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Engineering Better Medicines

STIFEL

2016 HEALTHCARE CONFERENCE

November 16, 2016

Forward Looking Statements

Any statements in this presentation about our future expectations, plans and prospects, including statements about the development of our product candidates and the timing, conduct, enrollment and outcome of our clinical studies, the availability of data from those studies, our ability to sell any approved products, and other statements containing the words "anticipate," "believe," "estimate," "expect," "intend," "goal," "may", "might," "plan," "predict," "project," "target," "potential," "will," "would," "could," "should," "continue," and similar expressions, constitute forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including statements about the clinical trials of our product candidates. Such forward-looking statements involve substantial risks and uncertainties that could cause our clinical development programs, future results, performance or achievements to differ significantly from those expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, those related to the timing and costs involved in developing and commercializing our products and product candidates, the timing for results, the initiation, conduct, enrollment and timing of clinical trials, delays in potential approvals by FDA of the commencement of trials, availability of data from clinical trials, positive results from such trials and timing and expectations for regulatory approvals, our ability to successfully manage the cost of goods sold in the event any of our products are approved for sales, our scientific approach and general development progress, the composition of our board of directors and executive management team, the availability or commercial potential of our product candidates, the sufficiency of cash resources and need for additional financing or other actions and other factors discussed in the "Risk Factors" section of our filings with the Securities and Exchange Commission (SEC), including our Annual Report on Form 20-F for the year ended December 31, 2015 and our most recent reports on Form 6-K, each of which is on file with the SEC. In addition, the forward-looking statements included in this presentation represent our views as of the date of this presentation. We anticipate that subsequent events and developments will cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we specifically disclaim any obligation to do so. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this presentation.

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Q3 2016 and Recent Highlights

Cash Runway to XARACOLL PDUFA date	Assessing strategic and financing options
Registration phase postsurgical analgesic	XARACOLL NDA submitted based on successful Phase 3 results; expect PDUFA action date by Q3 2017
Late-stage collagen film for prevention of surgical adhesions	COLLAGUARD pre-clinical safety studies completed; IDE submitted
Efficient in-house manufacturing	Manufacturing expansion completed; on target for Pre-Approval Inspection expected in Q1 2017
Collagen platform for sustainable growth	Validated with XARACOLL Phase 3 results; safe and well-tolerated delivery system
COGENZIA program halted	COGENZIA for diabetic foot infections did not meet endpoints

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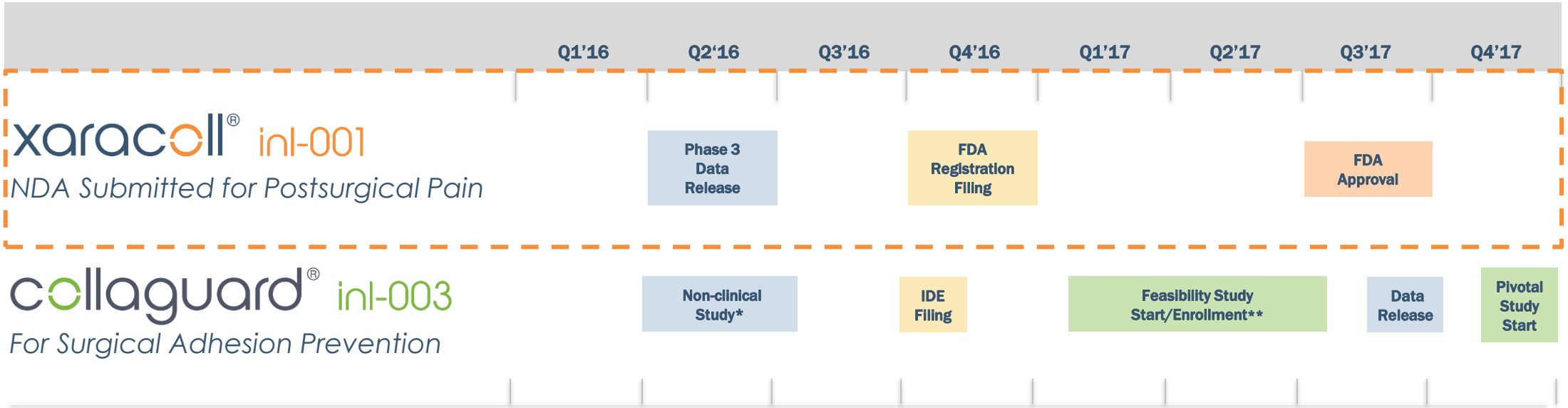
Innocoll Pipeline: 2 Late Stage Assets

PIPELINE



Note: These products have not been approved by the FDA, and therefore, the FDA has not determined their safety and efficacy for commercial marketing and sale. Estimated timing only and is subject to change.
*Infectivity study in animals
** Upon finance availability

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XARACOLL Successful Phase 3 Results Provide for a Promising Filing

XARACOLL

XARACOLL New Drug Application (NDA) submitted on schedule for potential Q3 2017 approval

- Broad indication for single-dose placement into the surgical site to produce postsurgical analgesia
- Postsurgical analgesic effect of 48 hours
- Reduction in opioid-related adverse events

Confident in CMC package and well-prepared for NDA pre-approval inspection in Q1 2017

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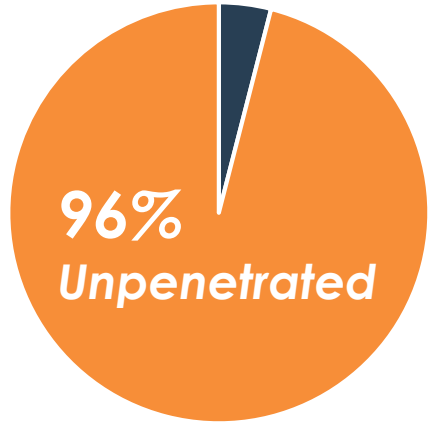
Long-Acting Local Anesthetics (LAL) Opportunity is Large and Untapped

XARACOLL

	2015
LAL appropriate procedures[1]	22M
Procedures where LALs are used[2] (Exparel)	792K
LAL share of appropriate procedures[1]	4%
Current Value for LAL at constant price[3]	$240M



Sources: 1. Appropriate procedures based on INNL analysis of procedures in LSI procedure database; LAL share for 2015 based on Pacira's Exparel actual sales and assume 1 vial/procedure. **2.** 2015 based on Exparel actual sales and assumes 1 vial / procedure. **3.** 2015 based on Exparel actual sales with average price for the year of $303 per vial

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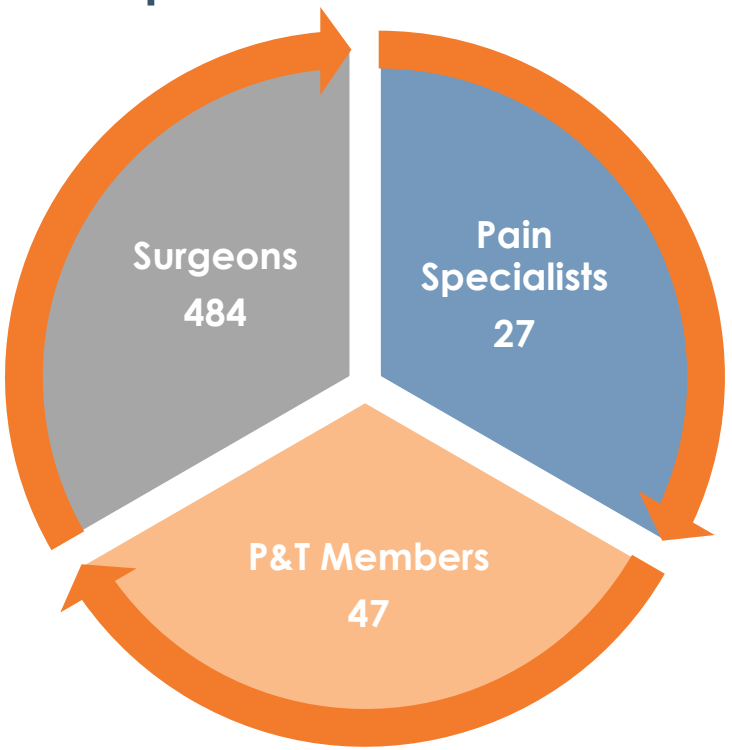
Market Research Crystalized Two Key Factors to Unlock Growth

XARACOLL

9 Market Research Studies with 558 Hospital Decision Makers:



General Surgeons, CRS, OB/GYNs, Orthos	Anesthesiologists Clinical Investigators	Pharmacy Directors, Hospital & ASC Admins

Key Factors to Grow LAL Market:

1. Products that provide relevant and compelling clinical results

2. Price and contract strategy that drive hospital formulary access

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XARACOLL Profile Perceived as Strong, Exciting and Differentiated

Early Investor Concerns:

- Duration of effect most critical
- Data only in hernia surgery with limited utility
- Concern about implants
- Difficult to use

Attributes Currently Generating Excitement Among Surgeons to use XARACOLL:

1. Impressive opioid reduction
2. Consistent clinical results generated confidence for broad usage
3. Novel matrix formulation with reassuring safety profile
4. Easy to use

Strong Interest in XARACOLL with majority rating interest level 6 out of 7:

Sources: Summary of Market Research with Clinical Investigators, Surgeons, Administrators, Pharmacy Directors. June-Sept 2016

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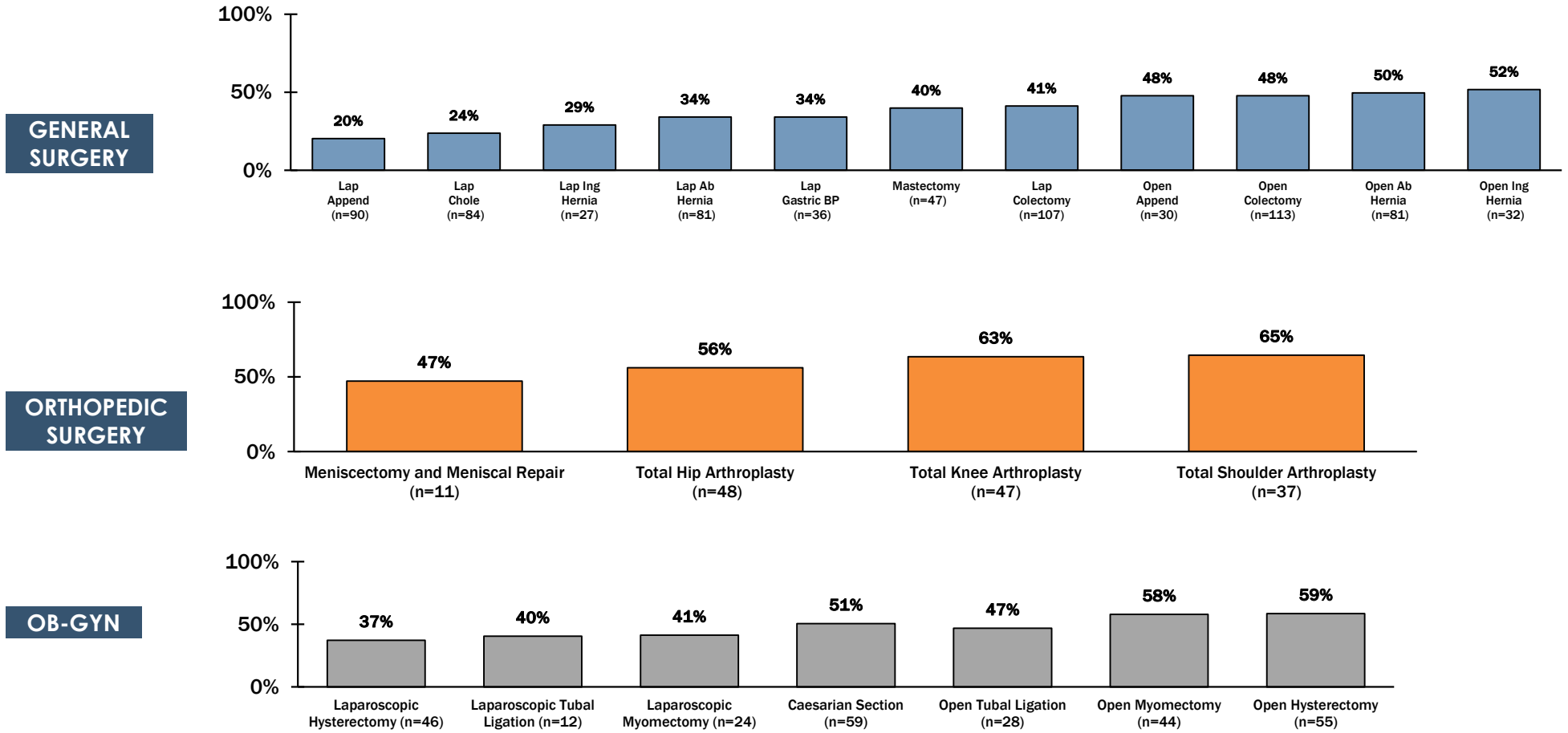
Surgeons Likely to Use XARACOLL Broadly Across Inpatient Procedures

XARACOLL

Surgeons' intended level of adoption by procedure*



**** Profile tested in the absence of formulary restrictions***

Question: For your inpatient procedures, how would your use of the product change if the indication stated: "For single-dose implantation into the site of soft-tissue surgery to produce postsurgical analgesia"

Source: Health Advances INL-001 survey and analysis, Sept 2016. n = 272

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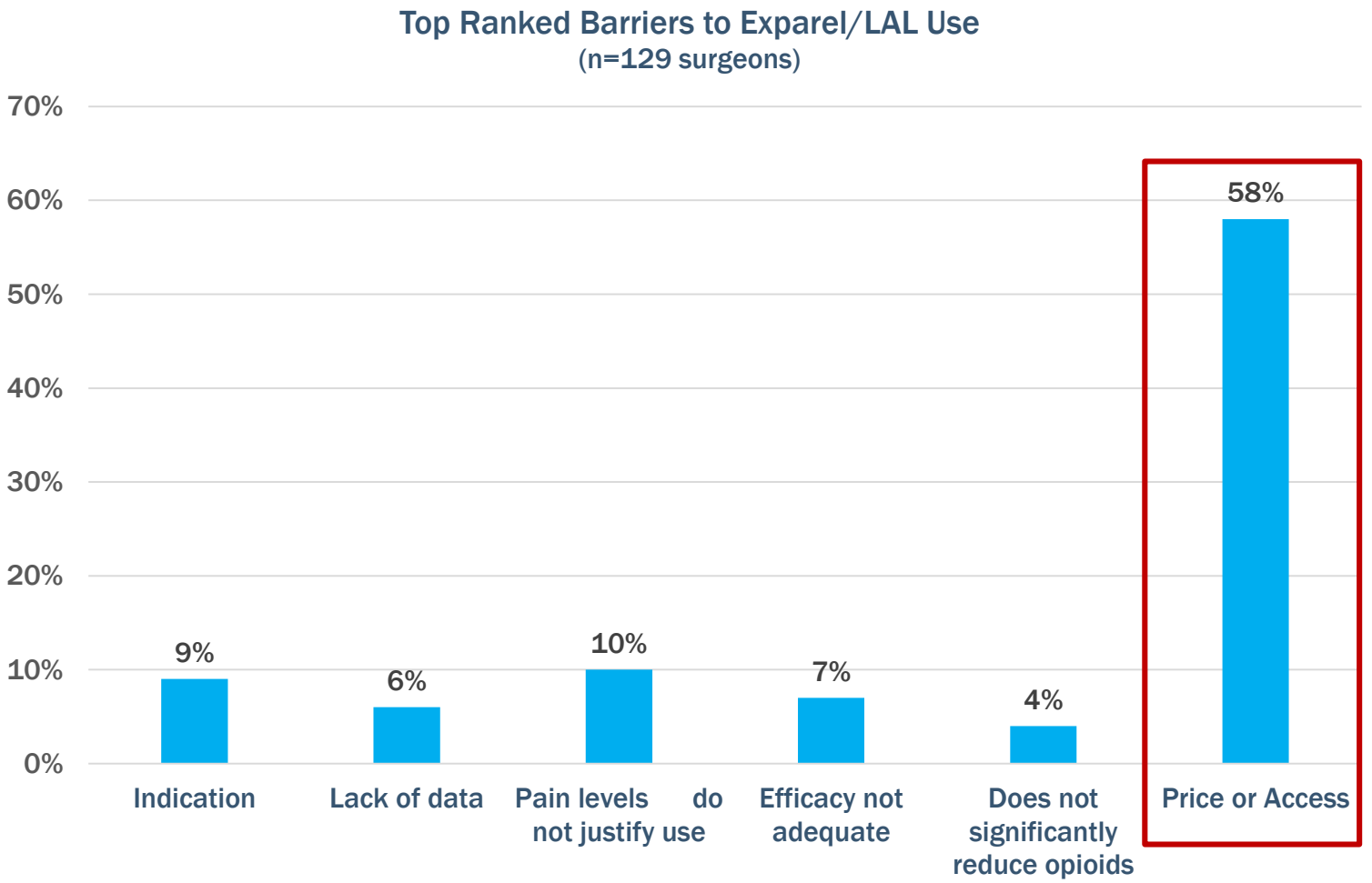
Research Revealed Price/Formulary Restrictions is the #1 Barrier to Use

XARACOLL



Source: M3 Survey of Exparel Users, January, 2016

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XARACOLL Pricing & Contracting Strategy Designed to Break Through Access Barrier to Unlock Market Potential

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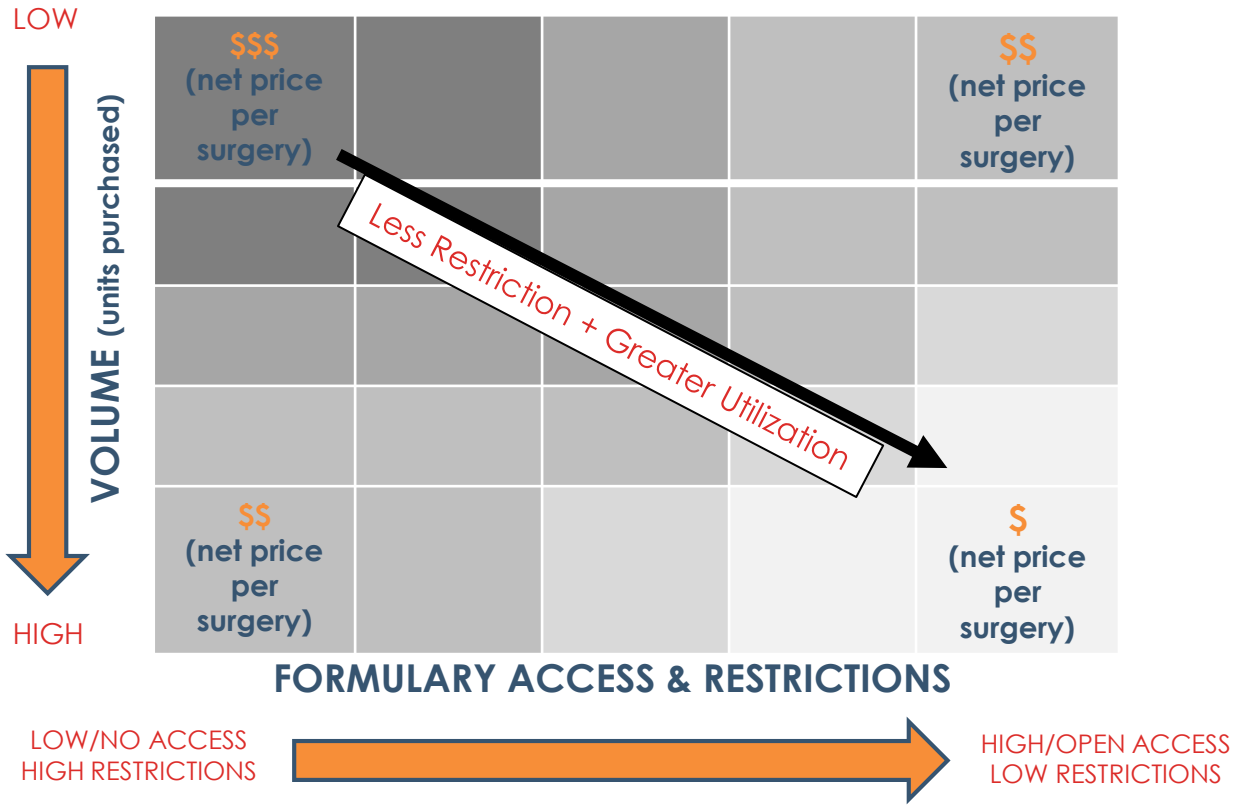
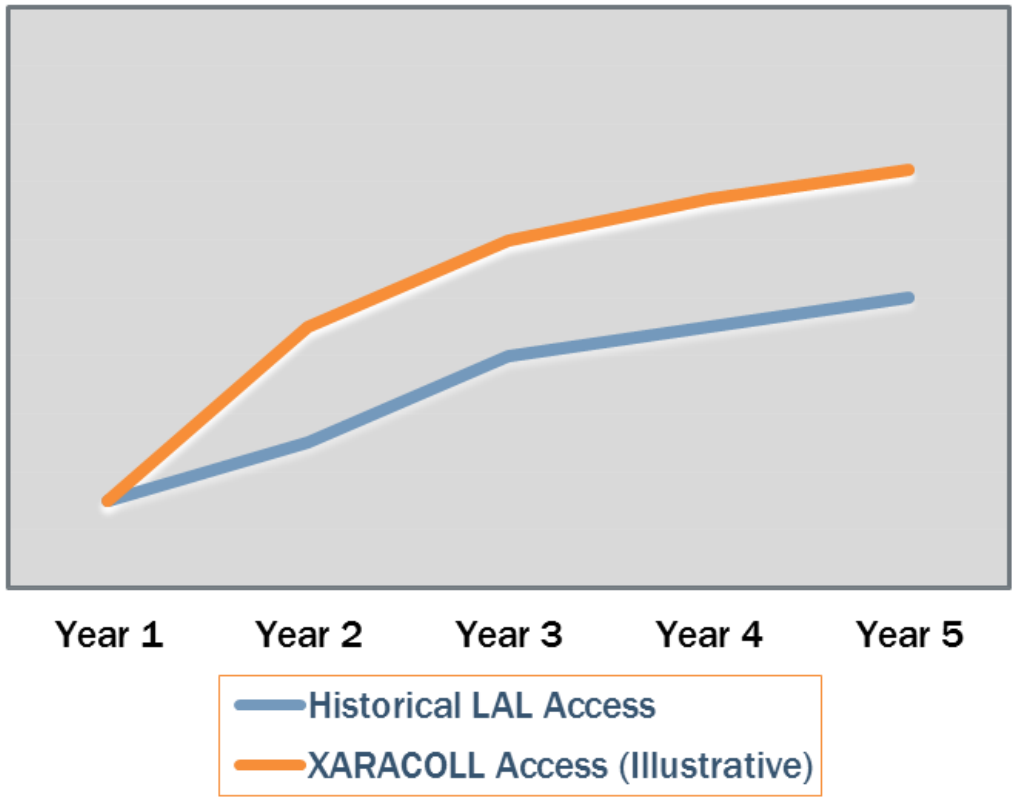
Illustrative Contracting Concept



Illustrative Change in Formulary Access:



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Commercial Plan Efficiently Leverages XARACOLL Clinical Data and Access Strategy

XARACOLL

Position for accessible, opioid sparing pain relief

- Position XARACOLL on its core benefit
- Leverage pricing flexibility to break through formulary access

Focused customer strategy

- Dominant position in soft tissue market (2/3 of opportunity) with significantly less investment (per year A&P costs $25-35M)
- Graduated, targeted deployment with 60 sales reps at launch growing to 90+ in 2018 (per year selling costs $15-25M)

Enhance clinical evidence

- Trigger orthopedic trial upon NDA approval
- Support evidence generation for appropriate use across procedures

Strong XARACOLL Profile and Market Access Combined to Drive LAL Growth

XARACOLL

	2015		2025
LAL appropriate procedures[1]	22M	1% CAGR →	**24M**
Procedures where LALs are used[2] (Exparel and XARACOLL)	792K	18% CAGR →	**4M**
LAL share of appropriate procedures[1]	4%	→	**17%**
Value opportunity for LAL at constant price[3]	$240M	→	**$1.0B+**

Sources: 1. Appropriate procedures based on INNL analysis of procedures in LSI procedure database; LAL share for 2015 based on Pacira's Exparel actual sales and assume 1 vial/procedure; LAL share for 2025 based on INNL projections. **2.** 2015 based on Exparel actual sales and assumes 1 vial / procedure; 2025 based on INNL projections.
3. 2015 based on Exparel actual sales with average price for the year of $303 per vial; 2025 uses price of $306 per vial, which was Exparel's price in 4Q 2015

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Confidence in XARACOLL potential to break through the LAL anesthetic market

XARACOLL

1. XARACOLL is a product with relevant and compelling clinical results
2. XARACOLL pricing flexibility -- deployed strategically -- designed to breakthrough formulary access in unpenetrated hospital accounts
3. Commercial plan for XARACOLL is focused and efficient cost structure

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Investment Highlights Summary

Innocoll (Nasdaq: INNL) is a specialty pharmaceutical company seeking to improve existing medicines with its collagen-based technology

- **XARACOLL – registration phase medicine**
  - Phase 3 program met primary endpoints
  - FDA submission occurred, expect PDUFA date in Q3 2017
  - Potentially commercializing in late 2017
  - Efficient specialty commercialization with high margin cost structure
  - Differentiated data and product; price flexibility to unlock the large billion dollar + LAL market opportunity
- **COLLAGUARD pre-clinical safety studies completed and IDE submitted to the FDA**
- **Sound financial growth opportunity** with focused specialty product R&D programs, targeted and efficient commercialization, and high-margin in-house manufacturing
- Innocoll management **looking at all strategic options** that maximize shareholder value

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