

Solid Q1 2020 performance

- **Securing supply of our medicines to patients who need them is our core responsibility: our factories are running at full capacity to ensure the supply of medicines to our patients; our charitable contributions support healthcare workers, local communities and governments.**
- **We continue to ensure the health and well-being of all our employees by making significant investments in technology and safety measures.**
- **Good business performance with double-digit growth in EBITDA: Total Revenues €247.3 MM +7%, Net Sales €241.3 MM +8% and EBITDA €88.3 MM +10%.**
- **Growth drivers continue to show positive momentum. In Europe, good performance from our psoriasis franchise: Ilumetri[®] had a very solid start to the year in key geographies, with Skilarence[®] growth hampered by DMF compounding in The Netherlands. Seysara[®] (acne) stabilized after new Prescription Assistance Program (PAP) implemented, but recently affected by a significant reduction in patient visits to physicians due to COVID-19 measures.**
- **Innovative pipeline with significant mid-term value still to be unlocked: Tirbanibulin (actinic keratosis) filing completed and is under registration in EU and US with launch estimated in early 2021. Lebrikizumab (atopic dermatitis) 2023 launch remains on track.**
- **We maintain our 2020 Guidance, subject to a progressive business normalization by the end of Q2.**

Financial highlights (€ million)

	YTD March 2020	YTD March 2019	Variation	Variation (CER ¹)
Total Revenues	247.3	232.2	6.5%	6.1%
• Net Sales	241.3	224.4	7.5%	7.0%
• Other Income	6.0	7.8	(23.1%)	
Gross Profit	170.8	164.2	4.0%	3.3%
• % of sales	70.8%	73.2%		
EBITDA	88.3	80.2	10.1%	9.7%
Normalized Net Income	48.9	32.6	50.1%	-

¹ CER (Constant Exchange Rates): Excluding the effects of exchange rate fluctuations

Almirall's response to COVID-19

Almirall responded rapidly to adopt measures to deal with the COVID-19 pandemic. At the end of February, as soon as the first case of COVID-19 was detected in Barcelona, the Skin Academy congress, with 600 dermatologists scheduled to attend, was suspended. Immediately, a contingency plan was put in place at the company to ensure the health and well-being of all employees.

After verifying that certain drugs such as paracetamol could help decrease the effects of COVID-19, Almirall increased its production to supply as many of those affected as possible. Our factories have continued to operate at full capacity thanks to the efforts made by our Almirall manufacturing employees. As a result, we have been able to ensure the supply of medicines to each of the patients who need of our medicines. Among other efforts, Almirall has been producing sanitizing gel in Germany for distribution to hospitals and clinics. We have donated personal protective equipment and Balneum topical creams to hospitals in several countries, and we have collaborated with the Leitat Foundation to develop ventilators produced via 3D printing for distribution to hospitals and clinics.

We are facing an unprecedented challenge that has affected us all, and that will have lasting effects on the world as we knew it. COVID-19 has resulted in a tremendous loss of human life and in a massive rallying of the biopharmaceutical industry and academia to collaborate like never before, in order to combat the effects of the virus and eventually eradicate it through vaccination. It has also induced impressive initiatives of solidarity around the world, and I am proud of and humbled by all the actions that Almirall has taken in this respect. The women and men of Almirall have continued to keep our company going, ensuring an uninterrupted supply of our medicines for our patients in need. The actions of our employees are consistent with our Noble Purpose.

In terms of the business, it is too early to estimate the long-term impact on the health sector in general, and on Almirall in particular. Nevertheless, we are satisfied with this first quarter, which has met the objectives set before the crisis.

The strategic agreements that we made at the beginning of the year with the companies 23andMe, Bioniz Therapeutics Inc, and Wuxi Biologics will reinforce our leadership in medical dermatology.

The agreement reached with Paratek to commercialize Seysara® in China represents a significant step in that it will provide us with a meaningful stake in the acne market in China. We are certain that it will help many Chinese patients suffering from acne, which is a significant health burden in China.

Furthermore, the recent acceptance by the EMA and the FDA for filing of the regulatory applications for Tirbanibulin (actinic keratosis) represents a major step forward. We do not expect delays in regulatory approval, and anticipate its launch to occur in the first quarter of 2021.

Despite the positive results obtained during this complicated start to the year, it is inevitable that we, like others, will be adversely impacted in Q2 by the effects of COVID-19. We are maintaining our guidance assuming that there is a progressive normalization of the healthcare environment by the end of Q2. We of course will provide you with further details when we are able to. Meanwhile, we are now more than ever committed to give the best results we can to our shareholders, the best medicines to our patients and to help society as much as we are able to in these uncertain times.

Peter Guenter, CEO.

Almirall, S.A. (ALM) the global pharmaceutical company based in Barcelona, has announced its Q1 2020 financial results.

Summary results

- **Net Sales of €241.3 MM grew by 7.5%**, driven by growth drivers, wholesaler stocking and a positive impact in deferred income, more than offsetting Aczone genericisation. Total revenues reached €247.3 MM in Q1 2020 (+6.5%).
- **Gross Profit** growth of 4% (€170.8 MM vs €164.2 MM in Q1 2019) reflected an expected decline (-240bps yoy) mainly related to the genericisation of Aczone.
- **Research & Development** costs were €21.3 MM in Q1, or 8.8% of Net Sales.
- **Sales, General & Administrative** excluding depreciation was flat at €71MM as increased new product investments were offset by lower promotion activity in late March due to the COVID-19 situation.
- **EBITDA** of €88.3 MM increased by +10% (vs. 2019), with the gross margin weakness offset by lower costs due to COVID-19.
- **Normalized Net Income** of €48.9 MM reflected an increase of 50.1% in comparison to Q1 2019.
- **Cash Flow from Operating Activities** reached €48.5 MM. **Net Debt** came to a total of €464.8 MM.
- **Shareholders Equity** represented 56.4% of Total Assets.

Continue building leadership in medical dermatology

The business continued to perform in line with expectations during Q1. Our psoriasis franchise has performed well: Skilarence[®] delivered as planned, though growing at a slower pace, and Ilumetri[®] has had a very solid start to the year in our key geographies.

Ilumetri[®], an anti-IL-23 high-affinity humanized monoclonal antibody indicated for the treatment of adult patients with moderate to severe plaque psoriasis, continues to see strong month-on-month acceleration in patient numbers. In Germany, Ilumetri[®] has increased market share in new patients in the anti-IL-23 class to 32%. The anti-IL-23 class continues to grow capturing 30% of all new patients treated with biologics, emerging as the winning class in psoriasis. In spite of this, in Q2 we anticipate a temporary slowing in new patient uptake due to the significant reduction in physician visits due to COVID-19 – related measures across Europe.

Skilarence[®], an oral systemic formulation for the treatment of patients with moderate-to-severe chronic plaque psoriasis, has achieved a high market share in the main markets in Fumarates, where it is the leader. We had an impact in the first quarter due to DMF compounding in The Netherlands.

During the lock-down we have focused on maintaining patients on treatment by providing supportive information to prescribers. An adverse impact due to COVID-19 is expected in Q2 because of the blood monitoring requirement for patients receiving Skilarence[®].

In January 2019, Almirall launched **Seysara[®]** in US, an innovative oral antibiotic derived from tetracycline, and specifically designed for the treatment of acne in patients 9 years of age and older. As previously announced, in the second week of January 2020, a revised co-pay card program was implemented to

optimize profitability. Although Seysara[®] prescriptions subsequently stabilized after the new Prescription Assistance Program (PAP) and Gross to Net margin improved in March, it has also recently been adversely impacted by the reduction in patient visits to physicians visits due to COVID-19 measures. Once patients are allowed back to the clinics we expect to see Seysara regain market share.

In February 2020 Almirall acquired **licencing rights for Seysara[®] in China**. We are planning to submit Seysara[®] to the Chinese NMPA in 2023. It is estimated that there will be potentially 13 million moderate to severe treated acne patients in the urban Chinese population by 2028, which represents a significant opportunity to launch an innovative product whose clinical development is largely de-risked. Seysara[®] represents the first dermatology product for Almirall to enter the Chinese market to begin to build the company's strategic dermatology portfolio in China. In order to prove the efficiency and safety of the medicine in China, Almirall will initiate a Phase III trial in 2020.

R&D progression and reinforcement of the pipeline with the latest agreements

We continue to grow our R&D pipeline and to focus on delivering true innovation and making a real difference for patients and healthcare professionals.

In March 2020, the European Medicines Agency (EMA) and the Food and Drug Administration (FDA) accepted the filing of the **Marketing Authorization Application (MAA)** and the **New Drug Application (NDA)**, respectively, for **Tirbanibulin**. It is estimated to be launched in the US and the EU in early 2021. **Tirbanibulin** is a topical drug for the treatment of actinic keratosis in adult patients developed by Athenex and licensed by Almirall. The FDA and EMA filing are based on the analysis of two-Phase III studies (KX01-AK-003 and KX01-AK-004) that evaluated the efficacy and safety of Tirbanibulin ointment 1% in adults with actinic keratosis on the face or scalp. Tirbanibulin met the primary endpoint of complete clearance of actinic keratosis lesions at day 57 within the face or scalp treatment areas, each study achieved statistical significance ($p < 0.0001$) on this endpoint.

We also completed several agreements in early 2020 including the agreements with 23andMe and WuXi Biologics and the option agreement with Bioniz Therapeutics Inc.

In February 2019 Almirall announced that it had entered into an option and license agreement under which the company acquired an option to exclusively license rights to develop and commercialize **Lebrikizumab** for the treatment of atopic dermatitis and certain other indications in Europe. Its launch is expected in 2023. In June, Almirall exercised the option with Dermira for lebrikizumab. In January 2020, Eli Lilly announced its intention to acquire Dermira.

With the option agreement with the US biotech company **Bioniz Therapeutics Inc.**, Almirall will develop and expand its R&D pipeline with new treatment modalities to address highly underserved diseases within oncodermatology and immunodermatology. Through this agreement, Almirall will obtain the global rights to BNZ-1, a peptide that selectively blocks the activity of three cytokines of the same family: IL-2, IL-9 and IL-15, and which is currently in Phase 1/2 of development for refractory cutaneous T-cell lymphoma. If the option is exercised, Almirall would enter into a broader research agreement with Bioniz NewCo, using its multi-cytokine simultaneous inhibition platform, with the aim of obtaining at least 3 new candidates ready to start clinical studies.

In addition, Almirall signed an agreement to in-license **23andMe's bispecific monoclonal antibody** designed to block all three members of the IL-36 cytokine subfamily. IL-36 is a part of the IL-1 cytokine

family, which is associated with multiple inflammatory diseases, including various dermatological conditions. Almirall will secure the rights to develop and commercialize the antibody for worldwide use. This agreement will strengthen Almirall's early-stage research portfolio.

The third partnership was with **Wuxi Biologics** which allows Almirall access to the patented antibody platforms including WuXiBody™ to discover multiple novel bispecific antibodies. This strategic collaboration permits Almirall to develop the medication under license and maintain ownership for medical use of the resulting components to complete the company's objective of developing biologics to tackle skin diseases.

Annual General Meeting

Given the situation caused by COVID-19 and the measures in connection with containing the virus, Almirall has postponed the Annual General Meeting scheduled for May 6th, 2020. The Board of Directors will decide and communicate a new date to hold the meeting in due course.

Guidance for 2020

Guidance maintained, Net Sales low to mid-single-digit growth, EBITDA between €260 - €280 MM, subject to a progressive normalization of the healthcare systems by end of Q2 2020.

Investor Calendar 2020

- **H1 2020:** July 27th
- **9M 2020:** November 9th

About Almirall

Almirall is a leading skin-health focused global pharmaceutical company that partners with healthcare professionals, applying science to provide medical solutions to patients and future generations. Our efforts are focused on fighting skin health diseases and helping people feel better. We support healthcare professionals in their continuous improvements, providing our innovative solutions where they are needed.

The company was founded over 75 years ago and has its headquarters in Barcelona. It is listed on the Spanish Stock Exchange (ticker: ALM). Almirall has become a key source of value creation for society thanks to its commitment to its principal shareholders and its decision to help others by understanding their challenges and using science to provide solutions for real life. Total Revenues in 2019 were more than 900 million euros. Almirall has c. 1,800 employees.

For more information, please visit almirall.com

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