

2021 Financial Highlights

The Group delivered a strong operational and financial performance in 2021, leaving it well placed to take advantage of further growth opportunities in 2022.

See-through Revenue*

£169.6m +23%

(2020: £137.5m)

Reported Profit Before Tax

£18.2m +40%

(2020: £13.0m)

Free Cash Flow*

£30.2m -12%

(2020: £34.1m)

Statutory Revenue

£163.2m +26%

(2020: £129.8m)

Underlying Basic EPS

6.39p +25%

(2020: 5.11p)

Net Debt*

£87.0m -20%

(2020: £109.4m)

Underlying Profit Before Tax

£42.2m +26%

(2020: £33.5m)

Reported Basic EPS

1.37p -9%

(2020: 1.51p)

* Non-IFRS alternative performance measures (see note 34). 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.

Overview

- Strong overall revenue growth driven by Consumer Healthcare, underpinned by continued market penetration via e-commerce activity, which now represents around 25% of Group sales
- Consumer Healthcare see-through revenue* up 31% to £121.8m (2020: £93.0m) and up 36% at constant exchange rates* (CER) with excellent performance from Kelo-cote and the inclusion of Amberen, acquired in December 2020
- Robust Prescription Medicines performance with revenues up 8% to £47.8m (2020: £44.5m), with strong H2 recovery as the effects of COVID-19 receded
- Strong Free Cash Flow* driving down Group leverage to 1.7x at 31 December 2021 (2.4x at December 2020)
- Amberen fully integrated into the Group
- Successfully implemented Group-wide ERP system, enhancing visibility across the business
- US operating capabilities expanded to provide a platform for future growth
- Strengthened European management team and expanded the Board to increase consumer brand experience
- Dedicated Innovation and Development team now in place to underpin Consumer Healthcare organic growth
- Roll-out of strategic brand plan for Nizoral now well underway
- Committed to carbon neutral Scope 1&2 emissions from 2021
- Certified as a Great Place To Work® again in UK and China, and now in Singapore with a Trust Index® rating of 76%

At a Glance

We are Alliance, a growing international healthcare group

Headquartered in the UK, we employ around 250 people based in locations across Europe, North America, and the Asia Pacific region.



Who we are

We are Alliance, a growing international healthcare group.

A business founded on the principle that by working together, we can achieve more.

What we do

Our purpose is to improve the lives of consumers and patients through making available a range of clinically valuable healthcare products.

How we do it

Every day, we work with our partners and colleagues around the globe, to maximise the value of our brands.

Confident in the knowledge that in doing so, we can make a real difference to people's lives.

Our core business is Consumer Healthcare. This accounts for more than 70% of our revenues and is what drives our growth. We also have a well-established Prescription Medicines business, which operates from the same regulatory platform. In total, we hold marketing rights to around 80 brands.

Our commercial operations extend across EMEA, AMER and APAC, with revenues generated from a mix of direct, distributor and e-commerce sales. By outsourcing all our manufacturing and logistics activities, we remain asset-light and focused on maximising the value of our brands.

At a Glance continued



Our Purpose



To improve the lives of consumers and patients through making available a range of clinically valuable healthcare products.

Our Vision



To be a leading international healthcare business, built around products that are clinically valuable to patients.

We will be both the partner and employer of choice.

Our Strategy



There are two main strands to our strategy:

- **Delivering solid organic growth from our key brands**
- **Supplementing this growth with selective, complementary acquisitions in the consumer healthcare space**

Underpinned by a focus on:

- **Investing in people**
- **Sustainability**

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Our Business Model



Leveraging the global platform we've created and the capabilities, expertise and relationships that support this enables us to maximise the value of our existing brands and integrate acquired brands with ease.

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Our Culture



Our culture reflects the spirit of collaboration embedded in our business – the tacit belief that through working together, both internally and with external partners, we can achieve more for our stakeholders and for society as a whole.

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Our Values



- **Performance**
- **Realism**
- **Accountability**
- **Integrity**
- **Skill**
- **Entrepreneurship**

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Our Values


Living up to our values

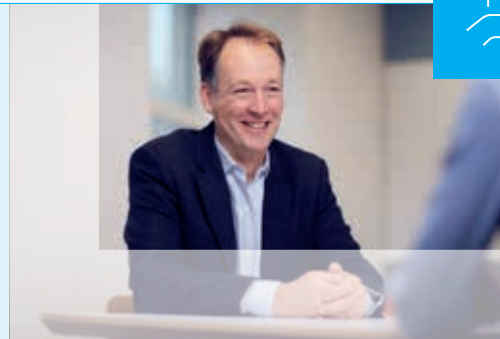
Acting in accordance with our values, we maintain our strong culture of working together to achieve more.

Performance

Our high-performing people continually drive business success

Undeterred by the challenges of remote working imposed by the global pandemic, in April 2021, members of our global brand marketing team went above and beyond to deliver a very successful Alliance brand week and marketing excellence program virtually. This enabled the brand leads to showcase the plans they'd created for each of the 13 brands prioritised as part of this programme, building wider awareness and understanding of our brand marketing priorities across the business.

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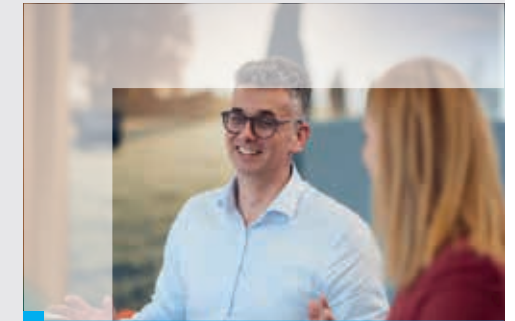


Realism

We set stretching goals and targets which we believe are achievable

When we learnt that the manufacturer of one of the lead products in our Vamousse headlice prevention/treatment range was unable to continue manufacturing it, some quick thinking was needed to avoid a potential out of stock situation in the peak back-to-school season in the US. By working together and adopting a creative, 'can do' approach, a cross-functional team, with participants from the US and UK, managed to come up with a solution which, with limited compromises and last-minute adjustments,

they then successfully implemented to resolve what had originally looked like a very challenging situation.



Accountability

We take responsibility and deliver what we promise

From developing new Key Opinion Leaders' endorsements for our products to delivering new or improved processes, many great demonstrations of our values in practice involve our employees taking individual or collective responsibility to ensure that delivery expectations are met at all levels in the organisation. One of the best examples of Accountability in 2021 came from our UK Facilities team, who successfully managed the transformation of our UK headquarters and the challenge of undertaking works to a listed building, against the backdrop of ever-changing COVID-19 restrictions.

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Our Values continued

- Our values, and the culture that underpins them, are at the heart of how we operate as a business
- Each month, we take time to celebrate outstanding demonstrations of our values in practice
- In 2021, more than 50 colleagues received special recognition through the values-based PRAISE awards scheme, with more than £2,500 donated to charities of their choice

Integrity

We build trust in all our relationships

Trust is a key element in all our relationships, both internal and external – creating successful partnerships and business relationships depends on it. In April 2021, after a lengthy process, members of our medical and regulatory teams successfully obtained a new indication for one of our established Prescription Medicines in the UK and 10 other territories across the EU. To do this, they had to overcome multiple challenges – from dealing with several complex information requests from the assessors to translation issues and rigorous challenges from our safety partners. Through exercising a high degree of skill and integrity, showing sensitivity to others' perspectives, and persevering with their endeavours, the team successfully delivered a great outcome, both for Alliance and for patients.



Skill

We recruit highly skilled people and develop their talents to the full

Many of our PRAISE awards recognised the utilisation of skills developed over the course of an employee's journey with Alliance – we see many great examples of employees taking on and successfully delivering projects that lie outside their current experience and skill sets.



For example, in 2021 a member of our customer services team took on the challenge of consolidating the business activities going through our two UK wholesalers – the first project of this size and cross-functional nature they had led. Through effective leadership and strong project management skills, they were able to bring the project to a successful conclusion and enable the associated cost savings to be realised.



Entrepreneurship

Our people think of the business as if it was their own

Tired of the daily frustration of trying to locate the right brand assets, our marketing team came together and decided to take the initiative to create a digital asset management system to better manage our growing portfolio of digital assets.

The 'Alliance Asset Hub', an enterprising solution conceived and actualised by a member of our global marketing team, now sits at the heart of our marketing ecosystem, providing a single source of truth for all our digital brand assets. Accessible by teams around the globe and with the ability to make direct updates to our brand websites, whilst controlling access and usage rights, the system is expected to deliver real business benefits as our focus on marketing excellence continues.