

PRESS RELEASE

Private placement of Subordinated Bonds and Subscription Rights

Consolidated Results for the first half of 2009

Kortrijk (Belgium), 2nd of October 2009

Vemedia Pharma is planning to issue subordinated bonds and subscription rights for a maximum of 10 Million Euro, through a private placement.

In order to finance further external growth, Vemedia is launching the issuance of subordinated bonds and subscription rights, through a private placement. Vemedia is examining several acquisition opportunities.

The aggregate amount to be raised is maximum 10 million Euro. The minimum subscription is 50.000 Euro per investor (i.e. a minimum of 50 bonds of 1000 Euro).

The bonds are subordinated to all other present and future debts, including bank debt, vendor loans and mezzanine finance.

The interest rate is 7,5 % gross per annum, and the bonds have a term of 7 years.

The bonds are coupled with subscription rights (maximum of 800.000). The subscription rights cannot be acquired separately, but can be obtained through subscription of the bonds at a ratio of 80 subscription rights per bond.

The preferential subscription right upon issuance is lifted, but preferential allocation to existing shareholders in case of oversubscription in function of the order of subscription, is foreseen.

General conversion principles of the subscription rights :

- One share per subscription right
- Exercise price : EUR 2,50 per share
- Exercise upon expiration of term or annually

In case of an IPO or change of control, an early conversion prior to expiration of term, is possible.

The subscription period is from October 1st to the 10th of November 2009.

Consolidated results for the first half of 2009

In the first 6 months of 2009, consolidated revenue was kEUR 24.662, with an EBITDA of kEUR 3.973. The OTC drugs, raw materials and insecticides are performing very well. However, the turnover and margins for the food supplements are under pressure. Considering the figures of July and August, Vemedia is cautiously optimistic about the second half of the year.

Due to the sale of the brand Valdispert for the German, Austrian and Brazilian market, the turnover and EBITDA are lower. These markets are non-core for Vemedia. Because of these transactions, Vemedia managed to pay back 7 Million Eur of debt, much earlier than foreseen.

The turnover figures over the first half of 2008, contained a positive effect of 1,8 million EUR, because of the disposal of the initial stock of Valdispert products to the distributor, right after the purchase of the brand. If we eliminate this effect, internal growth was 2,7%.

Yvan Vindevogel, CEO van Vemedia: *“Vemedia Pharma’s key brands, including Dagravit, ABC Chemicals and Valdispert, succeeded in consolidating their position in their respective home markets. We view this as a confirmation of our strategy to focus on strong brands. The first half of 2009 is marked by a cautious growth and overall cost control. Consequently, Vemedia Pharma has confidence in the future, in spite of economic market conditions.”*

First half of 2009 Key Figures (IFRS)

INCOME STATEMENT ('000 EUR)	30/06/2009 (6 months)	30/06/2008 (6 months)	variance
Net revenue	24.662	25.849	-4,6%
Gross Margin	15.887	13.760	+15,5%
As % of net revenue	64,4%	53,2%	
Operating cost	-11.914	-8.096	+47,2%
EBITDA	3.973	5.664	-29,9%
As % of net revenue	16,1%	21,9%	

About Vemedia Pharma

The Vemedia Pharma Group, including operating companies in Diemen (the Netherlands), Woutersbrakel (Belgium), Barcelona (Spain) and Turin (Italy), is a leading and innovative player in OTC (prescription-free medicines), self-care and in-pharmacy-compounding. The group is active in various European countries and also exports its products beyond Europe.

For additional information about the Vemedia Pharma Group see www.vedediapharma.com.

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