2017-18 GLOBAL NETWORK INVESTMENT COMPETITION

Madrid, November 12th 2017
<table>
<thead>
<tr>
<th>Name</th>
<th>Nationality</th>
<th>Country</th>
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<tbody>
<tr>
<td>Lino Ahlering</td>
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<td>Germany</td>
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<tr>
<td>Basile Cuigniez</td>
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<td>Belgium</td>
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<td>Shivani Choudhary</td>
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<td>India</td>
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<td>Vianney Delvoye</td>
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<td>France</td>
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<td>Victor Girones</td>
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<td>Francesco Pomati</td>
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<td>Italy</td>
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Agenda

1. Investment Highlights
2. Company Overview, Vision and Strategy
3. Industry and Environment Analysis
4. Technical Analysis
5. Ethics and Corporate Social Responsibility
6. Conclusion
Investment Highlights

The Company

Almirall S.A. (ALM:SM) €7.97 Bolsa De Madrid
Sector: Healthcare
Industry: Biotech & Pharma
52 weeks range: €15.8 – €7.97

Highlights

- Change in Management
- Undervalued
- Global Operations
- Pharmaceutical Sector
- Refocus of Portfolio

Start of Investment

IE Rocket Yield – Global Network Investment Competition
A Global Leading Pharmaceutical Company

Company Overview

Corporate Vision
- Leading specialty firm differentiating in pharmaceutical industry
- Focus on skin segment
- Tackle directly needs of professionals and consumers

Corporate Strategy
- **Accelerate growth** in dermatology and medical aesthetics
- Expand portfolio through **R&D and BD**
- **Customer Affinity**
  - Set of values: Caring, Dedicated, Dynamic and Expert

Total revenues in 2016: **€859M**
Employees: **>2000 employees worldwide**
Focus on **Research & Development**
Change in management: New CEO (Oct. 1st)

![Total Revenue Almirall](chart)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Revenue (Million Euros)</th>
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<tbody>
<tr>
<td>2010</td>
<td>800</td>
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<tr>
<td>2011</td>
<td>900</td>
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<td>2012</td>
<td>800</td>
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<td>700</td>
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<td>2014</td>
<td>600</td>
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<tr>
<td>2015</td>
<td>500</td>
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<tr>
<td>2016</td>
<td>400</td>
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High Performances and Competitive Sector

**Market and Environment Analysis**

### Industry

- Spanish pharma sector expected to increase in valuation from €23B to €25B in 2021
- Benefits from strong economy, given by qualified workforce and sophisticated infrastructure

### Competition

- Competition concentrated in Catalonia, but competes also on international level
- Sustains revenue growth through global expansion

### Geopolitical Risks

- Ongoing uncertainty related to Independence Referendum
- Potential shift of headquarters out of Catalonia
- Conflict may lead to economic, political crisis

**Catalonia accounts for 3% per cent of Spain's GDP**

**IE Rocket Yield – Global Network Investment Competition**
Calling the Bottom After Strong Correction

- **Calling out bottom** at market price €7.84
- Correction around 40% in July, overreaction of market
- Trading at 52-week low

- 15-day **SMA**, 25-day **EMA** on 3 months horizon, daily data
- October 17th – Graph crossed SMA and EMA – **Upward trend signal**
Stock Oversold – Positive Trend Building

**MACD**
- **MACD** on 6 months period, daily data
- Long negative trend ended
- **Positive trend** building - justifies leg up

**Oscillators**
- Key oscillators: **Relative Strengths Index** and **Williams Percentage Range**
- Stock **oversold** in July / August
- Confirm **support call** around €7.84
Ethics, a Concern for Long-Term Profitability

- Pharmaceutical sector – Ethics real concern for long-term profitability
- 4 Pillars for Ethics and Corporate Social Responsibility

- Science alongside with patients best path for real solutions
- Give – and – take between company and society

- Code of Integrity: Customers and Employees first
- High quality of products and training programs, in respect of international standards

- Efficient production process: Ecologically friendly company
- Collection of unused medicines for non-profit organizations to minimize waste

- Operations based on long-term trust and transparency between management and employees, company and clients, company and furnishers, key for success

IE Rocket Yield – Global Network Investment Competition
Summary of Investment Thesis

Major global leader and reputable pharmaceutical firm
• Diversified portfolio of industries and products

Extraordinary short – term investment opportunity
• Share price dropped 40% in July due to disappointing earnings estimates
• Since July, stock bottomed out
• Technical Analysis indicators are bullish
• Geopolitical crisis aided decline in price

Change in management
• Peter Guenter appointed as new CEO
• Proven track record in pharmaceutical industry
Thank you!

IE Rocket Yield