2022 FULL YEAR RESULTS
MOVING FROM TURNAROUND TO TRANSFORMATION
22 SEPTEMBER 2022
Cautionary note regarding forward-looking statements

This announcement contains certain forward-looking statements relating to expected or anticipated results, performance or events. Such statements are subject to normal risks associated with the uncertainties in our business, supply chain and consumer demand along with risks associated with macro-economic, political and social factors in the markets in which we operate. Whilst we believe that the expectations reflected herein are reasonable based on the information we have as at the date of this announcement, actual outcomes may vary significantly owing to factors outside the control of the PZ Cussons Group, such as cost of materials or demand for our products, or within our control such as our investment decisions, allocation of resources or changes to our plans or strategy. The PZ Cussons Group expressly disclaims any obligation to revise forward-looking statements made in this or other announcements to reflect changes in our expectations or circumstances. No reliance may be placed on the forward-looking statements contained within this announcement.
INTRO

MOVING FROM TURNAROUND TO TRANSFORMATION

TWO YEARS OF STRATEGIC PROGRESS AND CONSISTENT PERFORMANCE
STRONG FOUNDATIONS FROM WHICH TO TRANSFORM THE BUSINESS

SECOND YEAR OF STRATEGIC PROGRESS

• Second year of positive Like for like (LFL) revenue growth
• Must Win Brand (MWB) share gains, with stronger Brand Investment
• Strong cash flow and improved net debt position

MANAGING NEAR-TERM VOLATILITY

• Pricing and productivity initiatives largely offsetting 11% (£40m) cost inflation
• FY22 profit before tax in line with expectations

GOOD PROGRESS IN ADDRESSING OUR LEGACY ISSUES

• Strengthening of team, processes and capabilities
• Greater category focus, with significant business simplification and operational improvement
• Unlocking value in Nigeria

CONFIDENT IN OUR STRATEGY AND LONG-TERM OUTLOOK

• Childs Farm progressing well
• Right strategy in place to deliver
• Good start to FY23 and outlook in line with expectations
• Improved long-term growth ambitions

Throughout the presentation, all items shown on an Adjusted basis unless otherwise stated
Definitions of key terms are provided in the Appendix
WE ARE BUILDING BRANDS FOR LIFE. TODAY AND FOR FUTURE GENERATIONS

INCREASED MUST WIN BRAND INVESTMENT VS. FY20 AND IMPROVED RETURNS

1 Nielsen Australia Grocery Scan, 12 months to April 2022
2 Total tanning market share via combined data: NPD Group and Nielsen, 12 months to August 2021
3 Internal estimates based upon Nielsen and Kantar data and based upon the sub-categories in which Cussons Baby operates. 12 months to end May 2022
4 Share of Hand Hygiene category, 12 months to end May 2022. Source: IRI
HYGIENE, BABY, BEAUTY REVENUE (EX. CAREX) IS UP 19% SINCE CMD
Rolling annual total revenue, by quarter, £m

BRAND INVESTMENT UP 80% VS. FY20
REVENUE AND MARKET SHARE HIGHER THAN PRE-COVID

Revenue (£m)

Market share

Pre-Covid-19\(^1\)  34.5%  Peak-Covid-19\(^2\)  42.3%  Current\(^3\)  37.1%

\(^1\) FY19 market share
\(^2\) ‘Peak COVID’ market share of 42.3% based upon 10 weeks to end April 2020
\(^3\) FY22 market share
All market shares are Carex UK
FINANCIAL REVIEW

SARAH POLLARD, CHIEF FINANCIAL OFFICER
### Summary Financials

<table>
<thead>
<tr>
<th>£m, unless otherwise stated</th>
<th>FY22</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>£592.8m</td>
<td>£603.3m</td>
</tr>
<tr>
<td>LFL revenue growth</td>
<td>2.9%</td>
<td>7.1%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>£67.9m</td>
<td>£71.0m</td>
</tr>
<tr>
<td>Operating profit margin</td>
<td>11.5%</td>
<td>11.8%</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>£66.6m</td>
<td>£68.6m</td>
</tr>
<tr>
<td>Earnings per share</td>
<td>12.71p</td>
<td>13.12p</td>
</tr>
<tr>
<td>Dividend per share</td>
<td>6.4p</td>
<td>6.1p</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>£58.0m</td>
<td>£64.4m</td>
</tr>
<tr>
<td>Net debt / EBITDA</td>
<td>0.1x</td>
<td>0.3x</td>
</tr>
</tbody>
</table>

- Second year of LFL revenue growth
- Reported revenue declined 1.7%, with LFL growth more than offset by disposals and FX
- MWB revenue declined 4.8% due to normalisation of Carex volumes
- Adjusted operating profit largely unchanged despite £40m (11%) cost inflation
- Margin decline limited to 30bps given pricing, Revenue Growth Management initiatives and cost mitigation
- Cash flow and balance sheet remain strong, with recommended dividend reflecting Board’s confidence in the long term
GROUP REVENUE

LIKE FOR LIKE GROWTH DRIVEN BY AFRICA AND APAC

- 2.9% LFL revenue growth driven by Africa and APAC. Europe/Americas decline driven by Carex normalisation in the UK
- Growth in 7/8 of our existing Must Win Brands
- Price/mix growth of 5.9%. Volume (3.0)%
- M&A: disposal of five:am in June 2021 and acquisition of Childs Farm in March 2022
- FX: primarily devaluation of Naira
Cost Mitigation and Underlying Growth Offsets Adverse Mix and Carex

- Gross margin decline driven by adverse geographic revenue mix and Carex, offset by broad-based improvement elsewhere
- Reduction in Brand Investment vs. FY21 primarily due to Carex normalisation, and greater overall ROI focus
- Growth in overheads driven by increased investment in capabilities
- PZ Wilmar strong performance in H1 due to palm oil prices
COST INFLATION

£40m cost inflation in FY22 largely offset by pricing and cost mitigation

IMMEDIATE AND ONGOING OPPORTUNITIES

01. REMOVING COSTS THE CONSUMER DOESN'T SEE OR VALUE
- Procurement savings
- Logistics optimisation
- Overheads reduction

02. PRICING AND REVENUE GROWTH MANAGEMENT
- List price increases
- Optimisation of trade investment
- Pack price architecture
- Channel and promotional mix

Price/mix growth FY22 by quarter

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Price/mix Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>0%</td>
</tr>
<tr>
<td>Q2</td>
<td>8%</td>
</tr>
<tr>
<td>Q3</td>
<td>9%</td>
</tr>
<tr>
<td>Q4</td>
<td>9%</td>
</tr>
</tbody>
</table>

LONG-TERM OPPORTUNITIES

03. INVEST FOR PRODUCTIVITY GAINS
- ‘Near-shoring’ procurement
- Supply configuration and footprint
- Factory automation

FOR EVERYONE, FOR LIFE, FOR GOOD.
### SEGMENTAL PERFORMANCE

<table>
<thead>
<tr>
<th></th>
<th>Europe and Americas</th>
<th>APAC</th>
<th>Africa</th>
<th>Total Group</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>£193.0m</td>
<td>£173.8m</td>
<td>£222.0m</td>
<td>£592.8m</td>
</tr>
<tr>
<td><strong>LFL revenue growth</strong></td>
<td>(12.3)%</td>
<td>+3.0%</td>
<td>+22.3%</td>
<td>+2.9%</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>£35.0m</td>
<td>£20.9m</td>
<td>£22.3m</td>
<td>£67.9m</td>
</tr>
<tr>
<td><strong>Operating profit margin</strong> (vs. FY21)</td>
<td>18.1% (590)bps</td>
<td>12.0% +90bps</td>
<td>10.0% +440bps</td>
<td>11.5% (30)bps</td>
</tr>
<tr>
<td><strong>Q4 LFL revenue growth</strong></td>
<td>(4.7)%</td>
<td>+7.2%</td>
<td>+18.8%</td>
<td>+7.1%</td>
</tr>
</tbody>
</table>

- Europe and Americas LFL revenue grew mid-single-digits, excluding Carex. Carex gained share as the category normalised post Covid-19.
- Europe and Americas margin down due to Beauty Brand Investment and Carex normalisation more than offsetting cost mitigation.
- APAC LFL revenue driven by Morning Fresh share gains. Cussons Baby down slightly due to lockdown restrictions and pro-active focus on higher-margin segments.
- Africa driven by improved route-to-market, with multiple price increases and growth across each major brand.
- Total Hygiene, Baby and Beauty revenue of £487.2m.

Table excludes Central revenue and operating profit.
CASH FLOW AND NET DEBT

OPERATING CASH FLOW AND NIGERIA PROPERTY SALES FUNDING INVESTMENT AND DIVIDEND

- Reduction in net debt to £9.8m in 2022 (0.1x net debt/EBITDA)
- Gross proceeds from asset sales of £25.8m
  - Five:am: £6.4m
  - Nigeria property: £18.4m
- Childs Farm investment of £37.0m

Free cash flow includes interest, tax, working capital movements and loans to JV

1 Net debt is shown excluding leases
STRONG START TO FY23

<table>
<thead>
<tr>
<th>Region</th>
<th>Q1 FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe and Americas</td>
<td>(5.3)%</td>
</tr>
<tr>
<td>APAC</td>
<td>9.8%</td>
</tr>
<tr>
<td>Africa</td>
<td>14.1%</td>
</tr>
<tr>
<td>Group LFL revenue growth</td>
<td>6.7%</td>
</tr>
</tbody>
</table>

• Good start to the year with continued price/mix improvement
• Morning Fresh in Australia and Premier in Nigeria key performers
• Europe and Americas growth from Sanctuary Spa re-launch and Original Source marketing
• Carex declined, but with improved trend vs. Q4 22
• St. Tropez decline due to very tough comparatives
• Reported revenue growth of 23.8% includes 7 percentage points phasing benefit\(^1\)

\(^1\) Phasing benefit is the result of an additional 6 days in the reporting calendar in Q1 FY23 vs. Q1 FY22. This effect will reverse in Q4 and there is no impact for Q2 FY23, Q3 FY23 or for FY23 as a whole
FY23 OUTLOOK AND GUIDANCE

CONTINUED STRONG MOMENTUM, H2-WEIGHTED

FY23 OUTLOOK

Notwithstanding the significant challenges related to cost inflation and consumer spending, which will remain uncertain over the coming months, we expect to deliver FY23 results in line with current consensus forecasts.

TECHNICAL GUIDANCE

- Interest charge: £4m
- ETR: 22-24%
- Capex: 2% of revenue
- Transformation investment: £20m over FY22-25

See full year results RNS announcement for full outlook statement.

1 Majority of transformation costs expected to be incurred in FY23-24 and accounted for as an Adjusting item. Cash costs only.
STRATEGIC UPDATE
MOVING FROM TURNAROUND TO TRANSFORMATION
JONATHAN MYERS, CHIEF EXECUTIVE OFFICER
THE TURNAROUND

TURNAROUND
FIX THE CORE

TRANSFORMATION
EXPAND FROM THE CORE

OLD PZC

NEW PZC

FOR EVERYONE, FOR LIFE, FOR GOOD.
THE TURNDOWN

WE HAVE MADE GOOD PROGRESS ADDRESSING OUR LEGACY ISSUES

DRIVERS OF OUR PREVIOUS UNDERPERFORMANCE
(presented in March 2021 Capital Markets Day)

- Took our eyes off the consumer
- Lack of growth led to underinvestment in our brands
- Diversified portfolio spread resources too thinly
- Internal distraction of implementing large multinational model
- Lost talent and belief
  We forgot how to win

COMPREHENSIVE, GROUP-WIDE RESPONSE

- Refocused innovation and improved insights and analytics
- 1/3 increase in total brand investment vs. FY20 and improved efficiency of spend
- Established clear portfolio choices to drive focus
- Renewed multi-local focus
- Strengthened leadership team. Refreshed values and established corporate purpose

FOR EVERYONE, FOR LIFE, FOR GOOD.
OUR STRATEGY IN SUMMARY

BUILD BRANDS

SERVE CONSUMERS

REDUCE COMPLEXITY

DEVELOP PEOPLE

GROW SUSTAINABLY

FOR EVERYONE, FOR LIFE, FOR GOOD.
Brand Investment has continued to shift towards Must Win Brands …

% change in Em Brand Investment spend, FY22 vs. FY20

<table>
<thead>
<tr>
<th>Brand Category</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Must Win Brands</td>
<td>69%</td>
</tr>
<tr>
<td>Portfolio brands</td>
<td>(22)%</td>
</tr>
</tbody>
</table>

... and efficiency of media spend has also increased

Revenue per £ of campaign spend vs. FMCG and other sectors

- Transport
- Life’s a handful
- Financial services
- Communications
- All Carex campaigns
- FMCG, food
- FMCG, not food

Previous Carex campaigns also ahead of broader FMCG averages

1 Benchmarking analysis by Magic Numbers consultancy
WINNING WHERE THE SHOPPER SHOPS

E-Commerce strategy driving Rafferty’s Garden share gains

Source: Nielsen

Successful Amazon Prime Day growth in Beauty

Growth rates shown are for sales over Prime Day period (10-16th July 2022) vs comparable period in 2021
REDUCE COMPLEXITY

SIGNIFICANT PORTFOLIO AND BUSINESS SIMPLIFICATION

UK SKU rationalisation and supplier consolidation

**Previously**
- 87 SKUs
- >70 AGENCIES

**Today**
- 50 SKUs
- <20 AGENCIES

Nigeria Simplification

**Better Route-to-Market:**
number of distribution centres reduced from 26 to 3

**Non-core disposals:**
proceeds from residential property sales of £18.4m

FOR EVERYONE, FOR LIFE, FOR GOOD.
INVESTMENT IN BUILDING A STRONGER CULTURE AND TEAM

Hiring externally and promoting internally, newly-created roles include:

- Revenue Growth Management Director
- Governance and Controls team
- Sustainability team
- Digital team

REFRESH OF CORPORATE VALUES

‘LEADERS AT ALL LEVELS’ PROGRAMME LAUNCHED

2% INCREASE IN EMPLOYEE WELLBEING KPI

<table>
<thead>
<tr>
<th></th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>78</td>
<td>80</td>
</tr>
</tbody>
</table>
GROW SUSTAINABLY

INVESTING IN SUSTAINABILITY AND FOR SUSTAINABLE GROWTH

Evolving Consumer Demand

New Sustainability Goals

- Carbon neutral in our operations by 2025
- Net zero emissions by 2045
- 30% reduction in water intensity by 2030
- 1/3 reduction in virgin plastics by 2030
- Inspire responsible consumption and disposal through pack communications
GROW SUSTAINABLY

INVESTING IN SUSTAINABILITY AND FOR SUSTAINABLE GROWTH

ACQUISITION OF CHILDS FARM

- Launch of OatDerma trading ahead of expectations
- Specific synergies already identified in supply chain
- Integration of key talent and capabilities
- Significant international opportunity

INVESTMENT IN OUR BUSINESS

SUPPLY CHAIN TRANSFORMATION
- Procurement optimisation
- Invest for productivity

COMMERCIAL CAPABILITIES
- RGM
- Brand planning

ENABLING FUNCTIONS
- Controls transformation
- Innovation and R&D
- Digital

FOR EVERYONE, FOR LIFE, FOR GOOD.
FROM TURNAROUND TO TRANSFORMATION

BUILDING A HIGHER GROWTH, HIGHER MARGIN, SIMPLER AND MORE SUSTAINABLE BUSINESS

TURNAROUND
FIX THE CORE

TRANSFORMATION
EXPAND FROM THE CORE

OLD PZC

NEW PZC

FOR EVERYONE, FOR LIFE, FOR GOOD.
OUR STRATEGY IN SUMMARY

WE BUILD BRANDS TO SERVE CONSUMERS BETTER WITH HYGIENE, BABY AND BEAUTY AT OUR CORE

LOW TO MID SINGLE-DIGIT REVENUE GROWTH, WITH MID-TEENS MARGINS

WHERE TO PLAY
Focus on leading brands in priority markets

HOW TO WIN
PZ Cussons Growth Wheel

SUSTAINABILITY
CULTURE
LEADERSHIP
CAPABILITIES

DRAMATICALLY REDUCE COMPLEXITY AND ENABLE TRANSFORMATION

FOR EVERYONE, FOR LIFE, FOR GOOD.
OUR STRATEGY IN SUMMARY

WE BUILD BRANDS TO SERVE CONSUMERS BETTER WITH HYGIENE, BABY AND BEAUTY AT OUR CORE

MID LOW-TO-MID-SINGLE-DIGIT REVENUE GROWTH, WITH MID-TEENS MARGINS

WHERE TO PLAY

Must Win Brands in Priority Markets

New markets and adjacencies

New Must Win Brands

HOW TO WIN

PZ Cussons Growth Wheel

SUSTAINABILITY

CULTURE

LEADERSHIP

CAPABILITIES

DRAMATICALLY REDUCE COMPLEXITY AND ENABLE TRANSFORMATION

FOR EVERYONE, FOR LIFE, FOR GOOD.
SUMMARY
MOVING FROM TURNAROUND TO TRANSFORMATION

BUILDING A HIGHER GROWTH, HIGHER MARGIN, SIMPLER AND MORE SUSTAINABLE BUSINESS

SECOND YEAR OF STRATEGIC PROGRESS

MANAGING NEAR-TERM VOLATILITY

GOOD PROGRESS IN ADDRESSING OUR LEGACY ISSUES

CONFIDENT IN OUR STRATEGY AND LONG TERM OUTLOOK
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted net debt</td>
<td>Cash, short-term deposits and current asset investments, less bank overdrafts and borrowings. Excludes IFRS 16 lease liabilities</td>
</tr>
<tr>
<td>B Corp</td>
<td>A B Corp is a company that has been certified by the non-profit organisation B Lab as meeting rigorous standards of environmental, social and governance performance, accountability and transparency</td>
</tr>
<tr>
<td>Brand Investment</td>
<td>An operating cost related to our investment in brands (previously 'Media &amp; Consumer')</td>
</tr>
<tr>
<td>Adjusted earnings per share</td>
<td>Basic earnings per share from continuing operations adjusted for the impact of adjusting items</td>
</tr>
<tr>
<td>Employee wellbeing</td>
<td>% score based upon a set of questions within our annual survey of employees</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>Cash generated from operations less capital expenditure</td>
</tr>
<tr>
<td>Free cash flow conversion</td>
<td>Free cash flow as a % of adjusted EBITDA from continuing operations</td>
</tr>
<tr>
<td>Like for like ('LFL')</td>
<td>Growth on the prior year, adjusting for constant currency and excluding the impact of disposals and acquisitions</td>
</tr>
<tr>
<td>Must Win Brands</td>
<td>The brands in which we place greater investment and focus. They comprise: Carex, Childs Farm (acquired in March 2022), Cussons Baby, Joy, Morning Fresh, Original Source, Premier, Sanctuary Spa and St Tropez</td>
</tr>
<tr>
<td>Portfolio Brands</td>
<td>The brands we operate which are not Must Win Brands</td>
</tr>
<tr>
<td>PZ Cussons Growth Wheel</td>
<td>Our 'repeatable model' for driving commercial execution, comprising 'Consumability', 'Attractiveness', 'Shoppability' and 'Memorability'</td>
</tr>
<tr>
<td>Revenue Growth Management</td>
<td>Maximising revenue through ensuring optimised price points across customers and channels and across different product sizes</td>
</tr>
<tr>
<td>SKUs</td>
<td>Stock keeping unit</td>
</tr>
<tr>
<td>Through the line</td>
<td>Marketing campaign incorporating both mass reach and targeted activity</td>
</tr>
</tbody>
</table>