

The partner of choice for self-care products

Interim results

6 months to 30th June 2023

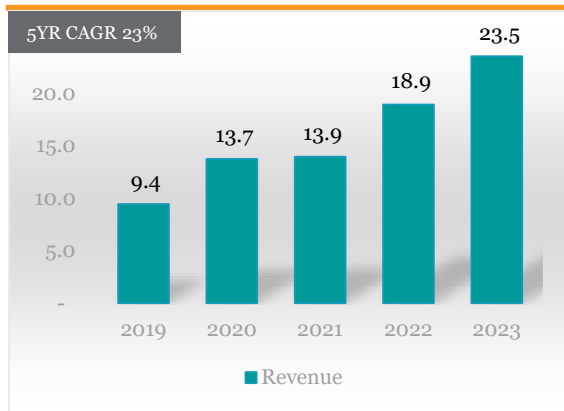
September 2023



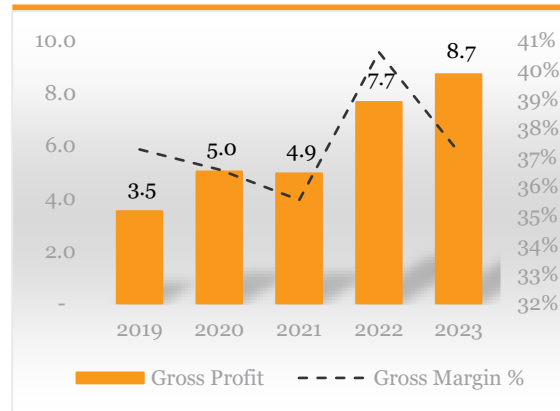
Venture
Life

Financial *overview**

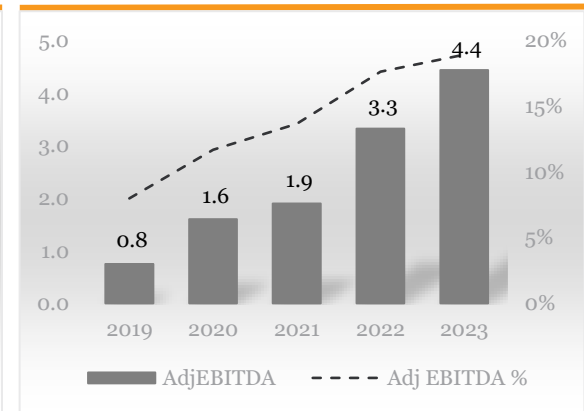
Group Revenue £'m



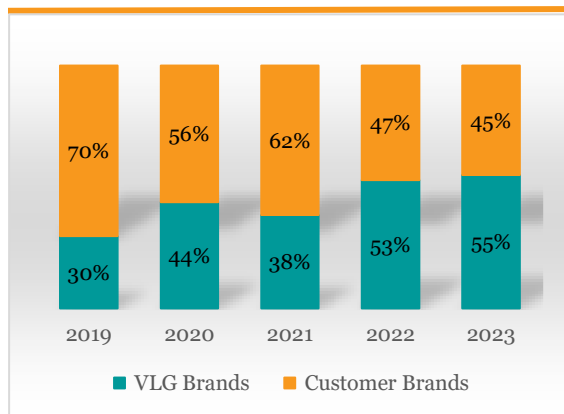
Gross Profit £'m / %



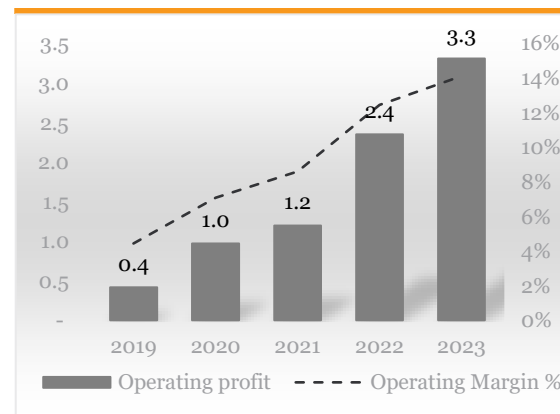
Adj. EBITDA¹ £'m / %



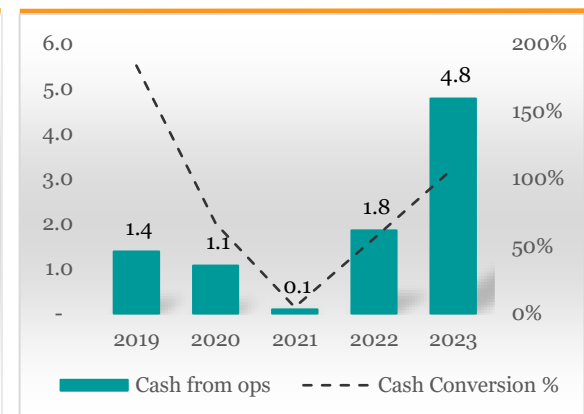
Revenue Mix %



Operating Profit £'m (pre amortization, impairment & exceptional items)



Cash Generation £'m (from underlying activities²)



* Exclude one-off HSG impact in 2020

¹ Before exceptional items and SBP

² Excluding cash exceptional items

Financial highlights – 6 months ended 30th June 2023

- Group revenues of **£23.5m**, a **growth of 24.5%** over H1 2022, on a **proforma¹** basis revenue performance was **10.4% ahead** of H1 2022
- **Momentum from key brands** (Balance Activ, Lift and growth from recently acquired Earol brand)
- Strong growth from Customer Brands, incl. **£1.2m** of revenue from **newly developed products** (H1 22: **£0.7m**)
- Adjusted EBITDA³ **increased 33.4% to £4.4m** (H1 2022: **£3.3m**) and adjusted EBITDA³ margin **up 1.3% to 18.9%** (H1 2022: **17.6%**)
- **Cash generated** from underlying activities of **£4.8m** (H1 2022: **£1.8m**) and **improved cash conversion** of **108%** (H1 2022: **56%**)
- **Increase in free cashflow** to **£2.6m** (H1 2022: **£0.5m**)
- **Net debt reduced** to **£15.3m** with Group **net leverage²** reduced to **1.47x** at 30 June 2023 (31 December 2022: **1.65x**)

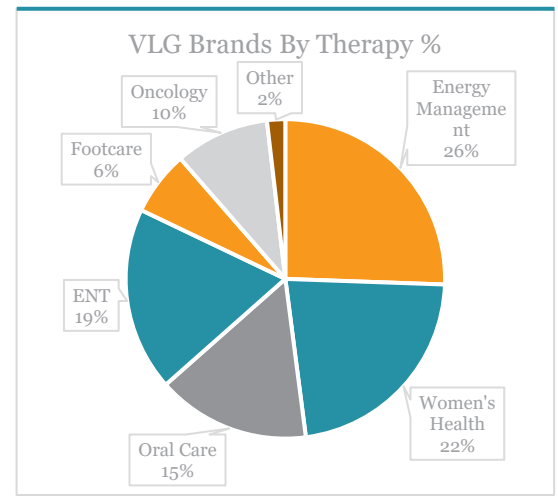
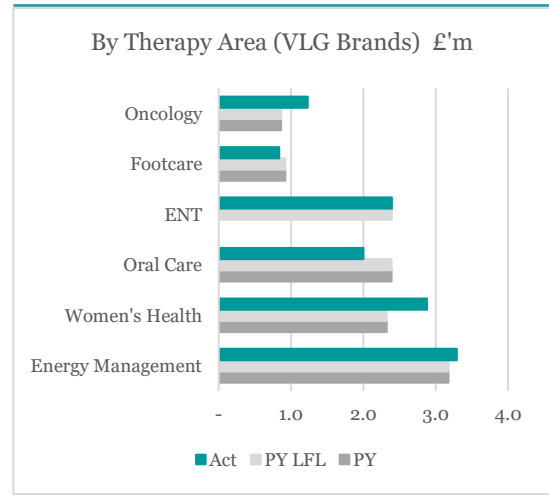
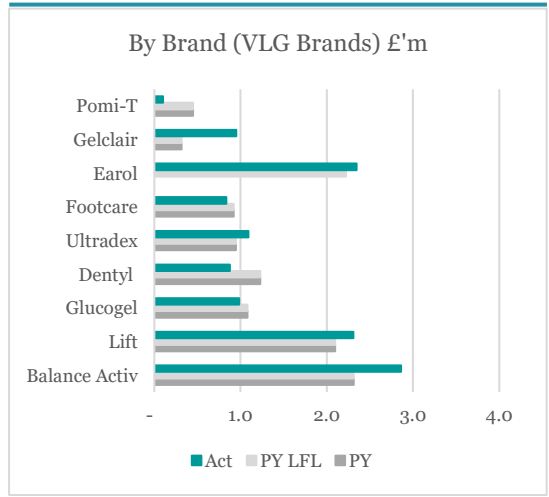
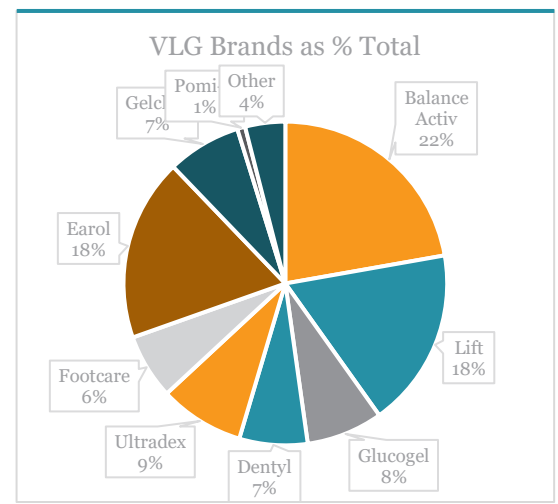
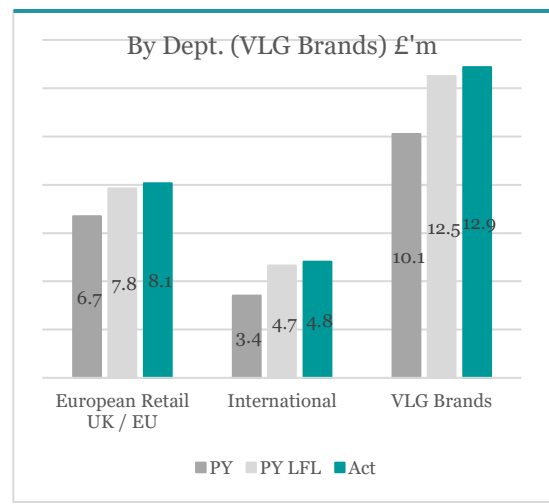
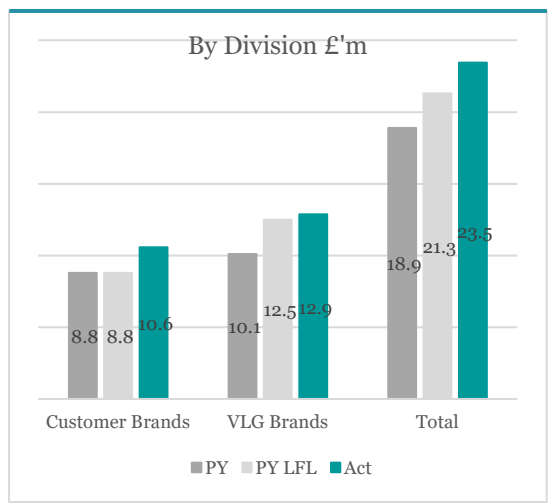
¹ Proforma basis i.e. if the acquisition had been in place for the whole of the prior period.

² Group net leverage calculated as net debt (excl. finance leases) and using proforma Adjusted EBITDA³ on a trailing 12-month basis.

³ Adjusted EBITDA for Group net leverage is EBITDA after deduction of finance lease costs and before deduction of exceptional items and share based payments.

Financial Review

H1 2023 Revenue analysis



Global challenges and *mitigation strategies*

Key challenges:

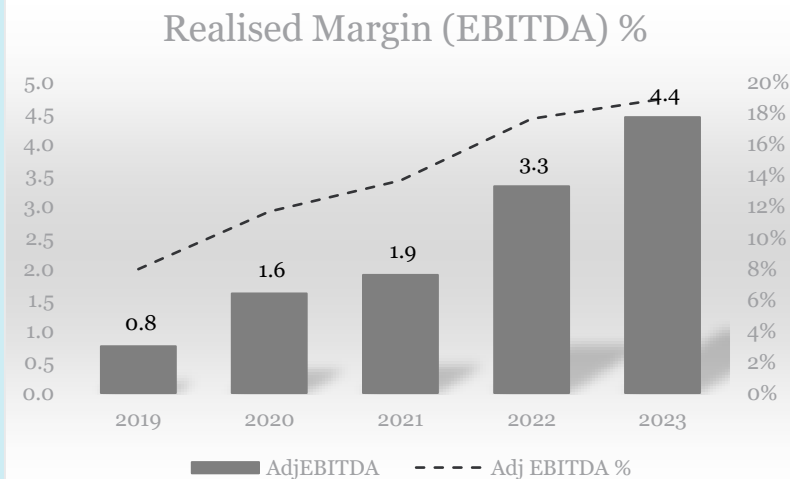
- **Raw material shortages / inflation** – higher competing demand and lower production due to energy prices, meaning longer lead times, pressure on input prices and availability of goods across 2021-22
- **Global logistics challenges** - driven by COVID and higher fuel/energy costs
- **Ukraine / Russia crisis** – global sanctions and volatility causing supply chain disruption led to alternative sourcing of materials

H1 2023 factors:

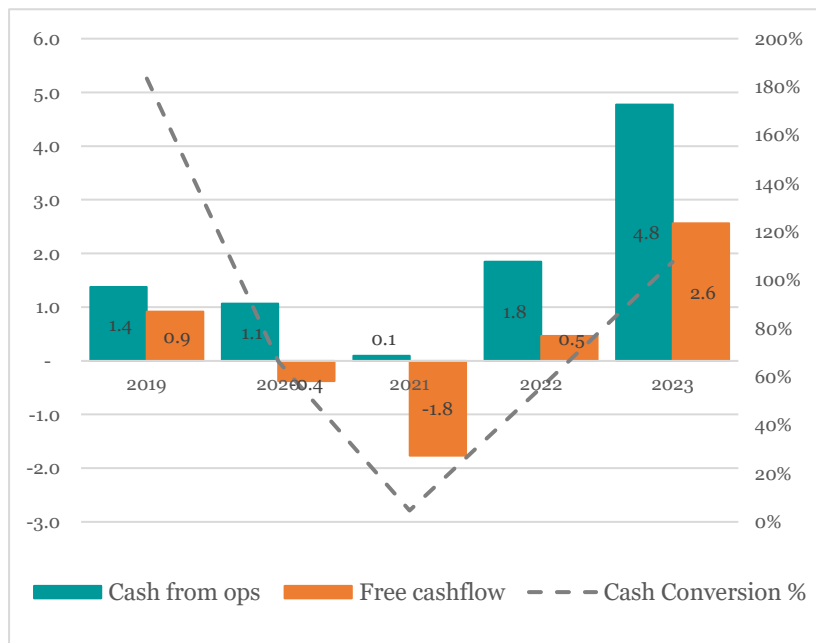
- **Input costs** – supplier increases have plateaued and there is more availability, inventory procured at inflated prices during the height of the supply chain challenges have now wound through the P&L
- **Customer price increases** – further costs passed onto customers where possible, but there is a lag effect, impact will be favourable on H2-2023
- **Fair value adjustments** – once-off impact from fair value of inventory adjustment on HLH acquisition has been absorbed fully (circa 0.7% impact on gross margin)

Our Mitigation Strategies

- **Customer price increases/passing on costs** to share impact of rising costs
- **Forward orders** from customers for greater visibility for procurement and production
- Procurement – **purchasing large quantities** at better prices, and increasing inventory held in order to absorb supply chain and customer disruption
- **Alternative suppliers** identified to protect against future supply chain disruption/ price rises
- **Diversified product portfolio** through M&A – more products, more customers & more markets



Cash generation and net debt reduction



H1-2023 Highlights:

- Cash generated from operations £4.8m (H1-22: £1.8m) and underlying cash conversion 108% (H1-22: 56%)
- Free cashflow £2.6m (H1-22: £0.5m)
- Deferred consideration of £3.0m on HL Healthcare acquisition paid in full during the period

Net Cash / (Debt) £ million	31 Dec 2022	30 Jun 2023	31 Dec 2023 (Cavendish)
Gross debt (excl. finance leases)	(22.3)	(19.0)	(16.6)
Cash	5.6	3.7	4.8
Net Cash / (Debt)	(16.7)	(15.3)	(11.7)
SFA defined EBITDA	10.1	10.4	10.7
Group Net Leverage¹ (excl. leases)	1.65x	1.47x	1.1x
Free cashflow	2.9 (twelve months)	2.6 (six months)	6.8 (twelve months)

Outlook:

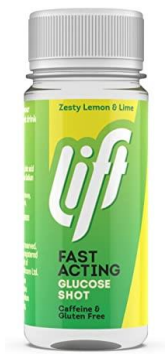
- Further cash generation improvement expected in second half
- Enabling further reductions in net debt and leverage to between 1.0-1.1x by end of FY23

BBI Healthcare Limited – case study

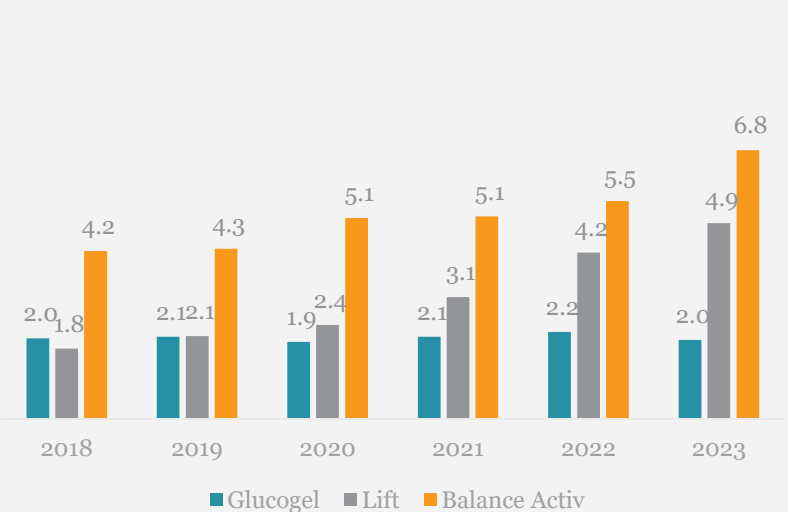
- Acquired June 2021 – consideration paid £35 million
- Immediately earnings enhancing and highly cash generative
- 3 key brands in 2 new therapeutic areas – women’s health and diabetes
- New manufacturing plant in Sweden
- Key new partner for VLG (Bayer Consumer Care AG)



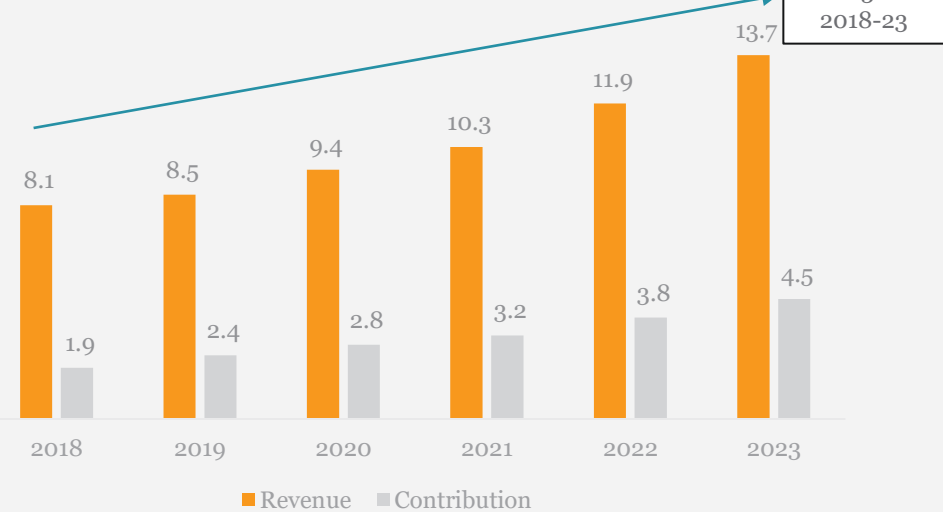
- Strong synergistic opportunities – cost savings, manufacturing and cross selling – drivers of realised margin
- Opportunities for expansion (excess capacity) and new product development
- 5 (five) new products developed by VLG since acquisition
- 15 new listings secured in H1-2023
- Balance Activ and Lift revenues in growth 24% and 16% resp. in H1-2023



Revenue by product (million)



Revenue & Contribution (£m)



VLG Brands

VLG Brands – key H1 themes

- Focus on **organic growth**
 - **Distribution gains UK, international penetration elsewhere**
 - **In market growth**
 - **Online expansion**
 - **New products developed and launched**
- Overall portfolio in growth – **second half weighted, as usual**
- Women's Health, Energy and Oncology Support **deliver strong growth**
- Net growth in points of distribution **in the UK & EU retail** – estimated worth of £0.6m incremental revenue in H2 2023 / £1.3 annualised
- New product development program **increasing in H1** delivering growth in brand portfolio
- International business development team **bolstered**
- New channel **development**

UK and EU Retail – H1 Results, H2 plans

WINS

H1 2023		H2 2023	
	<ul style="list-style-type: none"> • Soothing cream • Moisture pessary • BV pessary • BV gel • Thrush Cream 		<ul style="list-style-type: none"> • Very berry shot • Lemon shot • Raspberry chews • Orange chews • Raspberry jar • Orange jar
	<ul style="list-style-type: none"> • BV multipack • Intimate foam wash 		<ul style="list-style-type: none"> • Energy Boost Lemon • Energy Boost Raspberry • Earol
	<ul style="list-style-type: none"> • Intimate foam wash • Thrush Cream • Earol 		<ul style="list-style-type: none"> • BV multipack • Thrush Cream • Herflora probiotics • Wipes
	<ul style="list-style-type: none"> • BV multipack • Intimate foam wash • Thrush Cream 	<p>DISTRIBUTION INCREASE</p> <ul style="list-style-type: none"> • Blueberry chews <ul style="list-style-type: none"> • Icy Cherry 500ml 	
			<ul style="list-style-type: none"> • Baby Earol • Energy Boost Orange • Energy Boost Lemon • Energy Boost Raspberry • Energy Boost Tropical
			<ul style="list-style-type: none"> • Baby Earol • Herflora probiotics

LOSSES

	<ul style="list-style-type: none"> • Orange chews 		<p>DISTRIBUTION DECREASE</p> <ul style="list-style-type: none"> • Clove 500ml • Smooth mint 500ml
	<ul style="list-style-type: none"> • Raspberry chews • Blueberry chews • Very berry shot 		<p>DELIST</p> <ul style="list-style-type: none"> • Smooth mint 500ml
	<ul style="list-style-type: none"> • Value pack 6ct 		<p>DISTRIBUTION DECREASE</p> <ul style="list-style-type: none"> • BV Pessary

UK and EU Retail – Distribution opportunity

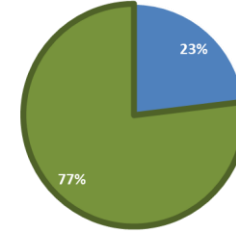
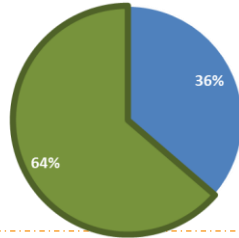
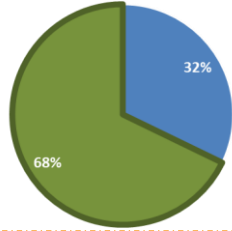
High Street

Grocery

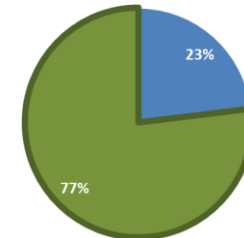
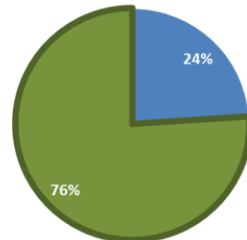
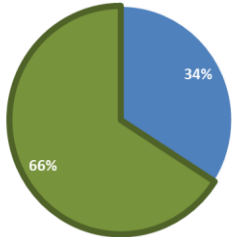
Discounters

Pharmacy

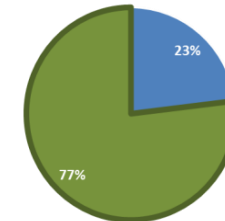
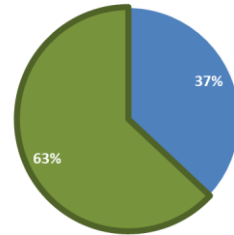
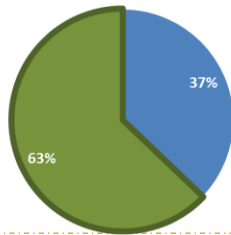
Online



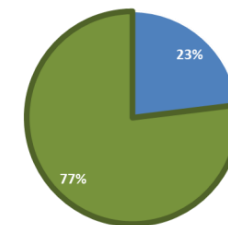
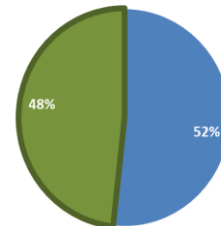
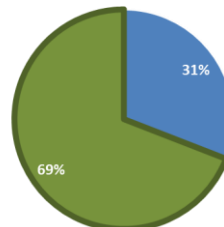
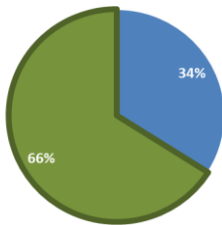
Amazon
DTC



Amazon
DTC



Amazon
DTC



Amazon
DTC



Lift Activ Energy Boost

Lift Your Game!

Fast acting glucose giving an immediate burst of energy, with the additional benefits from vitamins and minerals to help reduce tiredness and fatigue. Free from caffeine, taurine, gluten, and fats. Vegan-friendly.



BABY EAROL

A new metered dose ear spray for babies, made from a gentle blend of pharmaceutical-grade olive and mineral oil to soften and naturally remove earwax and soothe dry and itchy ears. Suitable for use from 6 months.

New Product Development – in action



Balance Activ Thrush Cream

With 3 benefits to help the body fight the cause, relieve the symptoms, and prevent the recurrence of thrush, without being a drug.

Balance Activ Intimate Daily Foam Wash

Lightweight foam wash that matches and helps maintain the pH of delicate vulval skin, which helps promote good vaginal health.

HerFlora Supplement

A complete multi-vitamin & minerals supplement with 4 billion live cultures food, formulated specifically for Women. From supporting immunity and promoting the balance of vaginal flora, to keeping tiredness at bay and contributing to normal fertility and maternal tissue growth.

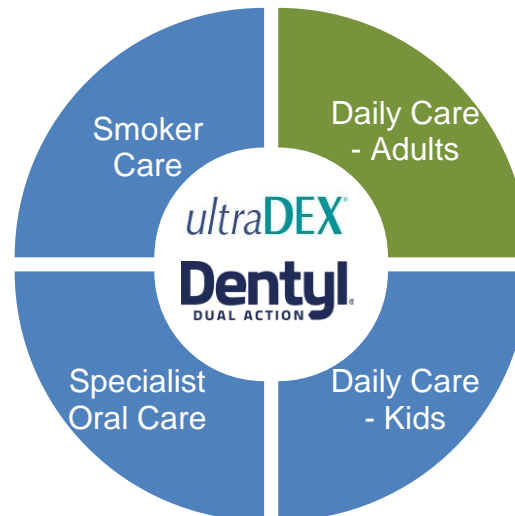
Balance Activ Intimate Daily Wipes

Gyno-tested, pH-friendly, soothing and portable. Relieve discomfort and enjoy comfort on the go.

Future Opportunities for Venture Life



- Current Market**
- Future Opportunity**
- Launching Q4 2023**



UK and EU Retail – Key Brand H1 & H2 story



H1 '23 HIGHLIGHTS

J Sainsbury's launched **5** new SKUs in range

New product listings agreed for **Intimate Foam Wash, BV value pack** (14) in Boots and Amazon

J Sainsbury's launched **6** new Lift SKUs in their Wellness range

ASDA and Morrisons positively reviewing newly developed products

Earol launched in Amazon in June 2023

Earol launched in Tesco August 2023

Dentyl Dual Action "half price" promotions delivering strong uplift

Boots off-shelf end H1 contributing positively to the brand's performance due to enhanced visibility on shelf

H2 '23 PRIORITIES

Newly developed products **Herflora** and **Wipes** landing in Superdrug Introducing **Intimate Soothing Cream, Thrush cream, BV pessary** in Well Pharmacy

Launching **Balance Activ** in the Women's Health Zone in Superdrug in 10 flagship stores

Tesco launching 2 new Lift Newly Developed Products in Wellness Category

ASDA increasing distribution on the existing blueberry chews 10ct (from 263 to 505 stores)

4 Lift Newly Developed Products and lemon & lime shot launching in Boots online by October 2023

Baby Earol Newly Developed Product to launch in Boots and Amazon by September

B&M launching a trial of **Dentyl Dual Action** cherry 500ml in November 2023

B&M launching a till point activation on the **Dentyl Dual Action** clove 500ml and cherry 500ml

International – Key Brand H1 & H2 story



Earol®



H1 '23 HIGHLIGHTS

Distribution Agreements signed (Armenia, Azerbaijan, Kazakhstan, Ukraine and Taiwan).

Registration in Canada.

Anvisa's approval obtained in Brazil.

Partner in Nordics achieves further market penetration.

Product improvements from a regulatory and production perspective.

New partners under discussion.

H2 '23 PRIORITIES

Line extension for **BV pessary signed** in Austria.

Moisture pessary and Wipes under assessment with existing partners.

Strong order book from Bayer showing growth expected vs 2022.

Strong order book for Gelclair with growth vs 2022 expected.

New partnerships under negotiation in Spain.

Strong order book with growth vs 2022 expected for Vaxol Brand.

Ongoing negotiations with existing partner for extension to South America

Further discussions ongoing in south of EU

Agreement signed in Philippines where strong growth is expected in the coming years.

New claim and alternative manufacturer allowing discussions within major EU countries.



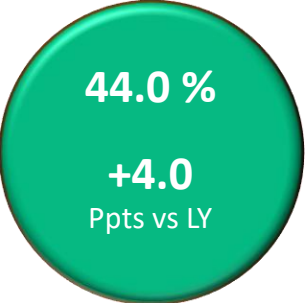
H1 2023 Commercial Results

Brand Commentary

BV UK Market
Size/growth % vs LY



Balance Activ
VMS/ppt chg % vs LY



Balance Activ
NR size/growth % vs LY



2023 Strategy: Brand Evolution, Drive brand awareness & Category Expansion

H1 reflection

- Brand look and feel and product copy refreshed in line with consumer trends and brand position – reflected across socials and new optimised website.
- Omni-channel digital brand campaign using new brand animation. Strong results - Impressions – **8.7M**, Reach - **5M** & CTR – **4.48%** (Above average)
- The Big Vagina report was reported over 100 times with a combined potential reach of 1.4 Billion driving visibility. And resulted in 2 Televised earned coverage of the report

H2 Focus

- Development and launch of BA NPD – Intimate wipes and Probiotics
- Continue brand and NPD exploration into wider women health categories
- Develop and build 2024 brand campaign to strengthen BA position

The collage includes:

- YouTube video thumbnails with titles like "This is What The Colour Of Your Vaginal Discharge Actually Means" and "WATCH THE VIDEO".
- Product packaging for HerFlora (30 capsules) and Balance Activ (intimate wipes).
- A website snippet titled "Having a dry spell?".
- A Google PPC - Display ad for Meta, Facebook, and Instagram.
- A grid of social media posts for Amazon and TikTok.
- A product display at the bottom with the number 18.

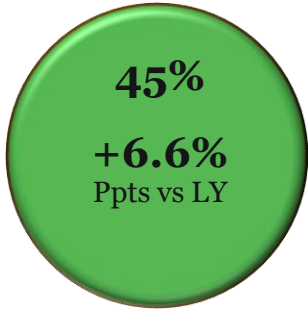
Source: Nielsen data w/e Jul 1 2023 YTD ;Dashboard financial data end of June 2023
Venture Life Group plc | Private & Confidential

H1 2023 Commercial Results

GLUCOSE Market
Size/growth % vs LY



LIFT
VMS/ppt chg % vs LY



LIFT
NR size/growth % vs LY



Brand Commentary

2023 Strategy: Brand Evolution, Drive brand awareness and Category Expansion

H1 reflection

- Launch of **Lift Activ Energy Boost** with added vits & mins in Tesco. Targeting sports and everyday lifestyle energy
- Social media focus has seen followers up **+197%** for H1. with impressions and engagements growing over 1000%
- Diabetes Awareness Week June 12 – 18th reached over **500k** consumers.

H2 Focus

- Build out Lift Activ Energy Boost range in other retailers and on Amazon
- Launch an e-commerce platform (DTC)
- Implement Lift marketing plans to support new products and DTC platform. Working with influencers to endorse new range and media coverage.



New Lift Activ Energy Boost



Coverage for National Diabetes Week



Social Media Coverage

H1 2023 Commercial Results

ENT UK
Market
Size/growth % vs LY

£26.7 m

+5.1 %
growth v LY

EAROL
VMS/ppt chg % vs LY

13.6 %

+0.1%
Ppts vs LY

EAROL
NR size/growth % vs LY

1,1m

-5.0 %
Decline v LY

Source: Nielsen data w/e July 1st 2023; Dashboard financial data end of June 2023

Brand Commentary

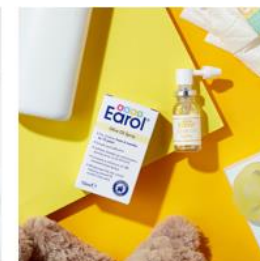
2023 Strategy: Brand refresh, retail distribution build UK

H1 Reflection

- New Earol packaging now available in stores
- **New website** and social media accounts launched with updated digital imagery available for Earol, EarolSwim and Baby Earol for Amazon.

H2 Focus

- Baby Earol **launching in Boots** on the first week of October, in addition to launching on Amazon and updated website content. PR and influencer activity will be utilised to support.
- FSC cartons and SRP artworks to be developed for roll out in Q1 2024 for Earol and Baby Earol.
- Features in Training Matters, CI+ Directory. In addition to Pharmacy Magazine and P3 Pharmacy (as **MVP Awards** winner).



H1 2023 Commercial Results

MOUTHWASH Market
Size/growth % vs LY



DENTYL
NR size/growth % vs LY



DENTYL
VMS/ppt chg % vs LY



Brand Commentary

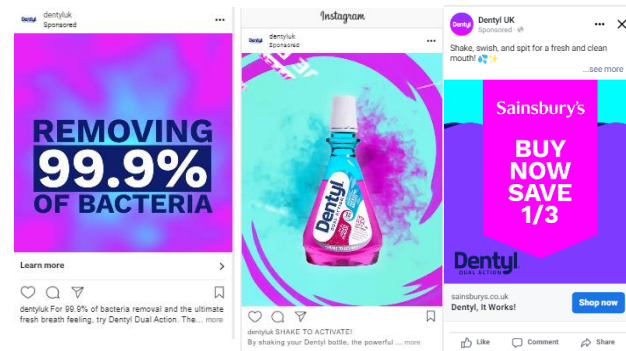
2023 Strategy: Switch in competitors' user through communicating product efficacy and driving consumer WOM.

H1 reflection

- 'It Works' campaign launched in May to communicate the product efficacy, achieving > 5M impression.
- Influencer campaign in IG/FB & TIKTOK to drive consumer WOM, reached out to 200k followers.
- Search campaign reactivated, +2.8k new users to the website.

H2 Focus

- Enhance instore communication for 'It Works' campaign through on pack collar
- Always on social media & search campaign support to sustain brand awareness
- Continue to drive sustainability project.



H1 2023 Commercial Results

Brand Commentary

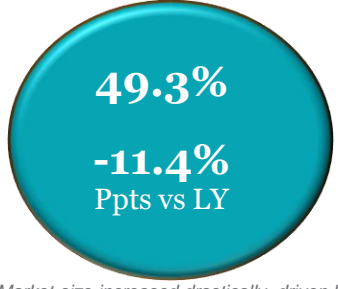
HALITOSIS Market
Size/growth % vs LY



ULTRADEX NR size/growth % vs LY



ULTRADEX VMS/ppt chg % vs LY



Market size increased drastically, driven by Breathco Deep price cut, which dilute UDX share. absolute value maintain at mthly £140k in L3M

2023 Strategy: Drive brand awareness among bad breath sufferers, recruit new user with dentist backed claims

H1 reflection

- Sustaining brand awareness among dental professional through advertising in FMC network.
- Search campaign reactivated, +40% new users to the website

H2 Focus

- Partner with Dr Ash for 'Dr Says' campaign with online video on Youtube channel to communicate Ultradex as trusted brand by dentist for 30 years, with unique ActiveOxi Technology to treat the root cause of bad breath.
- Engage with dental students for 'bad breath challenged' to drive social buzz.
- Always on social media & search campaign to sustain brand awareness

BAD BREATH – IS IT A SOCIAL OR DENTAL PROBLEM?

Written by Dr Ashish P Farooq, The Academy By Ash

NHS data has estimated that approximately 21% of the UK population suffer from chronic bad breath at any one time. This is more than those suffering from common medical conditions such as diabetes, HIV and asthma (1) to call the attention of those suffering from gum disease (2). This is a serious condition that needs to be addressed.

In recent years there have been some major advances in the research into bad breath and understanding of the problem has grown enormously. Clinicians are increasingly moving the general dental focus away from bad breath by giving specialist diagnosis and treatment advice.

Research has been able to trace bad breath to dental disease caused by volatile sulphur compounds (VSC), predominantly hydrogen sulphide, methyl mercaptan, and dimethyl sulphide, which break down the mucous layer of the periodontium causing oral malodour. As the severity of the periodontal breakdown increases so too does the presence of VSCs. By elevating VSCs there is the potential to control periodontitis and eliminate bad breath.

Prevention and treatment
Chlorine dioxide, a chemical widely used in the food industry and as a disinfectant in drinking water can oxidise and thus neutralise VSCs. The problem however has been that chlorine dioxide in its natural state is a volatile gas. Professor Tony Rastell, an internationally renowned American periodontist has achieved a significant breakthrough by developing formulae to stabilise chlorine dioxide when keeping it active in an aqueous solution.

The late Tony Rastell, who was Professor Emeritus at the University of California, San Francisco, dedicated more than two years of his research career to this development. He used the chlorine dioxide technology to develop UltraDEX oral care, tooth and mouthgels. The UltraDex series is the result of working with the mucosa in saliva and the active chlorine dioxide in the mouth/mouthpiece the VCSs, thus preventing or treating oral periodontitis.

ultraDEX[®]

THE UK'S No1 BRAND FOR TREATING HALITOSIS*

The UK's ActiveOxi Technology[®] within UltraDEX[®] is clinically proven to instantly eliminate bad breath compounds (Volatile Sulphur Compounds), for 12 hour fresh breath confidence.

Clinically proven to:

- Instantly eliminate bad breath for 12 hours
- Restores natural mouth balance by gently killing everyday stains
- Protects teeth and gums by removing bacteria

Free from alcohol and sulphates (SLS), suitable for everyday use.

*Based on 'Topography' survey 2022, 01-06-2022. Methodology: 1000 random people aged 18-64 years.



THE UK'S No1 BRAND FOR TREATING HALITOSIS*

It's not just wonderful to be able to help people who suffer bad breath especially when they come back to the clinic with smiling family.

Dr Ash Farooq

Prof Ash Farooq believed that this technology would eventually have an big impact on dental care as he realised that oral care had to be the first step in the fight against bad breath. He realised that oral care could be used for the prevention and maintenance of bad breath without any side effects such as staining and painful gummy discomfort.



Customer Brands

Customer Brands – NPD fuelling growth

- Strong growth of **+20%** over H1 2022
- Revenues of £10.6 million **includes £1.2 million** of new products developed in 2022
- Shows value **of long term relationships** in delivering revenue growth
- New products developed for **10+** existing customers
- Growth is **broadening** customer concentration



Commercial strategy development – active channel expansion

VLG Brands	Customer Brands	Private Label
Totally owned by us	Owned by customer	Owned by customer
	Service Provider	Service Provider
Our Own Distribution in retail or distributor	Customer distribution in retail, online, or distributor model	Usually only own retail footprint distribution
Our Own development and manufacture	Development and manufacture	Development and manufacture
Our own marketing	Customer marketing	Customer marketing
Our promotion	Customer promotion	Customer promotion



Sustainable Life – *to be a Trusted, Responsible and Sustainable Business*

2023 targets:

- Focus on Italian site:
 - B Corp
 - Carbon footprint
 - Net zero 2050 plan
 - LCA for 3 key brands
- All on target for 2023 completion
- 2024 focus on rest of the Group for the same

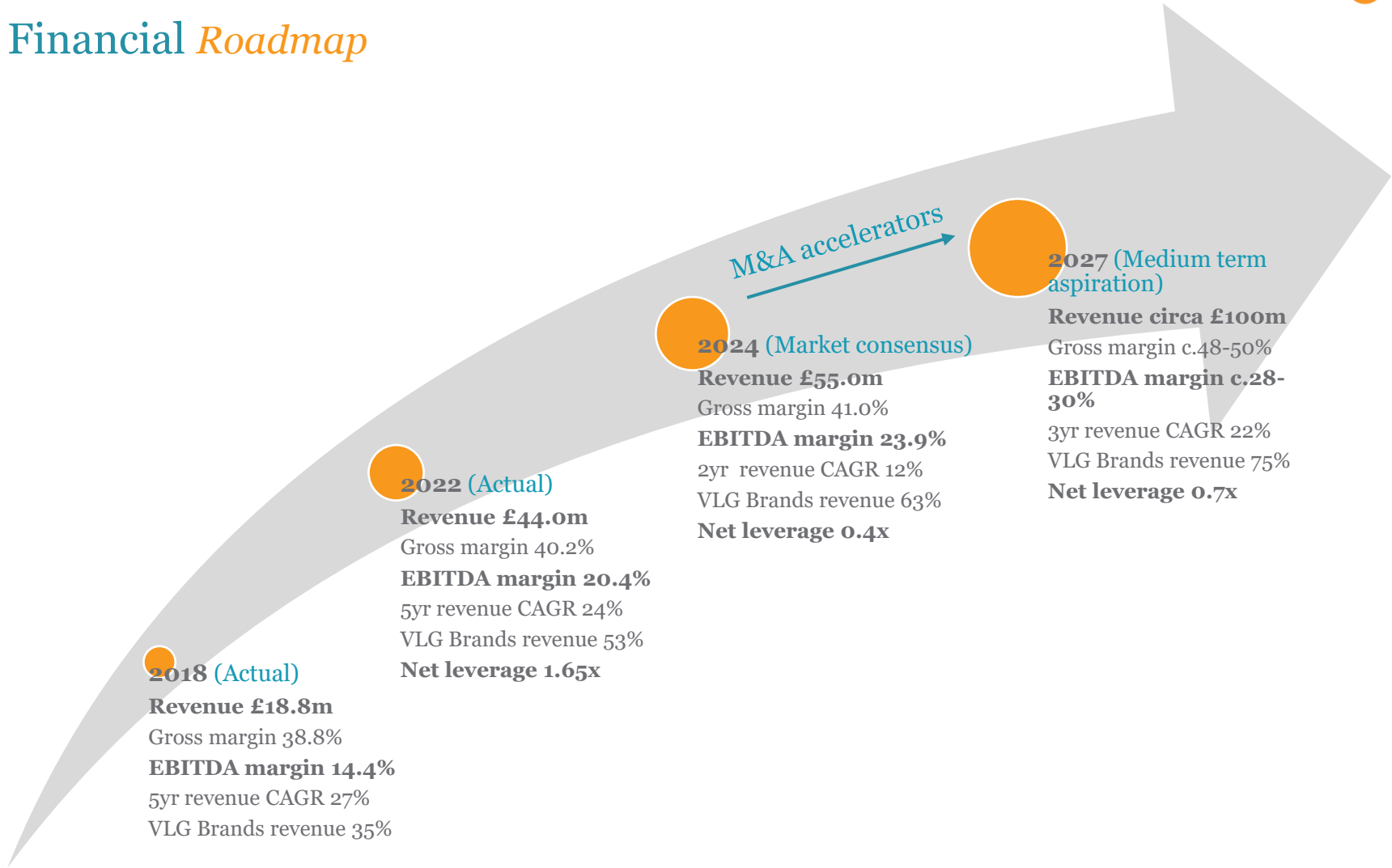


2023 achievement so far...

- Ecovadis credentials:
 - 90,000 assessed companies
 - 175 countries
 - Across 200 industries
 - Silver – in top 25%



Financial Roadmap



H1 trajectory and outlook

H1 Highlights

- Both VLG and Customer Brands **in growth vs PY LFL** with acquired businesses growing
- Gross margin **still weighed on by legacy higher input prices**
- OPEX efficiencies **coming through**
- **Digital transformation progressing**
- Good operating cash conversion, **reducing net debt and leverage**
- Deferred contingent consideration on HLH **fully paid**

H2 Outlook

- Higher margin VLG Brands **weighted much more to H2**
- Additional **customer price increases** effective from Q3 onwards
- High visibility of H2 revenue **through strong order book** comprising significant increase in the higher margin VLG brands, compared to same time last year
- **Impact of new listings** secured in UK
- Continued good operating cash conversion and **free cash flow improvement**



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