Barcelona, August 3rd 2018

SIGNIFICANT EVENT

Almirall to acquire US medical dermatology portfolio from Allergan*

Almirall S.A ("Almirall"), pursuant to article 228 of the restated text of the Securities Market Act approved by the Royal Legislative Decree 4/2015, of 23 October and related provisions, hereby announces:

The acquisition of a portfolio of five products from Allergan's Medical Dermatology unit for the United States market, conditional to the clearance by the relevant authorities.

The portfolio comprises a balanced combination of mature and growth brands Aczone® (dapsone), Tazorac® (tazarotene), Azelex® (azelaic acid) and Cordran® Tape (fludroxycortide), as well as Seysara™ (sarecycline), a new, innovative first in class tetracycline-derived antibiotic with anti-inflammatory properties for the treatment of moderate to severe acne vulgaris, in patients 9 years of age and older, with a best-in-class safety profile. The FDA approval of Seysara™ is anticipated in Q4 2018.

With this acquisition, Almirall consolidates and reinforces its presence in the US and expands its range of dermatological products, representing a transformational step for Almirall. This will result in an immediate earnings accretion, create critical mass and provide medium to long term growth opportunities.

The acquisition has been announced for a cash consideration of $550 MM at closing and a possible earn-out (up to $100 MM, payable in Q1/2022) depending on business performance. The transaction will be fully funded through a combination of Almirall's available cash resources, committed undrawn credit line as well as a bridge loan from BBVA and Santander Banks.

A webcast will be held with analysts and investors today at 15:00 CET. Also please find attached the Press Release and the presentation for the webcast.

Yours sincerely,

Pablo Divasson del Fraile
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** Excludes Rhofade.*

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Press Release

Barcelona,
3rd August 2018

Transformational Transaction

Almirall to acquire US medical dermatology portfolio* from Allergan

- **Almirall entered into a definitive agreement to acquire an Allergan U.S. portfolio* of mature and growth brands for acne and dermatoses, including a new innovative NCE, Seysara™ (sarecycline) for the oral treatment of acne. The closing of this transaction is expected in Q4 2018**
- **With this strategic and very focused transaction, Almirall significantly reinforces its position in the largest dermatology market in the world**
- **All products will be distributed through our US platform and team, which has deep knowledge of the oral acne market and the acquired portfolio. They will provide critical mass to launch KX2-391, which has the potential to become the new standard of care in actinic keratosis**
- **The acquired portfolio generated net sales of $70MM in the first half of 2018 and offers medium to long-term growth potential. We expect peak sales of Seysara™ (sarecycline) from $150MM to $200MM**
- **The acquisition has been announced for a cash consideration of $550MM at closing. It is immediately EPS accretive from 2019 onwards**

Almirall, S.A. (ALM) has announced today the acquisition of a portfolio of five products from Allergan's Medical Dermatology unit in the United States, conditional to the clearance by the relevant authorities. It comprises a balanced portfolio of mature and growth brands, Aczone® (dapsone), Tazorac® (tazarotene), Azelex® (azelaic acid) and Cordran® Tape (fludroxycortide), as well as Seysara™ (sarecycline), a new, innovative first in class tetracycline-derived antibiotic with anti-inflammatory properties for the treatment of moderate to severe acne vulgaris, in patients 9 years of age and older, with a best-in-class safety profile. The FDA approval of Seysara™ (sarecycline) is anticipated in Q4 2018.

Peter Guenter, Chief Executive Officer, Almirall, commented, *"This is a transformational deal for Almirall. It will reinforce and consolidate our position in the world's largest dermatology market and is a well-balanced portfolio of mature and growth brands with a major launch opportunity of an innovative New Chemical Entity (NCE). It is perfectly complementary to our existing platform and will be immediately accretive to our earnings. It offers us medium to long term top and bottom line growth opportunities. Moreover, it will allow for an expanded platform to launch KX2-391, which has the potential to become a new standard of care in actinic keratosis"*

** Excludes Rhofade.*

Strategic considerations

- With this acquisition, Almirall consolidates and reinforces its presence in the US, the largest market in the world, and expands its range of dermatological products, representing a transformational step for Almirall US as well as Almirall as a whole.
- The portfolio is a balanced mix of mature and growth brands with a first in class, innovative NCE for the treatment of acne. This will result in immediate earnings accretion, create critical mass and provide medium to long term growth opportunities. We expect peak sales of Seysara™ (sarecycline) from $150MM to $200MM.
- The portfolio had net sales of $70MM in H1 2018.
- Our global and US leadership team is comprised of several former Allergan senior executives with a deep knowledge of the acquired product portfolio.

Transaction highlights

- The acquisition has been announced for a cash consideration of $550 MM at closing.
- The transaction is subject to be approved by antitrust authorities in the US. Almirall does not envisage any significant obstacles to closing by Q4 2018.
- Strategic and straight forward transaction in one single geography.

Synergistic portfolio

The acquired portfolio entails an excellent fit with Almirall US's selling capabilities and its current team, which has deep knowledge of the US oral acne market and the acquired products. The four products already marketed generated total sales in US of $70MM in the first 6 months of 2018. In addition, Seysara™ (sarecycline) offers strong medium to long term growth potential.

Aczone® (dapsone), Tazorac® (tazarotene), Azelex® (azelaic acid), for the treatment of acne and Cordran® Tape (fludroxycortide), indicated for dermatoses, are recognized brands in the US market, which are among the top 10 US prescription dermatologist-driven portfolio. Cordran® Tape is a unique product, a low potency topical corticosteroid-tape that provides a higher potency effect, with a significant growth potential.

Regarding the NCE Seysara™ (sarecycline), an oral, once-daily, narrow spectrum, tetracycline-derived antibiotic with anti-inflammatory activity, it offers the same efficacy as an oral doxycycline with improved safety and tolerability. A New Drug Application for Seysara™ is currently under review by the U.S. Food & Drug Administration (FDA) based on the positive results of two identical Phase 3 registration studies. Its approval is expected in Q4 2018. This transaction will further boost Almirall's R&D & In-Licensing engine, allowing additional investments that will drive future innovation and competitiveness.

Bhushan Hardas, R&D Vice-President, Chief Scientific Officer, Almirall, commented, *"Seysara™ is the first oral antibiotic in 40 years, specifically designed for dermatology, that has demonstrated to be an effective, safe and well-tolerated treatment option for physicians treating patients with moderate to severe acne. It's an innovative product that fits perfectly with our current pipeline, entirely dermatological*".

Financial Impact

- The transaction reinforces Almirall dermatology franchise and positions it as a key growth driver, representing circa 45% of net sales (proforma).
- Sales growth acceleration will come from the launch of Seysara^{TM} (sarecycline), which is expected to launch immediately after FDA approval.
- It is immediately EPS accretive, as it leverages current infrastructure in the U.S.

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 & future generations. Our efforts are focused on fighting against skin health diseases and helping people feel and look their best. We support healthcare professionals in its continuous improvement, bringing our innovative solutions where they are needed.

The company, founded 75 years ago and with headquarters in Barcelona, is listed on the Spanish Stock Exchange (ticker: ALM). Almirall has become a key element of value creation to society according to its commitment with its major shareholders and its decision to help others, to understand their challenges and to use Science to provide them with solutions for real life. Total revenues in 2017 were 755.8 million euros. It has more than 1,830 employees.

For more information, please visit almirall.com   linkedin.com/company/almirall

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3 August 2018

Disclaimer

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Presenters

Peter Guenter

Chief Executive Offer

David Nieto

Chief Financial Officer

Bhushan Hardas

Chief Scientific Officer

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Transaction Highlights

Key Transaction Highlights

Transaction Rationale	• Transformational Transaction: Almirall to acquire medical dermatology portfolio in the US* from Allergan • It comprises a balanced portfolio of mature and growth brands for acne and dermatosis, as well as a new innovative NCE expected to be approved by the FDA in Q4 2018 for the treatment of acne
Transaction Terms	• The acquisition has been announced for a cash consideration of $550MM • A possible earn-out (up to $100 MM, payable in Q1/2022) depending on business performance • Allergan to provide support to Almirall to ensure a smooth transition of the portfolio
Source of Funds	• Transaction will be fully funded through a combination of Almirall's available cash resources, committed undrawn credit lines as well as a bridge loan from BBVA and Santander banks • Leverage not to exceed 2.5x, with a rapid deleveraging profile
Timing / Conditions	• Closing of the transaction is subject to anti-trust/regulatory review – No regulatory or anti trust hurdles envisaged • Closing expected in Q4 2018

**Excludes Rhofade*

Compelling strategic rationale

Consolidate and reinforce Almirall's presence in the US and expand its range of dermatological products, representing a transformational step for Almirall

Seysara™ is a new, innovative first in class antibiotic for the treatment of moderate to severe acne vulgaris. FDA approval is anticipated in Q4 2018. We expect Seysara to contribute to the overall of Almirall with peak sales from $150 to 200MM

Leveraging our local US leadership team which is comprised of several ex Allergan senior executives with a deep knowledge of the acquired product portfolio

Increased scale will boost Almirall's R&D & In-Licensing engine, allowing additional investments that will drive future innovation and competitiveness

Attractive transaction that creates shareholder value: perfectly complementary with our existing platform, it will be immediately accretive for our earnings and offers medium to long term growth opportunities. Moreover it will allow for a very solid platform to launch KX2-391, which has the potential to become the new standard of care in actinic keratosis

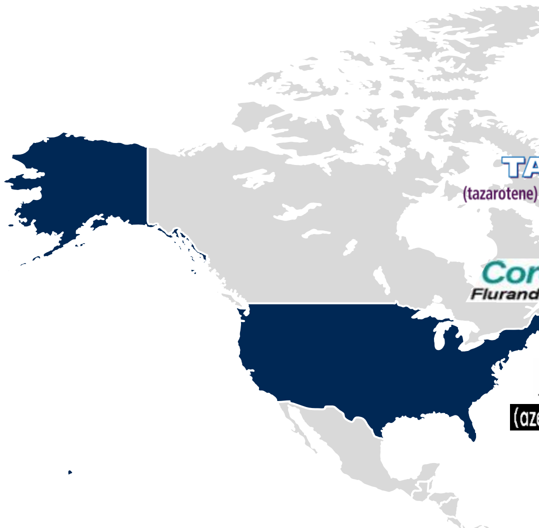
Product portfolio

Product portfolio overview (i)

Five brand franchises targeting large Dermatology indications

	Seysara	Aczone	Tazorac	Cordran Tape	Azelex
Products	Seysara (sarecycline) tablet 60 mg, 100 mg, 150 mg	Aczone (dapsone) Gel, 7.5% Aczone (dapsone) gel, 5%	TAZORAC (tazarotene) Cream and Gel 0.05%, 0.1%	Cordran Tape Flurandrenolide Tape, USP	Azelex (azelaic acid cream) 20%
Active Ingredient	• Sarecycline	• Dapsone	• Tazarotene	• Flurandrenolide	• Azelaic acid
Key Indication	• Acne	• Acne	• Acne • Psoriasis	• Dermatoses	• Acne
Key Advantages	• Oral antibiotic with anti-inflammatory activity within the Tetracycline class • As efficacious as oral doxycycline with improved safety and tolerability	• Most prescribed non-retinoid topical for acne • Moderate efficacy and good tolerability • Good brand reputation	• Topical retinoid indicated for acne (gel) and plaque psoriasis (cream)	• Low potency topical corticosteroid – tape provides a “higher potency effect” • Long-term efficacy and safety experience • Unique product with significant growth potential	• Indicated for the topical treatment of mild-to-moderate inflammatory acne vulgaris
Expected LOE	• 2032	• 7.5% - H2/2019	--	--	--

Product portfolio overview (ii)



	H1 2018A Net Sales
Aczone (dapsone) Gel, 7.5% / Aczone (dapsone) gel, 5%	$37 MM
TAZORAC (tazarotene) Cream and Gel 0.05%, 0.1%	$16 MM
Cordran® Tape Flurandrenolide Tape, USP	$10 MM
Azelex (azelaic acid cream) 20%	$7 MM
4 established and well known Dermatology Rx brands	**$70 MM**

Seysara™ (sarecycline) tablet 60 mg, 100 mg, 150 mg

For the treatment of moderate to severe acne vulgaris in patients 9 years of age and older. A once-daily, oral, narrow spectrum tetracycline-derived antibiotic with anti-inflammatory properties

We expect Seysara™ to contribute to the overall of Almirall with peak sales from $150 to 200MM

Product portfolio overview (iii) – Seysara

Best-in-class asset to reinforce Almirall's oral acne franchise

1. The first oral antibiotic in 40 years, that has been specifically designed **for dermatology** – limited branded competition envisaged

2. **Differentiation:** Same efficacy profile as oral doxycycline with improved safety and tolerability

3. **Long-term growth profile**: FDA approval expected in October 2018 and LoE expected in 2032

4. **Sizeable market:** Oral antibiotic market generated 18 million TRx in 2017

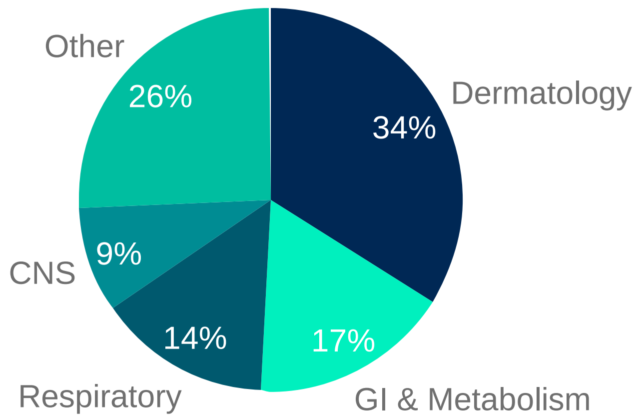
5. Excellent fit with **Almirall US's selling capabilities**: deep knowledge of the US oral acne market and the acquired portfolio – several ex Allergan senior executives in the US management team

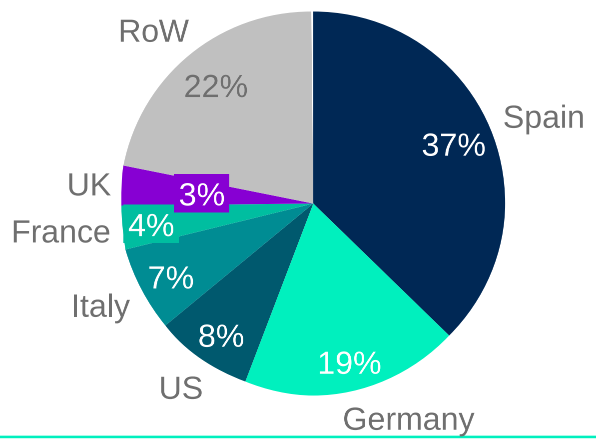
Financial Impact

Pro-Forma Dermatology Portfolio

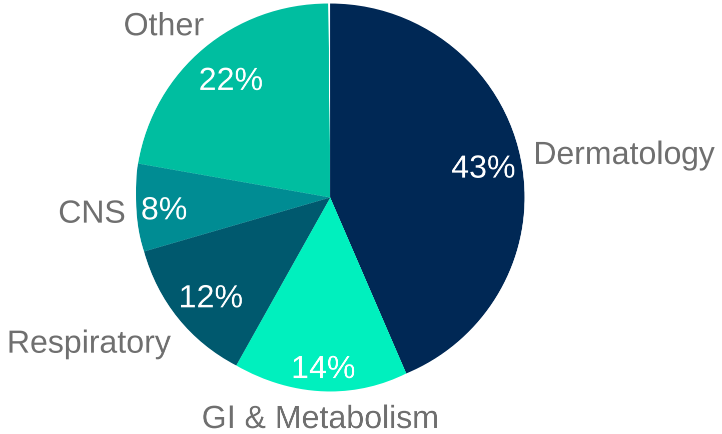
Dermatology as Almirall's key growth driver, representing c.45% of sales

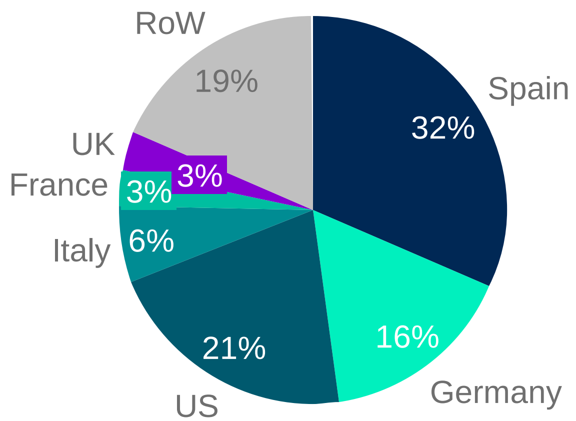
H1 2018A Net Sales





H1 2018 - Proforma New Almirall





Financial Impact

Immediate scale with continued margin improvement

Net Sales	• Acquired portfolio generated $70MM of Net Sales in the first half of 2018 • Historical performance driven by the LoE in 2017 of ACZONE 5% and TAZORAC cream • The LoE impact on ACZONE 7.5% is expected to be offset by the ramp-up of SEYSARA as of 2020 • We expect Seysara to contribute to Almirall's sales growth with peak sales from $150MM to $200MM
EBITDA	• Expected enhancement of Almirall average margin
Net Income	• Immediately EPS accretive from 2019 onwards
Acquisition price & Financing	• $550MM financed through a bridge loan from BBVA and Santander. Multiple paid below 10x EBITDA • A possible earn-out (up to $100 MM, payable in Q1/2022) depending on business performance • Leverage not to exceed 2.5x (Net Debt / EBITDA pro-forma) • Strong deleveraging profile driven by high cash flow generation

Conclusions

Key Takeaways

- Compelling strategic rationale:
  - Offers us a leading position in the US Derma market
  - Both immediate critical mass and mid to long term topline growth
  - Strengthens our US platform for a strong launch of KX2-391

- Substantial value creation for Almirall shareholders
  - Clean and fully synergistic transaction – No corporate structure, promotional force or manufacturing is included in the deal
  - Attractive financial contribution – Above average EBITDA margin
  - Enhancing cash flow generation profile
  - Almirall's balance sheet strength will remain – leverage not to exceed 2.5x EBITDA, with rapid deleveraging profile
  - Immediately accretive to earnings

- Almirall retains financial flexibility to continue growing its leading Dermatology franchise

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