

25 January 2017



HY trading update: strong H1 performance with gross profit up 34%

Clinigen Group plc (AIM: CLIN, 'Clinigen' or the 'Group'), the global pharmaceutical and services company, today provides a trading update for the six months ended 31 December 2016.

Highlights

- Gross profit* up 34% driven by a combination of good organic growth across all divisions, a full six months contribution from Link Healthcare and currency benefits
- Excellent growth by Link Healthcare and Clinical Trial Services
- Strong growth in Managed Access and Specialty Pharma

Shaun Chilton, Group Chief Executive Officer of Clinigen, said:

"We have delivered good growth across all divisions following the successful integration of the Idis and Link Healthcare acquisitions.

"Link Healthcare has achieved an outstanding performance, demonstrating the value of its acquisition by the Group. Among the other divisions, Clinical Trials Services has again delivered a standout performance. Managed Access and Specialty Pharma also delivered strong growth.

"We are trading in line with our expectations and are well positioned to deliver good performances across all divisions in H2.

"Our priorities remain to drive organic growth by capitalising on our international market leading positions and expanded geographical footprint. We will also continue to look for selective acquisitions that meet our return criteria in order to enhance our product portfolio and / or service capabilities."

Group performance

Gross profit* increased approximately 34% compared to last year. The increase was driven by good levels of organic growth across all business divisions, a full six months contribution from Link Healthcare, which was acquired in October 2015, and favourable exchange rate effects following the depreciation of Sterling.

The Specialty Pharmaceuticals division, representing approximately 29% of Group gross profit, achieved strong growth in the first half with each of the products in the portfolio performing as expected.

The transfer of the US license for Ethyol to the Group's US strategic partner, Cumberland Pharmaceuticals, was completed in H1 of the financial year and the benefits are expected to be seen in H2. Totect, purchased last year, is on course to start generating sales in Q4 of the financial year.

Discussions with the regulator continue to move in a positive direction on Article 31 in respect of lifting the restriction of using Cardioxane with certain adult patient populations.

The Managed Access division, representing approximately 23% of Group gross profit, had a strong first half benefiting from the ramp up of a number of programmes won in the last financial year.

The Global Access division, representing approximately 12% of Group gross profit, made solid progress. The number of exclusive supply agreements increased and the first key contract converted from early access to on-demand 'point of care' access.

The Clinical Trial Services division, representing approximately 17% of Group gross profit, achieved excellent growth. Activity within its existing customer base was strong and the division achieved some important customer wins in H1. Whilst the visibility for Clinical Trial Services is always more limited, the current pipeline positions the business to complete another good year of growth.

Link Healthcare, representing approximately 19% of Group gross profit, delivered significant organic growth across all geographies and benefited from the translation effects from the depreciation in Sterling (more than 35% pro forma growth for six months versus six months last year). The launch of the Japanese business further strengthens Clinigen's presence in Asia.

Group overheads increased in line with budget as Clinigen continues to strengthen the infrastructure and management team to support its long term growth ambitions.

The implementation of the Group's ERP system, which will make the business more efficient and scalable, is progressing to plan. Cliniport, which strengthens our market proposition by providing enhanced online access to unlicensed medicines, is ready to be launched in H2 of this financial year.

Net debt

Net debt at the period end is approximately £71 million (31 December 2015: £81.5 million). As expected, net working capital increased in the first half due to the timing of cash flows around period ends and the completion of a large contract with favourable working capital characteristics. As previously guided, capital expenditure has been higher than usual due to budgeted spend on the IT system, which is currently being implemented.

Outlook

The Group is trading in line with the Board's expectations and all divisions are well positioned to drive good levels of organic growth in the second half of the financial year.

The Group expects to publish its interim results for the six months ended 31 December 2016 on Wednesday 15 March 2017.

*Gross profit growth rates include Clinigen's share of the South Africa Joint Venture and exclude the impact of the release of the fair valuation of inventory acquired with Idis and Link Healthcare. Under IFRS, the Joint Venture is excluded from revenue, gross profit and profit before tax and the Group's share of the Joint Venture's profit after tax is included in the Profit and Loss Account as 'other income'. The release of the fair value element of inventories is included in the non-underlying costs of the Group.

- Ends -

Conference call

Shaun Chilton and Martin Abell will host an analyst call at 8.30am on Wednesday, 25 January 2017. Call details available upon request from clinigen@instinctif.com.

An audio replay file will be made available shortly afterwards on the Group's website: www.clinigengroup.com.

Contact details

Clinigen Group plc

Shaun Chilton, Group Chief Executive Officer
Martin Abell, Group Chief Financial Officer
Matt Parrish, Head of Investor Relations

Tel: +44 (0) 1283 495010

Numis Securities Limited

Michael Meade / Freddie Barnfield (Nominated Adviser)
James Black / Tom Ballard (Corporate Broking)

Tel: +44 (0) 20 7260 1000

RBC Capital Markets – Joint Broker

Marcus Jackson / Elliot Thomas / Jack Wood

Tel: +44 (0) 20 7653 4000

Instinctif Partners

Adrian Duffield / Melanie Toyne-Sewell

Tel: +44 (0) 20 7457 2020

Email: clinigen@instinctif.com

Notes to Editors

About Clinigen Group

Clinigen Group plc (AIM: CLIN) is a global pharmaceutical and services company with a unique combination of businesses focused on providing access to medicines. Its mission is to deliver the right medicine to the right patient at the right time and is focused in three areas of global medicine supply; clinical trial, unlicensed and licensed medicines.

Clinigen Clinical Trial Services is the global market leader in the management and supply of commercial medicines for clinical trials.

The Group is also the trusted global leader in ethically sourcing and supplying unlicensed medicines to hospital pharmacists and physicians for patients with a high unmet need, through three of its divisions: **Idis Managed Access** runs early access programmes for innovative new medicines. **Idis Global Access** and **Link Healthcare** work directly with healthcare professionals to enable compliant access to unlicensed medicines on a global basis and niche essential licensed and generic medicines across Australasia, Africa and Asia (AAA region).

Clinigen Specialty Pharmaceuticals acquires global rights, revitalises and markets its own portfolio of niche hospital medicines.

For more information, please visit www.clinigengroup.com

Cautionary statement

This announcement contains certain projections and other forward-looking statements with respect to the financial condition, results of operations, businesses and prospects of Clinigen Group plc. These statements are based on current expectations and involve risk and uncertainty because they relate to events and depend upon circumstances that may or may not occur in the future. There are a number of factors which could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements. Any of the assumptions underlying these forward-looking statements could prove inaccurate or incorrect and therefore any results contemplated in the forward-looking statements may not actually be achieved. Recipients are cautioned not to place undue reliance on any forward-looking statements contained herein. Except as required by law, Clinigen undertakes no obligation to update or

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The information contained in this statement has not been audited and may be subject to further review.