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**Evening Standard: Personal hygiene firm Venture Life is ripe for takeover
by Mark Shapland**

Picking tiddly stocks in the hope they'll be snapped up by a big fish is one way to clean up. So it's fitting that one business tipped for takeover is Venture Life which makes personal hygiene products.

The company's major brands are Dentyl and UltraDEX, which make mouthwashes and breath-freshening mints. So far the firm has pursued an aggressive acquisition strategy and in July it raised another £18.8 million for further buys. The idea is to establish a large-scale manufacturing base and distribution network as quickly as possible so that it can push more products.

So far it looks to have worked and the company has performed strongly. In August it delivered £8.3 million in revenues for the first six months this year. A breakdown shows that higher orders in China for the international brands business led to revenues of £2.3 million against £1.8 million a year ago.

Its development and manufacturing unit generated revenues of £6.1 million. Analysts at Cenkos believe the company has a strong standalone business and has given the shares a Buy rating. Chris Donnellan said: "We believe Venture Life is set to deliver strong revenue and earnings growth on an organic basis, which alongside the current valuation makes this an attractive opportunity in our view.

"The recent fundraising and acquisition of Dentyl will deliver additional revenue growth and exploit the operational capacity management has built, enhancing growth expectations, reducing debt levels and highlighting the value within the business."

But in a highly competitive market others believe Venture Life will struggle to go it alone. One source said: "The company does have a unique selling point but competing in the pharmaceutical market is hard. Bigger firms spend tens of millions marketing products, something Venture Life just cannot do."

Potential suitors include fellow AIM-listed rival Alliance Pharma. Procter & Gamble, GlaxoSmithKline, and Johnson and Johnson's consumer divisions have also been touted as possible options.

Venture Life already manufactures products for Alliance Pharma.

There can be no guarantee it'll be snapped up but then how many Whitbread investors foresaw Coca-Cola buying Costa at the start of the year?

By Mark Shapland, Evening Standard, Monday 15th October 2018.