



Almirall announces a global licensing agreement with Patagonia for congenital ichthyosis


- Almirall and Patagonia Pharmaceuticals will jointly conduct development activities of Patagonia's lead product (PAT-001). Almirall will acquire global commercialization rights for such product and others that could be developed based on existing related Patagonia intellectual property.
- PAT-001 is a new treatment containing isotretinoin for congenital ichthyosis that is expected to enter Phase II studies in Q4 2016. Congenital ichthyosis is a family of rare skin disorders affecting around 100,000 and 160,000 patients in the United States (US) and the European Union, respectively.
- PAT-001 has been granted with Orphan Drug Designation by the FDA (Food and Drug Administration) for the treatment of congenital ichthyosis.

Barcelona, 22nd July 2016

Almirall S.A. today announced that it has entered through US-based Aqua into a global licensing agreement with Patagonia Pharmaceuticals, LLC. (a specialty pharmaceutical company developing innovative prescription therapies for rare dermatological diseases), for the development and commercialization of PAT-001, a new medicinal treatment containing isotretinoin entering into Phase II clinical studies for patients with congenital ichthyosis in Q4 2016.

Based on the license agreement, Almirall and Patagonia will jointly conduct development activities and Almirall will acquire global rights to commercialise PAT-001 in congenital ichthyosis together with any future Dermatology indications. In addition, other products could be developed based on existing related Patagonia intellectual property. Under the terms of the transaction, Almirall will make an upfront payment of \$3.5 million (USD) and Patagonia will be eligible to receive additional development and regulatory milestone payments up to \$24 million. In addition, Patagonia will be eligible to receive sales milestone payments and double-digit royalties on net sales. PAT-001 is expected to surpass \$100 million of peak sales in the US. This transaction represents another step forward for Almirall on its intention to be a leading specialty company with a strong focus on skin health.

Congenital ichthyosis is a group of chronic skin disorders characterised by persistently thick, dry, scaly or flaky skin¹. It can be disfiguring and disabling, and patients often experience numerous social and psychological consequences². There are no treatments approved by the FDA in the United States for moderate and severe subtypes of this



disease. PAT-001 was granted in 2014 with Orphan Drug Designation by the FDA for the treatment of congenital ichthyosis.

Jonathan Rome, Patagonia's CEO, said: *"We are very excited about our new relationship with Almirall. They have demonstrated a real drive to become a major player in the global Dermatology market. It has been a pleasure to work with Aqua and Almirall, and we look forward to a fruitful collaboration"*.

Eduardo Sanchiz, Almirall's CEO, stated: *"We look forward to working together with Patagonia's team in order to bring relief to patients suffering from congenital ichthyosis. This agreement shows again the potential of Almirall as a trusted partner in dermatology and our willingness to continue expanding our portfolio of innovative medicines"*.

About congenital ichthyosis

Congenital ichthyosis is a family of rare genetic disorders of skin keratinization. The term "ichthyosis" is derived from Greek and means "fish disease", referring to the dry, thickened, scaling skin that characterises the condition. Other signs and symptoms include skin inflammation and fragility, pruritus, erythema, fissuring and cracking of the skin, ectropion, anhidrosis (resulting in an increased susceptibility to overheating), and increased susceptibility to infection. The condition can be disfiguring and disabling, and patients often experience numerous social and psychological repercussions².

The prevalence of congenital ichthyosis is estimated to be approximately 100,000 patients in the United States and approximately 160,000 patients in the European Union and affects people of all ages, races, and genders³. There are no treatments approved by the FDA in the United States for moderate and severe subtypes of congenital ichthyosis.

Disclaimer

This document includes only summary information and does not intend to be comprehensive. Facts, figures and opinions contained herein, other than historical, are "forward-looking statements". These statements are based on currently available information and on best estimates and assumptions believed to be reasonable by the Companies. These statements involve risks and uncertainties beyond the Companies' control. Therefore, actual results may differ materially from those stated by such forward-looking statements. The Companies expressly disclaim any obligation to review or update any forward-looking statements, targets or estimates contained in this document to reflect any change in the assumptions, events or circumstances on which such forward-looking statements are based unless so required by applicable law.

About Patagonia Pharmaceuticals

Patagonia is a private, family-owned company founded in 2013 to address the unmet needs of people with rare and serious dermatological conditions. In addition to PAT-001 development, Patagonia has early stage programs in postherpetic neuralgia and systemic sclerosis. The Company is based in Woodcliff Lake, New Jersey. For more information, please visit www.patagoniarx.com.

About Almirall

Almirall is a global company based in Barcelona dedicated to providing valuable medicines and medical devices through its R&D, agreements and alliances. Our work covers the whole of the drug value chain. A consolidated growth allows us to devote our talent and efforts towards specialty areas and particularly to further grow as a leading Dermatology player. We are a specialist company, enabling us to accomplish the purpose of taking our innovative products wherever they are needed.

Founded in 1943, Almirall is listed on the Spanish Stock Exchange (ticker: ALM) and it has become a source of value creation for society due to its vision and the commitment of its long-standing major shareholders. In 2015, its revenues totalled 769 million euros and, with 1.800 employees, it has gradually built up a trusted presence across Europe, as well as in the USA.

For more information, please visit www.almirall.com.



References

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