



Financial News

REG-Alliance Pharma PLC <ALAPH.L> Completion of Acquisition<RB.L>

<http://pdf.reuters.com/Regnews/regnews.asp?i=43059c3bf0e37541&u=urn:newsml:reuters.com:20090824:RnsX8757X>

RNS Number : 8757X

Alliance Pharma PLC

24 August 2009

For immediate release 24 August 2009

ALLIANCE PHARMA PLC

("Alliance" or "the Company")

Completion of Acquisition of Buccastem(R) and Timodine(R) brands and vendor share placing

Alliance Pharma plc (AIM: APH), the speciality pharmaceutical company, is pleased to announce that, further to its announcement of 18 August 2009, its wholly-owned subsidiary, Alliance Pharmaceuticals Limited ("APL"), has now completed the acquisition of the worldwide rights to the Buccastem(R) and Timodine(R) brands from various subsidiaries of Reckitt Benckiser Group plc ("Reckitt Benckiser") for a total consideration of £7.5m (the "Acquisition").

The Company successfully raised £3.7m by way of a vendor share placing (the "Vendor Placing") and a further £0.2m by way of a cash placing to finance the Acquisition and the costs and expenses in relation to the Vendor Placing and the Acquisition. In total, 31,200,000 new ordinary shares of 1 pence each in the capital of Alliance were placed with certain existing and new UK investors by Numis Securities Limited at a placing price of 12.5 pence per share. The £3.8m cash element of the consideration for the Acquisition was financed by way of an additional £2m term loan and an increase in the

existing £3m working capital facility to £5m, provided by Lloyds Banking Group.

In the year ended 31 December 2008, total sales of the two brands were £2.6m (of which £1.6m were sales of Buccastem(R) and £1.0m were sales of Timodine(R)) and the total gross margin of the two brands was £2.2m. The majority of the sales of both brands were within the United Kingdom. The Acquisition is expected to be significantly earnings enhancing in the first full year of ownership by Alliance.

For further information:

Alliance Pharma plc + 44 (0) 1249 466966
John Dawson, Chief Executive
Richard Wright, Finance Director
www.alliancepharma.co.uk

Buchanan Communications + 44 (0) 20 7466 5000
Mark Court / Rebecca Skye Dietrich / Stasa Filiplic

Numis Securities Limited + 44 (0) 20 7260 1000
Nominated Adviser: Michael Meade / Brent Nabbs
Corporate Broking: David Poutney

Notes to editors:

About Alliance

Alliance, founded in 1998, is an AIM listed speciality pharmaceutical company based in Chippenham, Wiltshire, UK. The Company has a strong track record of acquiring the rights to established niche brands and owns, or licenses, the rights to 37 branded pharmaceutical products and continues to explore opportunities to expand the range.

Alliance's products are prescribed in the treatment of a wide range of conditions and include brands used in the treatment of dermatological conditions, in childbirth, in the prevention of heart disease, in Parkinson's disease, in nutrition and in nasal infections. Alliance's sales are mainly prescription driven. Its products are distributed to hospitals directly and to pharmaceutical wholesalers, which service both hospital and retail pharmacies with their prescription requirements.

Alliance joined the AIM market of the London Stock Exchange in December 2003 and trades under the symbol APH.

Numis Securities Limited, which is authorised and regulated by the Financial Services Authority, is acting for Alliance Pharma plc and for no-one else in connection with the contents of this announcement and will not be responsible to anyone other than Alliance Pharma plc for providing the protections afforded to clients of Numis Securities Limited, or for providing advice in relation to the contents of this announcement or any matters referred to herein.

This information is provided by RNS

The company news service from the London Stock Exchange

END