

Interim Statement
Q1 2023



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 ten 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

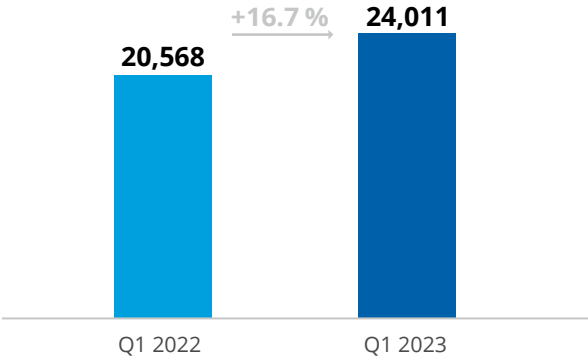
- A strong and specialized Direct-to-Consumer (D2C) marketing strategy
- A wide target group media reach of more than 165 million contacts per month

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.

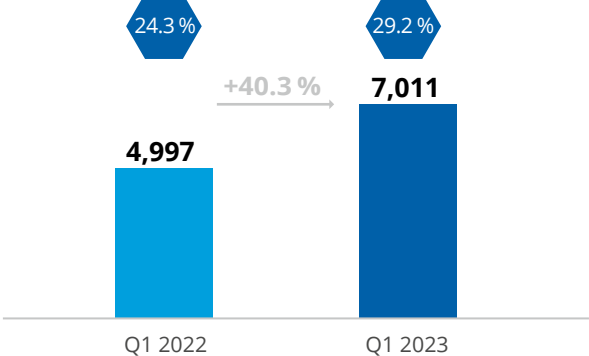
Since the launch of the first product from the current product portfolio in 2012, PharmaSGP has successfully transferred its business model to Austria, Italy, Belgium, France and Spain. Since September 2021, the Group has expanded its operations to Switzerland and Eastern European EU countries.

Overview of Performance Indicators

Revenues
in € thousand



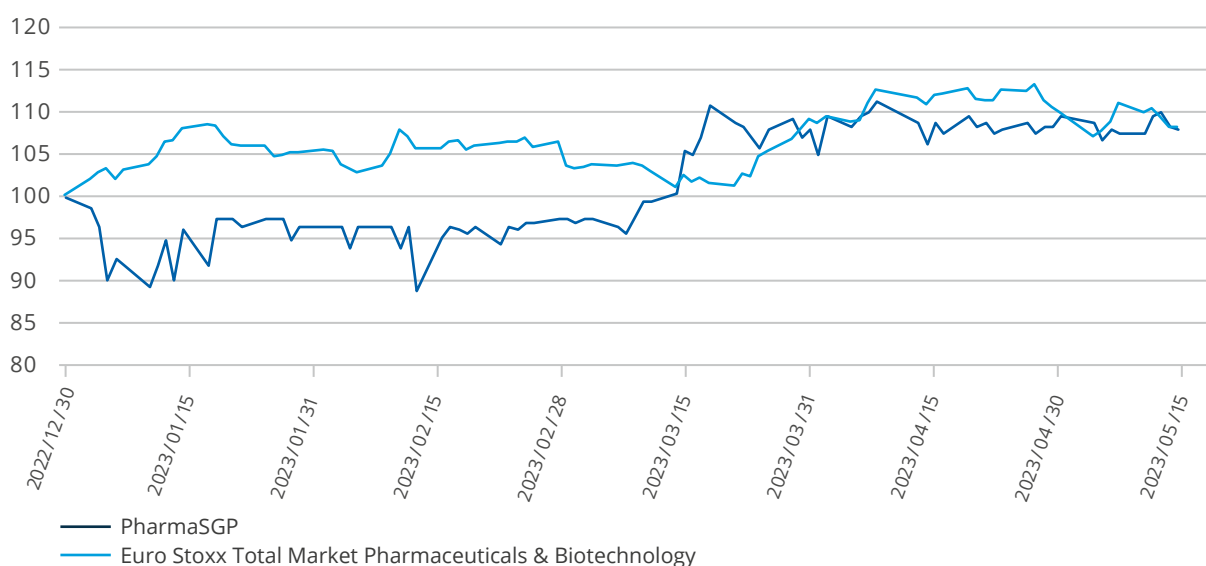
Adjusted EBITDA
in € thousand



PharmaSGP on the Capital Market

After a continuous upward trend in the last quarter of 2022, the share of PharmaSGP continued its dynamic price development from mid-March 2023. As of 12 May 2023, the share was quoted at a closing price of € 28.50, representing a price increase of 7.1 % since the beginning of the year. The benchmark index Euro Stoxx Total Market Pharmaceuticals & Biotechnology achieved a performance of 7.2 % in the same period.

Share Price*



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

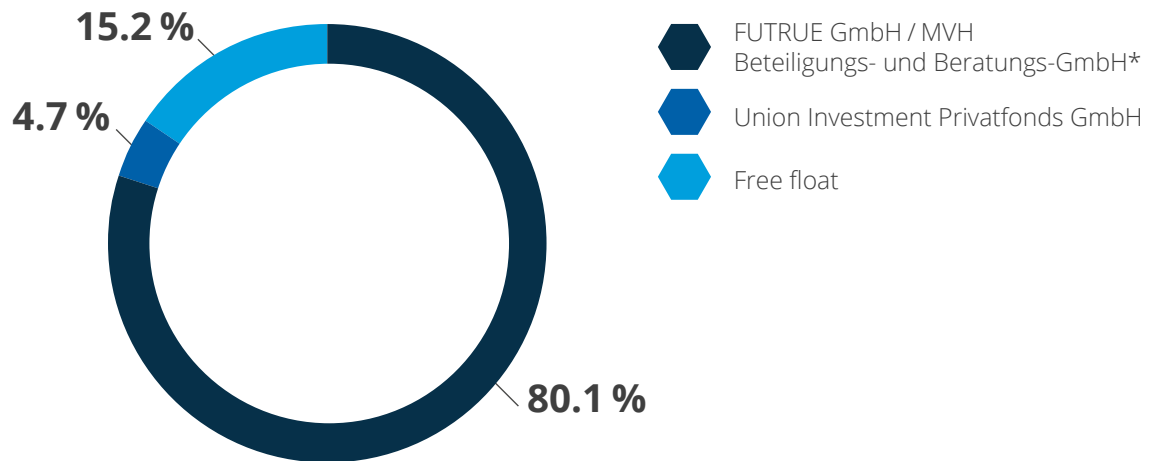
Master Data of the Share*

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* (12 May 2023)	€ 28.50
High / low*	€ 29.30 / € 24.00
Market capitalization (12 May 2023)	€ 342.0 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 (as of June 2022)



* 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 reports of the Federal Statistical Office, the German gross domestic product grew by 1.8 % in 2022.¹ For 2023, however, the Kiel Institute for the World Economy (IfW) expects a significant economic slowdown and forecasts GDP growth of 0.5 % due to the economic consequences of the Russia-Ukraine war and the continuing upward pressure on prices.² By contrast, the IfW expects stronger growth of 1.4 % again in 2024.³ The IfW also forecasts a similar trend for the Eurozone as a whole. After a GDP growth of 3.5 % in 2022 according to Eurostat figures, the Kiel-based economic researchers expect significantly lower growth rates of 1.1 % in 2023 and stronger growth of 1.6 % again in the following year.⁴

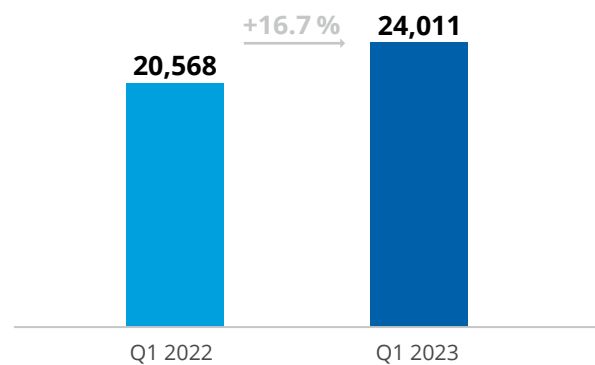
In the coming years, the pharmaceutical and healthcare market, relevant to PharmaSGP, will continue to be driven to a large extent by trends such as the advancing aging of society and continuously increasing health awareness. The trend towards self-medication in the OTC area is also unbroken. In 2023, revenues from OTC pharmaceuticals in Europe are estimated to total approximately € 30.1 billion, with annual growth rates of 5.3 % expected through 2025.⁵ In Germany, the OTC market grew by 11.1 % YTD in the first quarter of 2023.⁶

PharmaSGP looks back on a further very positive quarterly result, in which revenues of € 24,011 thousand were achieved, the highest quarterly revenue number in the company's history. This corresponds to an increase of 16.7 % compared to the prior year quarter (Q1 2022: € 20,568 thousand). Thus, PharmaSGP outperforms the market.

Profitability develops significantly positively as planned. In the first quarter, the adjusted EBITDA margin achieved 29.2 % (Q1 2022: 24.3 %). This increase results from further optimizations in COGS and marketing expenses.

Revenues Development

Revenues
in € thousand



- Steady revenue growth continues in the first quarter of 2023.
- Growth is achieved in almost all indication areas of the Health Brands category.

¹ Institut für Weltwirtschaft (2023), Kieler Konjunkturberichte, Deutsche Wirtschaft im Frühjahr 2023, p. 3

² Ibid.

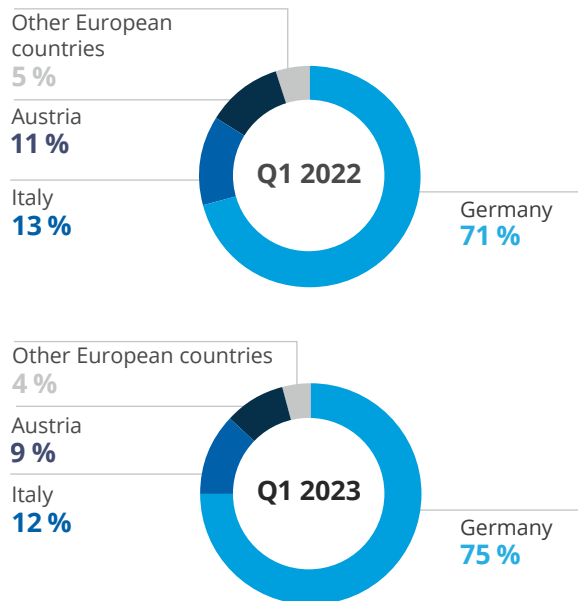
³ Ibid.

⁴ Institut für Weltwirtschaft (2023), Kieler Konjunkturberichte, Euroraum im Frühjahr 2023, p. 18

⁵ <https://de.statista.com/outlook/cmo/otc-pharma/europa>, Euromonitor European OTC markets

⁶ Insight Health Database, OTC-Market Germany (ApU) excluding diagnostica

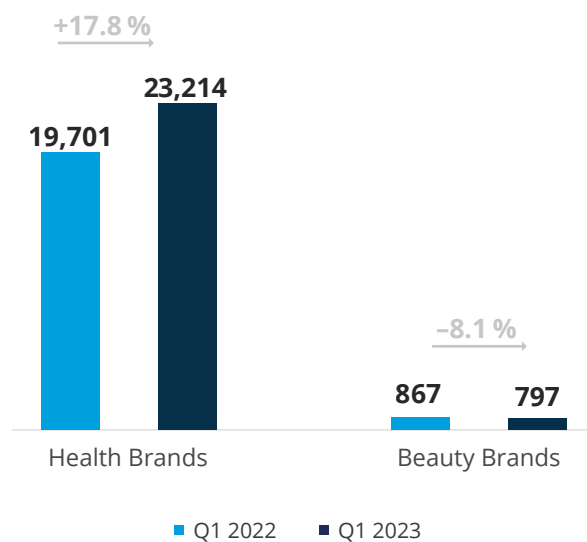
Revenues by Region



- Main growth contributors were the German (+22.6 %) and Italian (+12.7 %) markets.
- The German share of total revenues increases accordingly.

Revenues by Category

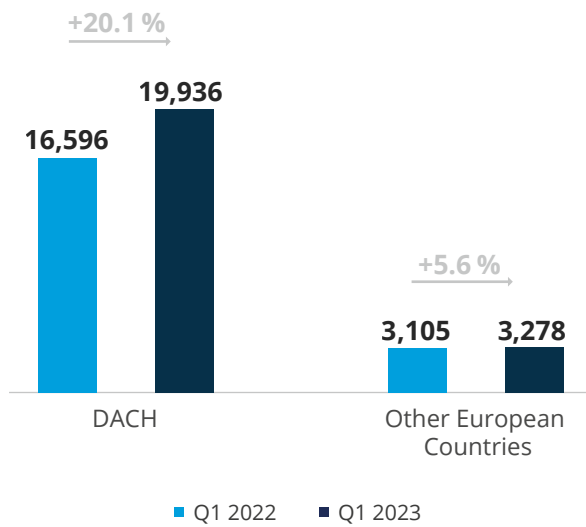
in € thousand



- Growth is driven by Health Brands (+17.8 %), the main focus in PharmaSGP's portfolio strategy.
- Decrease of Beauty Brands as expected.

Revenues Health Brands

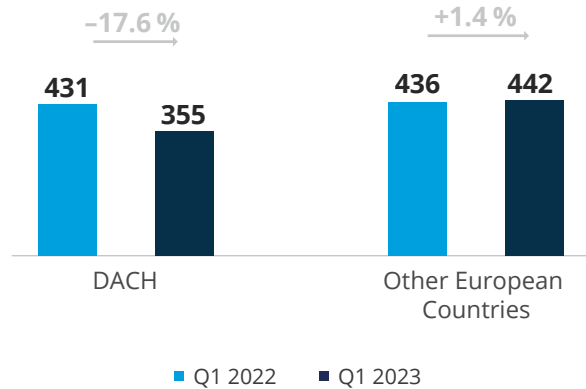
in € thousand



- Health Brands have grown particularly in the DACH region (+20.1 %).
- Also other European markets (Italy, Spain, France, Belgium, Hungary) show significant growth rates (+5.6 %).

Revenues Beauty Brands

in € thousand



- Decrease of Beauty Brands in the DACH region (-17.6 %) is taking place due to fundamental trends to which PharmaSGP responds with significantly reduced marketing expenditures.
- In other European countries, Beauty Brands achieved a slight growth (+1.4 %).

Earnings Development

In the first quarter of 2023, PharmaSGP achieved an adjusted EBITDA of € 7,011 thousand, which corresponds to a margin of 29.2%. Compared to the prior year period Q1 2022, adjusted EBITDA has significantly improved by € 2,014 thousand or 40.3%. The adjusted EBITDA margin has improved by 4.9 percentage points.

in € thousand	Q1 2023	Q1 2022	Change
adjusted EBITDA	7,011	4,997	40.3 %
adjusted EBITDA margin	29.2 %	24.3 %	
One-time effects	-2	91	
unadjusted EBITDA	7,013	4,906	42.9 %
unadjusted EBITDA margin	29.2 %	23.9 %	

The increase in adjusted EBITDA margin results from optimizations in COGS and marketing expenses. The COGS quota decreased from 11.7% in the previous year to 9.5%, the marketing quota decreased from 50.7% to 47.1%. Due to the margin improvement of 4.9 percentage points, the increase in revenues leads to an increase in adjusted EBITDA of 40.3%.

In the first quarter of 2023, one-time costs and special effects mainly comprise expenses for the long-term compensation of the Management Board. The calculation of the adjustment items is applied steadily, resulting in a negative adjustment amount in the first quarter of 2023.

Asset Position

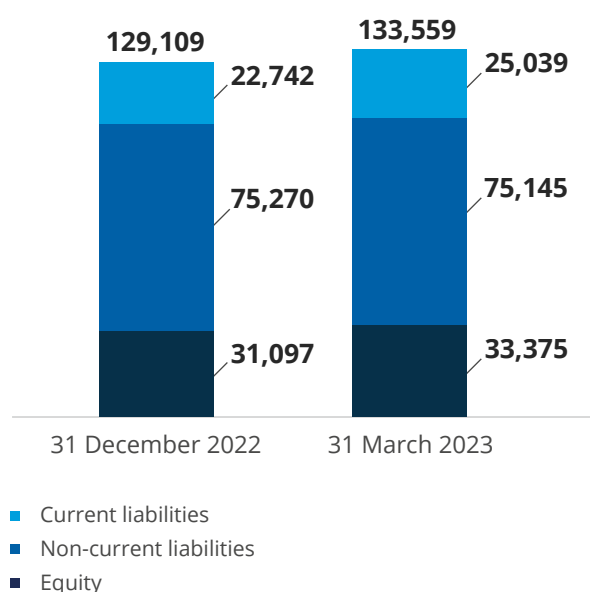
Assets in € thousand



Compared to last year's balance sheet date, **non-current assets** have decrease by 3.3% to € 75,027 thousand as of 31 March 2023. This mainly results from regular depreciation and amortization of intangible assets, property, plant and equipment (PPE) and capitalized right-of-use assets, and from the decrease in the non-current portion of the fair value of interest rate hedges.

Cash and cash equivalents have increased by € 4,668 thousand or 14.3% due to the positive earnings position and the resulting positive net cash inflows from operating activities. The increase in **other current assets** by € 2,355 thousand mainly stems from increased inventories and trade receivables.

Equity and liabilities in € thousand



Since the last balance sheet date, the **equity position** has increased by 7.3 % to € 33,375 thousand as of 31 March 2023. This change results from the profit of the period of € 2,845 thousand, a reduction of the cash flow hedge reserve of € 429 thousand, and the purchase of treasury shares of € 138 thousand, that are recognized as a reduction in equity. The cash flow hedge reserve was presented in the item "Accumulated other comprehensive income" as of 31 December 2022; as of 31 March 2023, this position is subsumed in the item "Other reserves" together with treasury shares.

The Management Board of PharmaSGP Holding SE has decided on 3 January 2023, with the approval of the Supervisory Board, utilizing the authorization of the General Meeting of 28 May 2020, to buy-back up to a maximum of 60,000 shares of the Company at a total maximum aggregate purchase price without ancillary costs of up to € 1.5 million. The buyback program started on 4 January 2023. Until 31 March 2023, a total of 5,357 share were purchased at a total amount of € 138 thousand.

Non-current liabilities are almost unchanged compared to the last balance sheet date. **Current liabilities**, however, have increased by € 2,297 thousand or 10.1 %, mainly from increased trade payables. Overall, operating liabilities are increasing more strongly than operating assets, with the result that working capital has decreased compared to the last balance sheet date.

Financial Position

in € thousand	Q1 2023	Q1 2022
Net cash flows from operating activities	5,918	2,496
Net cash flows used in investing activities	-235	-399
Net cash flows used in financing activities	-1,015	-465
Net increase in cash and cash equivalents	4,668	1,632
Cash and cash equivalents as of 1 January	32,642	20,824
Cash and cash equivalents as of 31 March	37,310	22,456

Compared to the prior year quarter, cash flows from **operating activities** have more than doubled (+137.1 %). In the first quarter of 2023, PharmaSGP generated cash flows of € 5,918 thousand from its operating business. The improvement results from the increased operating result (unadjusted EBITDA +42.9 %) and the further decrease in working capital (-15.5 %).

Cash flows used in **investing activities** were mainly incurred for PharmaSGP's marketing authorizations.

Cash flows used in **financing activities** mainly comprised interest payments for the syndicate financing and lease liabilities (€ 829 thousand), the purchase of treasury shares (€ 138 thousand) and the redemption of lease liabilities (€ 100 thousand). From the interest rate hedges entered into in the financial year 2022, net cash flows of € 52 thousand were received.

Condensed Interim Consolidated Financial Statements as of 31 March 2023

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

in € thousand	Q1 2023	Q1 2022
Revenues	24,011	20,568
Other operating income	29	42
Raw materials, consumables and finished goods	-2,275	-2,413
Personnel expenses	-1,878	-1,368
Marketing expenses	-11,320	-10,431
Other operating expenses	-1,554	-1,492
Earnings before interest, taxes, depreciation and amortization (EBITDA)	7,013	4,906
Depreciation and amortization	-2,311	-2,266
Earnings before interest and taxes (EBIT)	4,702	2,640
Finance income	275	-
Finance expenses	-1,119	-400
Profit before taxes	3,858	2,240
Income tax expense	-1,013	-559
Profit for the period	2,845	1,681
of which attributable to shareholders of PharmaSGP Holding SE	2,845	1,681
Basic and diluted earnings per share (€)	0.24	0.14

Condensed Consolidated Statements of Other Comprehensive Income

in € thousand	Q1 2023	Q1 2022
Profit for the period	2,845	1,681
Other comprehensive income		
Items that may be reclassified to profit or loss:		
Gains and losses from cash flow hedges	- 568	-
Attributable income taxes	139	-
Items that will not get reclassified to profit or loss:		
-	-	-
Other comprehensive income, net of taxes	-429	-
Total comprehensive income	2,416	1,681
of which attributable to shareholders of PharmaSGP Holding SE	2,416	1,681

Condensed Consolidated Statements of Financial Position

in € thousand	31 March 2023	31 December 2022
Assets		
Non-current assets		
Intangible assets	71,887	73,943
Property, plant and equipment (PPE)	362	365
Right-of-use assets	1,104	1,208
Other non-current financial assets	1,674	2,084
Total non-current assets	75,027	77,600
Current assets		
Inventories	8,335	7,002
Trade and other receivables	8,902	7,799
Other assets	2,633	2,521
Other financial assets	1,028	1,240
Income tax assets	324	305
Cash and cash equivalents	37,310	32,642
Total current assets	58,532	51,509
Total assets	133,559	129,109
Shareholders' equity and liabilities		
Shareholders' equity		
Share capital	12,000	12,000
Capital reserve	38,120	38,120
Retained earnings	-18,524	-21,369
Other reserves	1,779	2,346
Total shareholders' equity	33,375	31,097
Non-current liabilities		
Provisions	162	166
Financial liabilities	73,151	73,059
Lease liabilities	716	816
Deferred tax liabilities	1,116	1,229
Total non-current liabilities	75,145	75,270
Current liabilities		
Provisions	2,982	3,024
Financial liabilities	7,696	7,659
Trade payables	12,181	8,786
Other liabilities	1,153	1,181
Other financial liabilities	617	1,688
Lease liabilities	404	404
Income tax liabilities	6	-
Total current liabilities	25,039	22,742
Total shareholders' equity and liabilities	133,559	129,109

Condensed Consolidated Statements of Cash Flows

in € thousand	Q1 2023	Q1 2022
Profit for the period	2,845	1,681
Depreciation and amortization of intangible assets, PPE and right-of-use assets	2,311	2,266
(Increase) / decrease in inventories	-1,333	-1,683
(Increase) / decrease in trade and other receivables	-1,103	-2,347
(Increase) / decrease in other assets	-111	-307
Increase / (decrease) in trade payables	3,483	2,956
Increase / (decrease) in other (financial) liabilities	-1,100	-265
Increase / (decrease) in provisions	-46	67
Interest (income) and expense	900	384
Income tax expense	1,013	559
Income tax payments	-1,000	-815
Interest paid	-2	-
Interest received	61	-
Net cash flows from operating activities	5,918	2,496
Payments for investments in intangible assets	-203	-396
Payments for investments in PPE	-32	-3
Net cash flows used in investing activities	-235	-399
Purchase of treasury shares	-138	-
Proceeds from derivatives	89	-
Payments from the settlement of derivatives	-37	-
Repayment of lease liabilities	-100	-81
Interest paid	-829	-384
Net cash flows used in financing activities	-1,015	-465
Net increase in cash and cash equivalents	4,668	1,632
Cash and cash equivalents as of 1 January	32,642	20,824
Cash and cash equivalents as of 31 March	37,310	22,456

Imprint

Publisher

PharmaSGP Holding SE
Lochhamer Schlag 1
82166 Gräfelfing
Germany

Telephone: +49 89 85 89 639-150

Telefax: +49 89 85 89 639-201

E-Mail: info@pharmasgp.com
www.pharmasgp.com

Investor Relations and Corporate Communications

PharmaSGP Holding SE

Jennifer Albers

Telephone: +49 89 85 89 639-208

E-Mail: ir@pharmasgp.com (Investor Relations)

E-Mail: presse@pharmasgp.com (Corporate Communications)

Concept, Layout and Design

cometis AG
Unter den Eichen 7
65195 Wiesbaden
Germany

Telephone: +49 611 20 58 55-0

Telefax: +49 611 20 58 55-66

E-Mail: info@cometis.de
www.cometis.de

Picture Credits: Shutterstock, Adobe Stock

Disclaimer

This interim statement is also available in German and can be downloaded in both languages from the Internet at <https://ir.pharmasgp.com>. In the event of deviations, the German version takes precedence over the English translation.

PharmaSGP Holding SE

Lochamer Schlag 1
82166 Gräfelfing
Germany

Telephone: +49 89 85 89 639-150
Telefax: +49 89 85 89 639-201

E-Mail: info@pharmasgp.com
www.pharmasgp.com