



Sinclair Pharma plc

Signs transformational US collaboration with Almirall's aesthetics subsidiary Thermi, completion of strategic review, end of offer period and provides positive trading update

- Transformational US distribution and strategic marketing agreement with Thermi for Silhouette InstaLift™ delivers immediate access through 55 sales reps to the world's largest aesthetics market
 - Complements Thermi's existing minimally invasive aesthetics portfolio
 - Established US installed base of more than 1,000 Thermi systems
- Creation of Brazilian affiliate to sell Silhouette Soft® is immediately earnings enhancing and provides a platform for future product launches in this top five global aesthetic market
- Current trading remains strong;
 - Jan-Mar 2016 sales £8.9 million (compared to £7.7million in six months to 31 Dec 2015)
 - Sinclair continues to expect to deliver 40% revenue growth in calendar 2016
- Strategic review completed and end of offer period
- Change of year end to 31 December

London, 19 May 2016 Sinclair Pharma plc (SPH.L), ("Sinclair" or the "Company") the international aesthetics company, today announces it has signed an exclusive four year US distribution and strategic marketing agreement with Thermigen LLC ("Thermi"), an Almirall SA company, for Silhouette InstaLift™. Additionally, the Company has regained distribution rights for Silhouette Soft® in Brazil allowing the Company to sell this important product directly in a key global market. After a thorough examination of several potential strategic options, the Board and its advisors concluded that the deals announced today, combined with robust current trading and a strengthened balance sheet, leave Sinclair well positioned for significant long-term growth; as such the Board has completed the strategic review, concluding that Sinclair's prospects for shareholder value creation are superior as an independent entity. The Company will hence no longer be in an offer period for the purposes of the City Code.

SILHOUETTE INSTALIFT TO BE LAUNCHED BY THERMI

The US distribution agreement with Thermi for Silhouette InstaLift™ is anticipated to be transformational for the Company. Sinclair will now have immediate access to the single largest aesthetics market in the world via a highly successful and well established sales force.

Thermi is the world leader in minimally invasive thermistor-regulated energy solutions for aesthetics, dermatology and women's health, and one of the fastest growing aesthetics companies in the US. Silhouette InstaLift™ is the only injectable aesthetic product with a lifting claim in the US market. The ThermiRF® platform, offered by Thermi, enables aesthetic physicians to perform ThermiTight®, a micro-invasive single treatment solution for aging neck and other body areas. The combination of ThermiTight and InstaLift™ represents a major break-through in the quest to offer patients a minimally invasive non-surgical alternative to the facelift. With an installed base of more than 1,000 systems in the US, Thermi is poised to quickly establish Silhouette InstaLift™ as the new standard of care for minimally invasive facelifting by immediately offering the product to its established physician customer base.

Sinclair has initially granted Thermi exclusive four-year distribution rights for the US market until mid-2020. The agreement involves a material investment in the launch and marketing of Silhouette Instalift™ by Sinclair. In addition, Sinclair will hold an annual option, after year three, to repatriate the rights, having compensated Thermi accordingly. Further terms of the agreement are not being disclosed.



Silhouette InstaLift™ will be launched by Thermi later this month. Physician training is key to a successful product launch and will be conducted through a widespread programme of hands-on training sessions provided by a third-party CME (medical education) provider. Thermi will support the product with its fast-growing 55 rep sales force backed by both Thermi and Sinclair marketing teams. Sinclair will be directly involved in product marketing with Doug Abel (Sinclair US president) head of the joint InstaLift™ Marketing Committee.

Sinclair initiated pre-launch activities in the US in Q4 2015, establishing an advisory board of leading US dermatologic surgeons and plastic surgeons to provide guidance and input as Sinclair prepared for the launch of Silhouette InstaLift™. Over the following six months, InstaLift™ has featured at numerous dermatology, plastic surgery, and aesthetic conferences including the American Academy of Dermatology (AAD) and the American Society of Aesthetic Plastic Surgery (ASAPS). Through the activities of independent continuing medical education providers (CMEs) over 2000 US physicians have learnt about InstaLift™ from their peers and over 50 have received up-to-date aesthetic education and training in broad-based programs that include InstaLift. These initial efforts provide the Thermi team with a well-established group of thought-leading physicians as the foundation for their launch efforts.

Dr Mark Nestor, MD, PhD who serves as Chair, Silhouette InstaLift™ advisory board and lead advisor for Thermi US and Almirall, commented *“Silhouette InstaLift™ and the Thermi product platforms represent the most advanced, innovative and complimentary new technologies that have come to aesthetic medicine in a number of years. It is clear that each product uniquely fills an unmet patient and physician need. Thermi’s technology and strong relationship with their physician partners combined with the incredible interest and excitement by US Aesthetic core physicians that InstaLift™ has already created, make this an ideal partnership. Even more exciting are the excellent clinical results and highly positive patient feedback we are seeing with both InstaLift™ and Thermi”.*

Chris Spooner CEO Sinclair Pharma plc commented *“We are delighted to announce our collaboration with Thermi who have recognised the significant potential of Silhouette InstaLift™. The US will be transformational in the evolution of Sinclair as a major international force in the fast-growth Aesthetic dermatology industry. Thermi shares Sinclair’s vision to provide innovative and clinically needed therapies, while maintaining industry-leading standards of quality and product training. US pre-marketing activities have already resulted in widespread product recognition within the industry and are building a presence in general and healthcare media. Sinclair is highly optimistic about Thermi’s ability to generate a strong launch for Silhouette InstaLift™ and pioneer this radical new therapy.”*

Paul Herchman CEO Thermi commented *“Thermi has been recognised for its fast growth and for its unique clinical culture. This rewarding clinical culture was conceived, developed and is implemented by leading physicians who commit themselves to sustaining Thermi’s peer-to-peer training programs. Our success has been driven by offering technologies that help physicians provide solutions which address the needs of patients who do not want a face lift, for whom non-invasive treatments are not working and who want measurable improvement. The Silhouette InstaLift™ product greatly expands our product offerings for these physicians”.*

SINCLAIR STRATEGY

Following the announcement of the strategic review on 25 November 2014, the Board has taken a series of steps which have transformed the Company into a fast-growth, high-margin, debt-free, differentiated aesthetics business. The sale of the non-aesthetics business to Alliance Pharma for £132 million, completed in December 2015 was a significant step in this process and has strengthened Sinclair’s balance sheet. This disposal in combination with the strategic marketing agreement with Thermi has greatly improved Sinclair’s revenue and profit growth prospects.

Additionally, the Company continues to invest to build a dynamic and fast-growing, global aesthetics business. Sinclair recently created a Brazilian affiliate and repatriated the local rights for Silhouette Soft®. The transaction becomes effective as of 1 July 2016 and is then expected to be immediately sales and earnings enhancing. The new affiliate will also provide a platform to build on the successful launch of Silhouette Soft® in Brazil and will immediately enable direct sales of Perfectha®, the rights of which have been returned to Sinclair, as well as Ellansé™ once regulatory approval, anticipated in 2018/19, has been granted.



CURRENT TRADING

Unaudited sales for the quarter ended 31 March 2016 reached £8.9 million, significantly ahead of the £7.7 million reported for the six months ended 31 December 2015. In-market sales growth accelerated to 37% for the first quarter, supporting previous guidance of 40% sales growth for calendar 2016. The consolidation of Brazil and US Instalift™ revenues are expected to contribute c. £1 million in additional sales.

As at 31 March 2016, unaudited net cash was £45 million after paying the discounted Aqtis milestone buy-out of c.£12 million and Silhouette milestones of c.£13 million.

CHANGE OF YEAR END

The Company is changing of its financial year-end to 31 December to align the business with industry peers. A second set of interim 2016 numbers covering the period 1 January 2016 to 30 June 2016 will be published in September 2016, with fully audited 18 month final results for the period 30 June 2015 to 31 December 2016 to be published in March 2017.

OUTLOOK

The Board believes Sinclair is positioned to become a significant player in the global aesthetics market. The Company has built an unrivalled portfolio of high growth, innovative products that address patient demand for better, long-lasting natural results. The portfolio also offers compelling economics for physicians. The significant growth in sales during the first quarter demonstrates the increasing demand for Sinclair's products, which The Company will continue to launch into new territories to sustain medium term growth. The immediate focus will now be on the US launch of Silhouette Instalift™, which is expected to be transformational. With the infrastructure in place, a promising pipeline of future line extensions and a relatively fixed cost base Sinclair is well placed to benefit from significant future operating leverage.

Commenting on the outlook Chris Spooner, CEO of Sinclair, said:

"I am very excited at the Group's enhanced prospects. Through a series of selected acquisitions and disposals over the past three years Sinclair has reshaped itself into a fast growing, focused and innovative company with significant potential to be a major force in the global aesthetics market. As a standalone business we believe Sinclair is a highly attractive proposition boasting an unrivalled proprietary portfolio of products with strong growth potential."

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About Sinclair Pharma plc

Sinclair Pharma plc is an international company operating in the fast growth, high gross margin, global aesthetics market. Sinclair has built a strong portfolio of differentiated, complementary aesthetics technologies, which are experiencing significant growth, targeting unmet clinical needs for effective, high quality, longer duration, natural looking and minimally-invasive treatments. The Company is planning entry to multiple new geographic markets and line extension launches over the next few years. Sinclair has an established sales and marketing presence in the leading EU markets and Brazil, and a network of international distributors.

For more information, please visit

www.sinclairpharma.com

ABOUT SILHOUETTE INSTALIFT™

Silhouette Instalift™, a novel product cleared by the FDA, is a fully resorbable suture (dissolved by the body) suspension technology indicated for lifting and fixating the sub-dermis of the midface. Developed to provide natural looking aesthetic enhancement by repositioning existing tissues, InstaLift™ provides a safe and effective solution to reverse facial sagging without surgery. While wrinkles, brown spots and lost volume can be treated with current anti-ageing methods, Silhouette InstaLift™ is the first and only minimally invasive method in the US aesthetics market for lifting sagging skin and the underlying tissue. The procedure helps increase volume while restoring the contours of the mid-face and cheek areas gradually and naturally. During this simple in-office procedure, the physician lifts the deeper layers of the skin. Results are visible immediately and improve over a three-month time span to produce a lasting lift effect. Silhouette InstaLift™ technology is made from glycolide/L-lactide (PLGA), a biomedical copolymer that is well tolerated by the body. Over time the sutures are naturally reabsorbed while stimulating collagen production to create a natural-looking and long lasting result.

About Thermi

ThermiGen, LLC, doing business as Thermi, is a leading manufacturer of thermistor-regulated solutions for the aesthetic and gynaecological markets. With three platforms – ThermiRF, ThermiVa and Thermi250, plastic surgeons, dermatologists and cosmetic physicians offer a wide array of solutions for patients using "the science of heat" where temperature is the clinical endpoint. The company's products are distributed worldwide.

For more information, please visit

www.thermi.com

About Ammirall

Ammirall 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