a share price performance of - 12.0 % in this period. The benchmark index Euro Stoxx Total Market Pharmaceuticals & Biotechnology also achieved a negative performance of - 6.7 % in the same period.

Share Price*



* based on Xetra closing prices of Deutsche Börse AG
31 December 2022 = 100

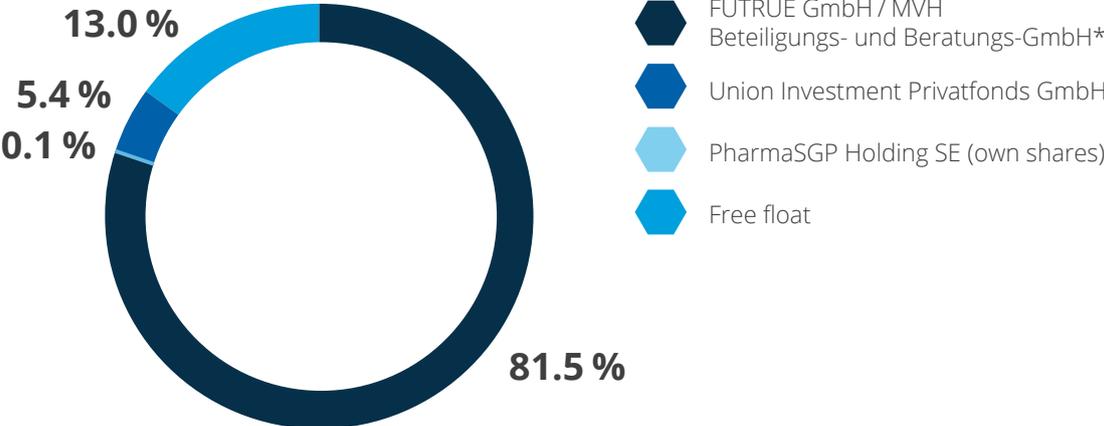
Master Data of the Share*

Security Identification Number (WKN)	A2P4LJ
ISIN	DE000A2P4LJ5
Ticker symbol	PSG
Type of shares	Ordinary bearer shares with no par value (no-par value shares)
Initial listing	19 June 2020
Number of shares	12.0 million
Closing price* (30 April 2024)	€ 23.40
High / low*	€ 29.30 / € 18.10
Market capitalization (30 April 2024)	€ 280.8 million
Stock exchange / segment	Frankfurt Stock Exchange / Prime Standard
Designated sponsor	Joh. Berenberg, Gossler & Co. KG

* based on Xetra closing prices of Deutsche Börse AG

Shareholder Structure

Information based on the voting rights notifications received pursuant to the German Securities Trading Act, WpHG and other disclosed information (as of March 2024)



* Based on a voting agreement between FUTURE GmbH and MVH Beteiligungs- und Beratungs-GmbH, there is a mutual attribution of voting rights between FUTURE GmbH and MVH Beteiligungs- und Beratungs-GmbH with regard to all shares held by them in Pharma SGP Holding SE.

Economic Report

Course of Business of PharmaSGP

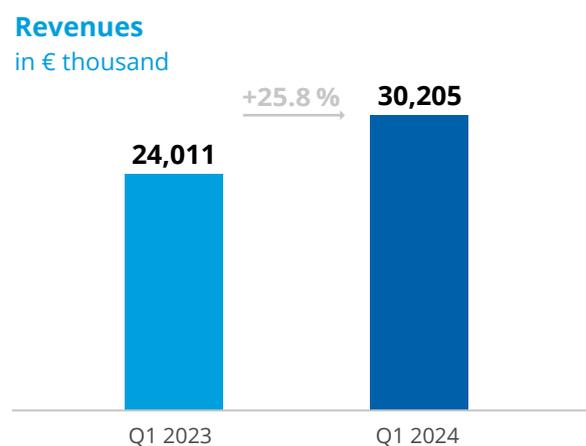
According to data sourced by the German Federal Statistical Office, Germany's gross domestic product decreased by 0.3 % in 2023.¹ With a slight GDP growth of 0.2 % in the first quarter of 2024, a recession was avoided.² However, the Kiel Institute for the World Economy (IfW) still does not expect an economic recovery for the full year, citing structural problems. According to the Kiel-based economic researchers, the German economy will do little more than stagnate with a forecast growth rate of 0.1 % in 2024. A more significant increase in GDP of 1.2 % is not expected until next year.³

The IfW also sees the Eurozone in a phase of economic stagnation. After GDP grew by 0.5 % in 2023 according to Eurostat figures, the IfW expects the economy to pick up slightly in 2024 with growth of 0.7 %. In line with the forecast for the German economy, slightly stronger GDP growth of 1.5 % is again predicted for the Eurozone in 2025.⁴

Key development trends such as an ageing society, the ongoing increase in health awareness and an increase in self-medication, are the drivers for continued growth in the pharmaceutical and healthcare market relevant to PharmaSGP. In Germany, the OTC market grew by 6.5 % YTD in the first quarter of 2024.⁵ For the period from 2024 to 2029, an annual growth of 2.9 % and 3.9 % is expected in the OTC market in Germany and in Europe.⁶

In this industry-specific market environment, PharmaSGP successfully continued to expand its business development in the first quarter of 2024 despite the overall economic stagnation. Revenues reached € 30,205 thousand, which corresponds to an increase of 25.8 % compared to the prior-year quarter. The high profitability level of the past was also maintained (adjusted EBITDA margin Q1 2024: 29.4 %, Q1 2023: 29.2 %). In addition to the continuous growth in the German market, revenues in Italy and Austria increased at an above-average rate. Internationalization is thus progressing according to plan.

Revenues Development



- Significant revenue increase compared to the prior year Q1 2023 and also compared to the previous quarter Q4 2023.
- Growth is achieved in almost all indication areas of the Health Brands category and also in the Beauty Brands category.

1 Institut für Weltwirtschaft (2024), Kieler Konjunkturberichte, Deutsche Wirtschaft im Frühjahr 2024, p. 3

2 https://www.destatis.de/DE/Presse/Pressemitteilungen/2024/04/PD24_173_811.html

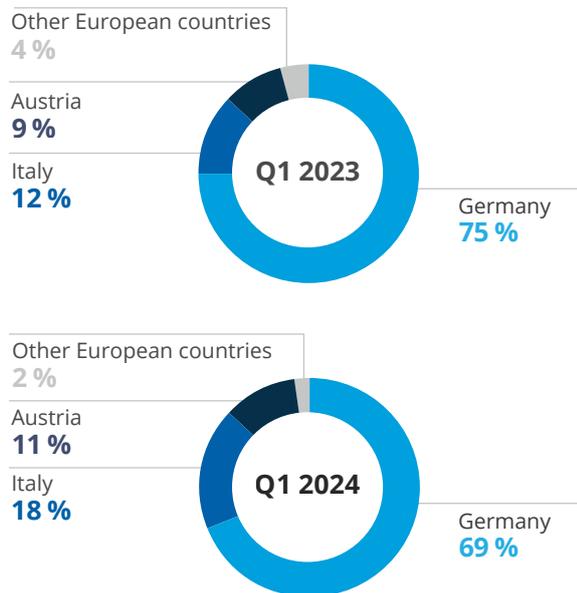
3 Institut für Weltwirtschaft (2024), Kieler Konjunkturberichte, Deutsche Wirtschaft im Frühjahr 2024, p. 4

4 Institut für Weltwirtschaft (2023), Kieler Konjunkturberichte, Weltwirtschaft im Frühjahr 2024, p. 17 ff.

5 Insight Health Database, OTC-Market Germany (ApU) excluding diagnostica

6 <https://de.statista.com/outlook/hmo/otc-pharma/deutschland>;
<https://de.statista.com/outlook/cmo/otc-pharma/europa>

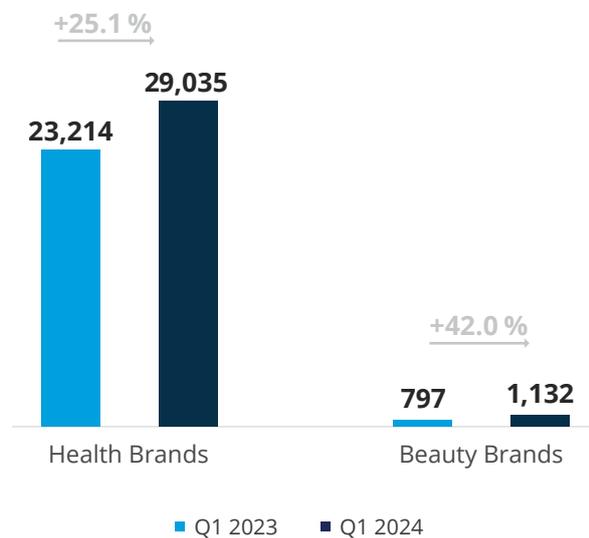
Revenues by Region



- Main growth contributors in the first quarter of 2024 were the Italian (+ 80.2 %) and Austrian (+ 49.7 %) markets.
- Germany remains the key market by volume.

Revenues by Category

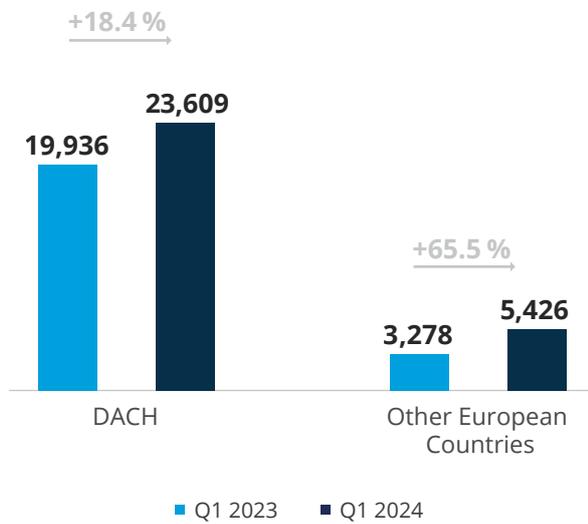
in € thousand



- Growth is driven by almost all indication areas of the Health Brands (+25.1 %), the main focus in PharmaSGP's portfolio strategy.
- The Beauty Brands category – starting from a lower level – also recorded strong growth in revenues.

Revenues Health Brands

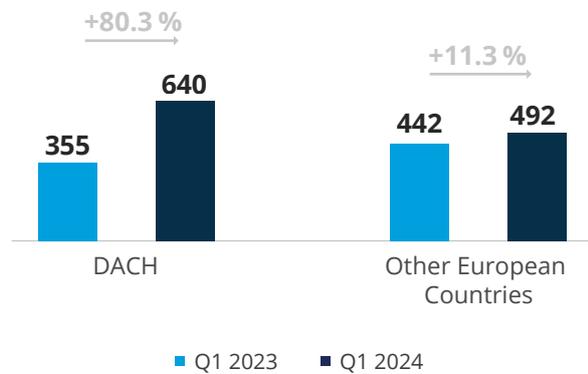
in € thousand



- The main growth markets are Italy and Austria, where the Group could generate 18 % and 11 % of its total revenues in the first quarter of 2024.
- Thus, internationalization is progressing as planned.

Revenues Beauty Brands

in € thousand



- Growth in DACH region results from increased demand in skincare products in Germany.
- In other European countries, Beauty Brands remain on a solid level.

Earnings Development

In the first quarter of 2024, PharmaSGP achieved an adjusted EBITDA of € 8,869 thousand, which corresponds to a margin of 29.4 %. Compared to the prior year period, adjusted EBITDA has significantly improved by € 1,858 thousand or 26.5 %. The adjusted EBITDA margin has improved by 0.2 percentage points.

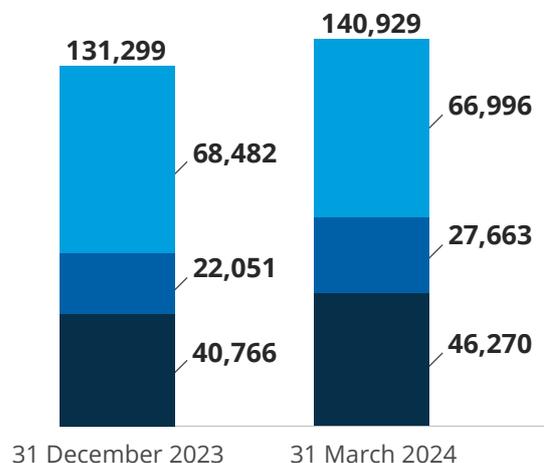
in € thousand	Q1 2024	Q1 2023	Change
adjusted EBITDA	8,869	7,011	26.5 %
adjusted EBITDA margin	29.4 %	29.2 %	
One-time effects	200	-2	
unadjusted EBITDA	8,659	7,013	23.5 %
unadjusted EBITDA margin	28.7 %	29.2 %	

The increase in adjusted EBITDA margin of 26.5 % mainly results from the revenue increase (+25.8 %). The individual expense items have largely developed variably in line with the growth in revenues. Due to the higher percentage of high-margin products, the COGS quota has decreased from 9.5 % in the prior year to 8.4 %. The marketing quota of 47.3 % is at the same level as in the prior year (47.1 %).

In the first quarter of 2024, one-time costs and special effects mainly comprise expenses for the long-term compensation of the Management Board and planned acquisitions.

Asset Position

Assets in € thousand



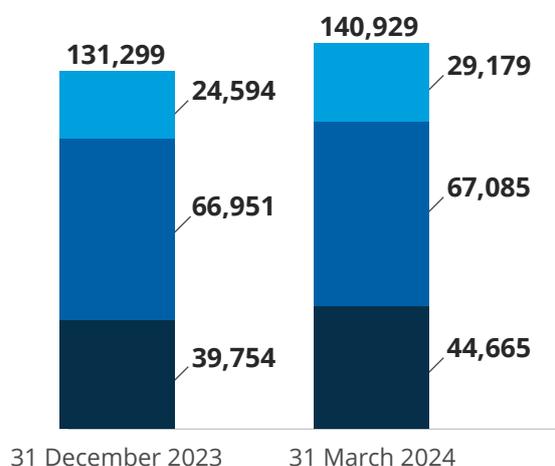
- Non-current assets
- Other current assets
- Cash and cash equivalents

Compared to last year's balance sheet date, **non-current assets** have decreased by € 1,486 thousand or 2.2 % to € 66,996 thousand as of 31 March 2024. This mainly results from regular depreciation and amortization of intangible assets, property, plant and equipment (PPE) and capitalized right-of-use assets.

Cash and cash equivalents have increased by € 5,504 thousand or 13.5 % due to the positive earnings position and the resulting positive net cash inflows from operating activities. The increase in **other current assets** by € 5,612 thousand mainly stems from trade receivables which – in connection with the revenue increase – amount to € 14,306 thousand as of 31 March 2024.

Equity and liabilities

in € thousand



- Current liabilities
- Non-current liabilities
- Equity

Since the last balance sheet date, the **equity position** has increased by 12.4 % to € 44,665 thousand as of 31 March 2024. This change results from the profit of the period of € 4,559 thousand and from the positive measurement of interest rate hedges of € 352 thousand, the change in value of cash flow hedges is recognized in equity.

Non-current liabilities are basically unchanged to the last balance sheet date. The main position is the syndicate financing, redeemable in semi-annual tranches. Therefore, there were almost no changes of this position as of 31 March 2024.

Current liabilities amount to € 29,179 thousand as of 31 March 2024. The increase of € 4,585 thousand or 18.6 % compared to the last balance sheet date mainly stems from higher trade payables.

Financial Position

in € thousand	Q1 2024	Q1 2023
Net cash flows from operating activities	6,921	5,918
Net cash flows used in investing activities	-648	-235
Net cash flows used in financing activities	-769	-1,015
Net increase in cash and cash equivalents	5,504	4,668
Cash and cash equivalents as of 1 January	40,766	32,642
Cash and cash equivalents as of 31 March	46,270	37,310

Compared to the prior year period, cash flows from **operating activities** have increased by 16.9 %. The improvement results from the increased operating result (unadjusted EBITDA +23.5 %). This improvement is altered by an increase in working capital and higher income tax prepayments.

Cash flows used in **investing activities** were mainly incurred for PharmaSGP's marketing authorizations and qualification of contract manufacturers.

A total of € 769 thousand was spent for **financing activities** in the first quarter of 2024. This amount includes a redemption of lease liabilities of € 115 thousand as well as interest payments for leases and the syndicate financing of € 1,020 thousand. PharmaSGP received in the first quarter of 2024 € 366 from interest rate hedges.

Condensed Interim Consolidated Financial Statements as of 31 March 2024

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

in € thousand	Q1 2024	Q1 2023
Revenues	30,205	24,011
Other operating income	34	29
Raw materials, consumables and finished goods	-2,548	-2,275
Personnel expenses	-2,036	-1,878
Marketing expenses	-14,300	-11,320
Other operating expenses	-2,696	-1,554
Earnings before interest, taxes, depreciation and amortization (EBITDA)	8,659	7,013
Depreciation and amortization	-2,334	-2,311
Earnings before interest and taxes (EBIT)	6,325	4,702
Finance income	917	275
Finance expenses	-1,160	-1,119
Profit before taxes	6,082	3,858
Income tax expense	-1,523	-1,013
Profit for the period	4,559	2,845
of which attributable to shareholders of PharmaSGP Holding SE	4,559	2,845
Basic and diluted earnings per share (€)	0.38	0.24

Condensed Consolidated Statements of Other Comprehensive Income

in € thousand	Q1 2024	Q1 2023
Profit for the period	4,559	2,845
Other comprehensive income		
Items that may be reclassified to profit or loss:		
Gains and losses from cash flow hedges	832	-516
Losses from hedging instruments reclassified to profit or loss	-366	-52
Attributable income taxes	-114	139
Items that will not get reclassified to profit or loss:		
-	-	-
Other comprehensive income, net of taxes	352	-429
Total comprehensive income	4,911	2,416
of which attributable to shareholders of PharmaSGP Holding SE	4,911	2,416

Condensed Consolidated Statements of Financial Position

in € thousand	31 March 2024	31 December 2023
Assets		
Non-current assets		
Intangible assets	64,294	66,056
Property, plant and equipment (PPE)	301	302
Right-of-use assets	786	874
Other non-current financial assets	1,615	1,250
Total non-current assets	66,996	68,482
Current assets		
Inventories	10,083	10,117
Trade and other receivables	14,306	9,189
Other assets	3,274	2,518
Other financial assets	-	227
Cash and cash equivalents	46,270	40,766
Total current assets	73,933	62,817
Total assets	140,929	131,299
Shareholders' equity and liabilities		
Shareholders' equity		
Share capital	12,000	12,000
Capital reserve	38,120	38,120
Retained earnings	-6,288	-10,847
Other reserves	833	481
Total shareholders' equity	44,665	39,754
Non-current liabilities		
Provisions	173	120
Financial liabilities	65,454	65,370
Other financial liabilities	-	219
Lease liabilities	349	452
Deferred tax liabilities	1,109	790
Total non-current liabilities	67,085	66,951
Current liabilities		
Provisions	3,306	3,322
Financial liabilities	7,754	7,711
Trade payables	14,222	9,920
Other liabilities	1,130	1,146
Other financial liabilities	624	635
Lease liabilities	459	444
Income tax liabilities	1,684	1,416
Total current liabilities	29,179	24,594
Total shareholders' equity and liabilities	140,929	131,299

Condensed Consolidated Statements of Cash Flows

in € thousand	Q1 2024	Q1 2023
Profit for the period	4,559	2,845
Depreciation and amortization of intangible assets, PPE and right-of-use assets	2,334	2,311
(Increase) / decrease in inventories	34	-1,333
(Increase) / decrease in trade and other receivables	-5,116	-1,103
(Increase) / decrease in other assets	-1,021	-111
Increase / (decrease) in trade payables	4,494	3,483
Increase / (decrease) in other (financial) liabilities	-187	-1,100
Increase / (decrease) in provisions	37	-46
Interest (income) and expense	1,069	900
Income tax expense	1,523	1,013
Income tax payments	-826	-1,000
Interest paid	-	-2
Interest received	21	61
Net cash flows from operating activities	6,921	5,918
Payments for investments in intangible assets	-625	-203
Payments for investments in PPE	-23	-32
Net cash flows used in investing activities	-648	-235
Purchase of treasury shares	-	-138
Proceeds from derivatives	366	89
Payments from the settlement of derivatives	-	-37
Repayment of lease liabilities	-115	-100
Interest paid	-1,020	-829
Net cash flows used in financing activities	-769	-1,015
Net increase in cash and cash equivalents	5,504	4,668
Cash and cash equivalents as of 1 January	40,766	32,642
Cash and cash equivalents as of 31 March	46,270	37,310

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