

## 2020 Financial Highlights

The Group continued to deliver a robust operational and financial performance in 2020, despite the challenges posed by COVID-19.



### Overview

- Strong performance from Consumer Healthcare brands, which now account for over two thirds of Group see-through revenues\*
- Kelo-cote™ revenues up 12%
- Nizoral™ see-through revenues\* up 4%
- See-through revenues\* overall up 1% to £93.0m (2019: £92.4m)
- Statutory revenues up 2% to £85.3m (2019: £83.7m)
- Prescription Medicine revenues down 14% to £44.5m (2019: £51.9m), reflecting delays in routine treatments as a result of COVID-19
- Group see-through revenue\* in total down 5% (down 5% CCY\*) to £137.5m (2019: £144.3m)
- Group statutory revenues down 4%, to £129.8m (2019: £135.6m)
- Substantial US acquisition completed in December 2020, bringing highly successful and fast-growing brand, Amberen™, into the Group, and creating scale in the Group's US operations
- Underlying profit before tax up 2% to £33.5m (2019: £32.9m)
- Reported profit before tax down 58% to £13.0m (2019: £31.1m), due to non-cash impairment and amortisation charges, and acquisition costs relating to the Biogix acquisition
- Group leverage post acquisition of Biogix Inc at 2.43 times, up from 1.48 times at December 2019; leverage expected to decrease to below 2.0 times during 2021
- Free cash flow very strong at £34.1m, helped by favourable movements in net working capital
- Cash generated from operations up 19% to £46.4m (2019: £39.0m)
- Proposed final dividend payment of 1.074p per share, giving a total dividend of 1.610p (2019: 0.536p)

#### See-through Revenue\*

**£137.5m -5%**

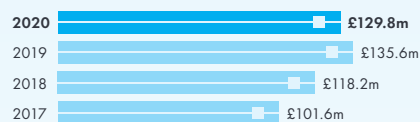
(2019: £144.3m)



#### Statutory Revenue

**£129.8m -4%**

(2019: £135.6m)



#### Underlying Profit Before Tax

**£33.5m +2%**

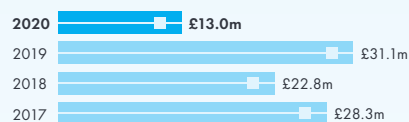
(2019: £32.9m)



#### Reported Profit Before Tax

**£13.0m -58%**

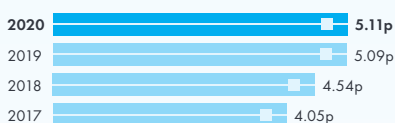
(2019: £31.1m)



#### Underlying Basic EPS\*\*

**5.11p**

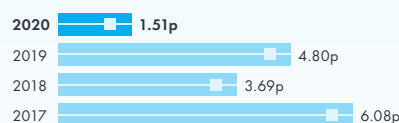
(2019: 5.09p)



#### Reported Basic EPS

**1.51p -69%**

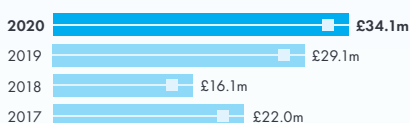
(2019: 4.80p)



#### Free Cash Flow\*

**£34.1m +17%**

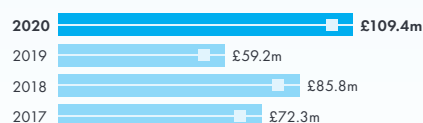
(2019: £29.1m)



#### Net Debt

**£109.4m +85%**

(2019: £59.2m)



\* Non-IFRS alternative performance measures (see note 33). See-through revenue includes sales from Nizoral as if they had been invoiced by Alliance. For statutory accounting purposes the product margin on Nizoral sales is included within Revenue, in line with IFRS 15.

\*\* The 2017 measure refers to the Underlying Adjusted Basic EPS as disclosed in the 2017 Annual Report which was adjusted to normalise the impact of significant changes in overseas tax rates.

## At a Glance

We are a leading international healthcare business of interconnected people and brands. A global range of products delivering outstanding value.

# We are an alliance One team, achieving more



## Who we are

Founded in the UK over 20 years ago, we have grown both our geographic reach and our product range and now market around 80 consumer healthcare and pharmaceutical products in over 100 countries worldwide.

## What we do

We focus on our strengths – bringing our specialist expertise to the marketing and regulatory management of our products, so as to ensure that they can be made available to the widest range of people who could potentially benefit from them, wherever they may be located. Outsourcing all our manufacturing, warehousing and logistics activities enables us to remain asset-light and focused on doing what we do best.

## How we do it

We have built a successful business with a strong collaborative culture. We recognise that our relevance and value is in how we work together, both with our colleagues and with our customers, suppliers and all other external stakeholders. Our entrepreneurial spirit and our core values of performance, realism, accountability, integrity, skill and entrepreneurship remain at the heart of how we engage with each other and conduct our business.

## Our mission

To create partnerships that unlock potential for brands, businesses and people around the world.

## Responsible business

We are committed to operating our business in an ethical and sustainable way, having regard to the interests of all our stakeholders – including our customers, suppliers, business partners and employees. We recognise that everything we do has an impact on the natural environment and on the people and communities within it and we are committed to looking for ways to reduce our impact in these areas to ensure a better future for all.



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## Investment Case

Working together to achieve more for investors. We have a proven, consistent track record that provides the opportunity to invest both for income and for growth. Our alliances enable us to deliver the sustained returns that institutional and private investors value, in an ethical and responsible way.



Recognised expertise



- Deep sector expertise in the management of many types of consumer healthcare and prescription medicine products
- Engaged and committed global team
- Expertise in sourcing, executing and integrating acquisitions



Clearly articulated strategy & proven business model



Clear strategy to enable delivery of sustainable business growth, through focusing on:

- Maximising brand potential to deliver organic growth
- Acquiring new products to deliver incremental growth
- Investing in people
- Acting responsibly

Proven business model:

- Investing behind our Consumer Healthcare brands, to drive organic growth
- Maintaining our cash-generative heritage Prescription Medicines
- Reinvesting cash in growing our existing brands, rewarding our stakeholders, paying down debt and funding further acquisitions
- Selectively identifying, acquiring and integrating new products, to provide additional opportunities for growth

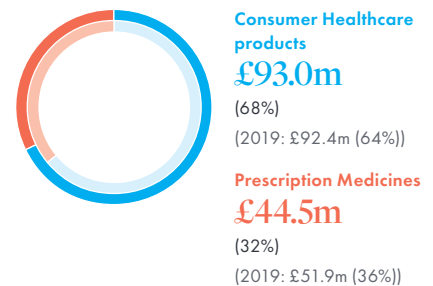


Diversified portfolio reduces risk



- Revenues derive from around 80 brands spanning multiple therapy areas and geographies

2020 see-through revenue\* by product type



For more information see page 44

For more information see page 22 & 24

For more information see page 30

### Reducing our impact

As all our manufacturing activities are outsourced to contract manufacturers, the environmental impacts of our direct business activities are relatively limited. That doesn't stop us from actively looking to keep our natural resource usage and carbon emissions to a minimum though.

### Scope 1 & 2 carbon emissions (UK)

# 82 tCO<sub>2</sub>e

(2019: data unavailable)



### Strong financial performance



- Highly profitable and cash-generative
- Established track record of delivering underlying profit growth and effectively managing our borrowing commitments
- Strong cash generation supports deal flow and enables rapid deleveraging post acquisition

 For more information see **page 52**



### Ethical business commitments



- We are a purpose-driven organisation, with a strong collaborative culture and well-established values
- We have a well-invested infrastructure
- We are committed to ethical and sustainable business practices

 For more information see **page 36**



### Experienced leadership team



- We have an experienced and highly motivated leadership team, who have been together as a team for several years

 For more information see **page 72**