

Company Overview

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WHO WE ARE

WE ARE ALLIANCE

An international consumer healthcare company,
empowering people to make a positive difference to their health and wellbeing,
through making our trusted and proven brands available around the world.



A TEAM OF

285

TALENTED PEOPLE

as at 31 December 2022



BASED IN

8

STRATEGIC LOCATIONS

Working together to deliver value for our stakeholders through maximising the value of our brands.

INVESTING IN OUR
PRIORITY BRANDS
AND CHANNELS

INNOVATING
TO ENSURE OUR
BRANDS REMAIN
RELEVANT

SELECTIVELY
EXTENDING THE
GEOGRAPHIC REACH
OF OUR BRANDS

Outsourcing capital-intensive activities, such as manufacturing and logistics, to allow us to focus on what we do best.



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 **ALLIANCE**



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2022 PERFORMANCE OVERVIEW

SEE-THROUGH REVENUE*

£172.0m +1%

(2021: £169.6m)

UNDERLYING PROFIT BEFORE TAX*

£30.3m -28%

(2021: £42.2m)

UNDERLYING BASIC EPS*

4.28p -33%

(2021: 6.39p)

STATUTORY REVENUE

£167.4m +3%

(2021: £163.2m)

REPORTED PROFIT BEFORE TAX

£5.2m -71%

(2021: £18.2m)

REPORTED BASIC EPS

0.17p -88%

(2021: 1.37p)

FREE CASH FLOW*

£15.8m -48%

(2021: £30.2m)

NET DEBT*

£102.0m +17%

(2021: £87.0m)

* Non-IFRS Alternative Performance Measures ('APMs'), (see note 31).

See-through revenue includes all sales from Nizoral™ as if they had been invoiced by Alliance as principal. For statutory accounting purposes the product margin relating to Nizoral™ sales made on an agency basis is included within Revenue, in line with IFRS 15.



2022 A YEAR IN REVIEW

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Whilst trading performance in 2022 was not as strong as had been anticipated at the start of the Year, Alliance successfully completed a highly strategic acquisition of ScarAway™ and the rights to Kelo-Cote™ in the US in March and delivered the first new product launch from its innovation and development platform. The Group has robust plans in place to support a return to growth in 2023



- › Consumer Healthcare see-through revenue¹ up 3% to £125.2m (2021: £121.8m) (down 3% CER²) with 16% growth in Other Consumer brands partially offsetting softer performance in key brands.
- › Revenue growth impacted by lockdown in China, associated temporary business-to-business ('B2B') disruption to the supply chain, slower recovery in B2B demand for Kelo-Cote™ and a one-off destocking effect, but boosted by the US acquisition and FX gains.



- › Prescription Medicines performance stable, with revenues of £46.8m (2021: £47.8m), down 2% CER².
- › Underlying PBT declined 28% largely due to less favourable product mix with a lower proportion of Kelo-Cote™ and Amberen™ sales. Reported PBT declined 71% due to higher non-cash impairment charges of £18.2m, including £12.0m for Amberen.
- › Free cash flow was lower by 48% at £15.8m, primarily reflecting the timing of sales and cash receipts. Cash from operations declined by 45% to £24.9m.
- › Following the highly strategic US acquisition for \$19.4m (£14.8m), net debt increased to £102.0m moving Group leverage to 2.57 times at 31 December 2022 (1.73 times at 31 December 2021).



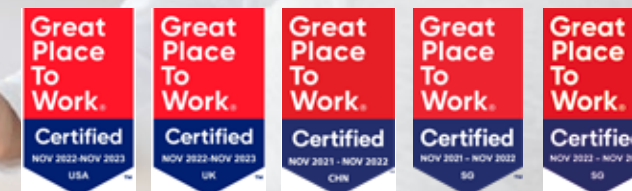
- › Integration of the US acquisition completed in just four months, successfully leveraging our established infrastructure, with revenues in line with expectations.
- › Last remaining Nizoral™ marketing authorisations transferred from Johnson & Johnson ('J&J') to Alliance in both China and Vietnam; new top-tier Chinese distributor appointed and manufacturing supply consolidation progressing well, which will result in improvements in cost efficiencies in the near future.

¹ Non-IFRS Alternative Performance Measure ('APM'), (see note 31). See-through revenue includes all sales from Nizoral™ as if they had been invoiced by Alliance as principal. For statutory accounting purposes the product margin relating to Nizoral™ sales made on an agency basis is included within Revenue, in line with IFRS 15.

² Constant exchange rates.

- › See our **Spotlight on ScarAway™ and Kelo-Cote™ US acquisition** on **page 22**
- › See the **Chief Executive's Review** on **page 06**
- › First new product launched from our innovation and development programme – Kelo-Cote™ Kids.
See our **Spotlight on innovation and development** on **page 20**
- › Scope 1 and 2 emissions target set to achieve net zero in 2030, with an interim reduction of 65% by 2025.
See our **Spotlight on developing our response to climate change** on **page 33**
- › Re-certified as a Great Place To Work® (GPTW) in the UK, China and Singapore with new certifications in the US and France and a Trust Index® rating of 79% (2021: 76%).
See our **Spotlight on culture, people & values** on **page 24**
- › Updated and refined our Purpose, Vision and Strategy to better align with the evolving dynamics of the consumer healthcare market.
See **Our Strategy** on **page 12**

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PURPOSE, VISION, STRATEGY, VALUES

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A clear purpose

We **empower** people to make a **positive difference** to their **health and wellbeing**

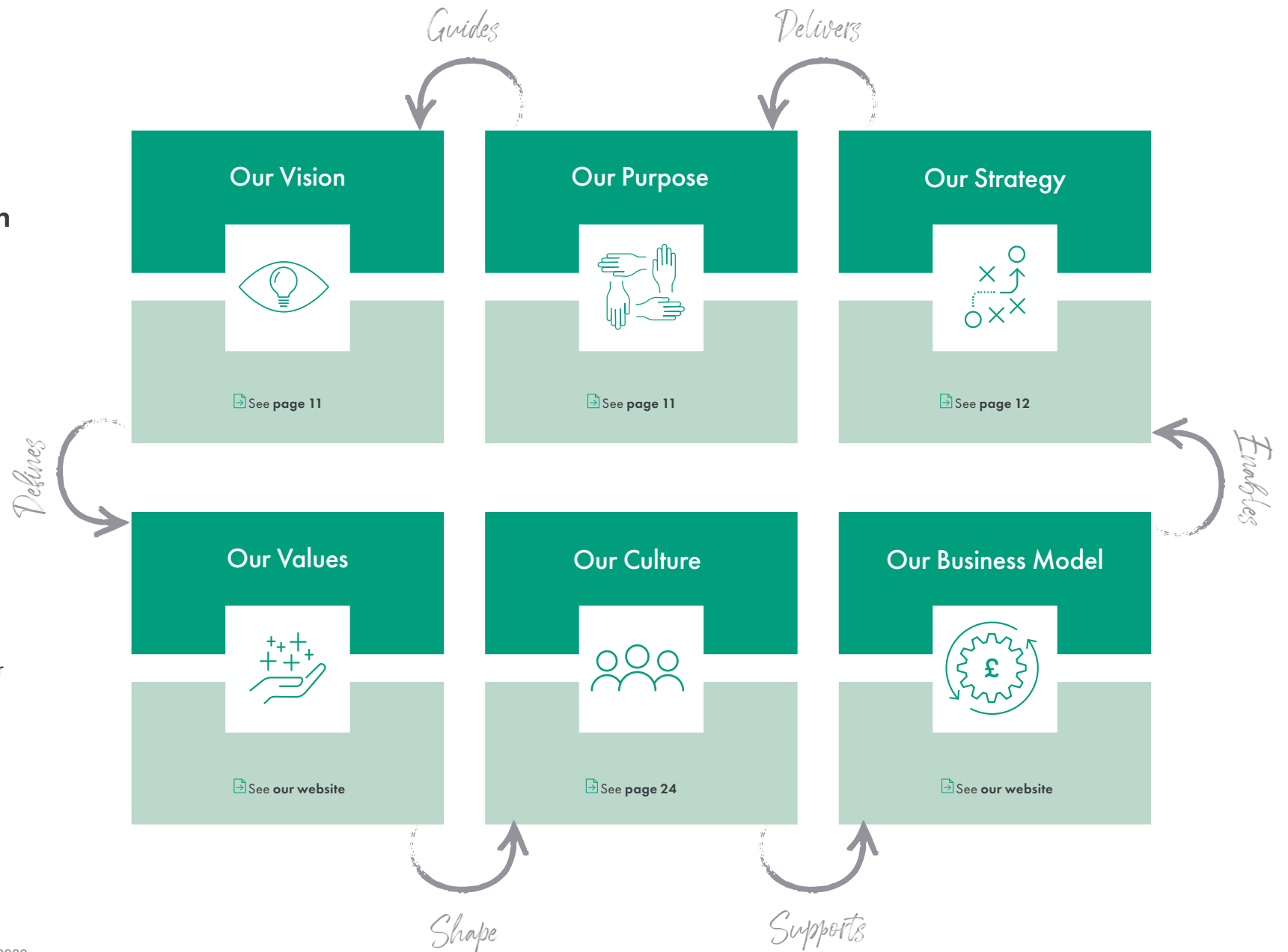
Our refreshed **purpose**, and the refined **vision** that it supports, enable us to align ourselves more closely to changing market dynamics.

Our **strategy** focuses on those categories in which we can add most value, to promote the successful evolution of our **business** and meet specific consumer needs.

Our strong **culture** will enable us to implement the transformation needed to deliver our strategic priorities.

Our **values** remain unchanged.

[See our purpose and vision on page 11](#)



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