



FY23 Results Presentation

April 2023

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# Strong growth with improved profitability

## FY23 highlights



Group revenue

**+16.9%**

(or +5.4% LFL)

Adjusted EPS

**5.20p**

(2022: 4.30p)

Free cash flow

**£4.8m**

(2022: £2.8m)

Adjusted EBITDA

**+29.0%**

(or +7.5% LFL)

10yr revenue CAGR

**24%**

Net leverage

**1.30x**

(2022: 1.65x)





## Commercial highlights

### New Product Development



Thrush Cream

Intimate Daily Foam Wash

HerFlora Supplement

Intimate Daily Wipes



Lift Activ Energy Boost



Baby Earol®



6%

new products contribution to group revenue



18

new SKUs



9%

increase in UK distribution points (excluding Dentyl)



28

new listings achieved across UK retail



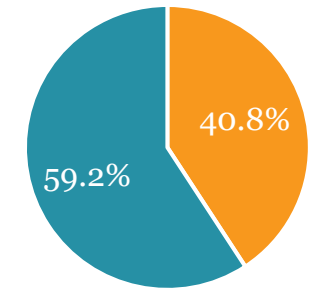
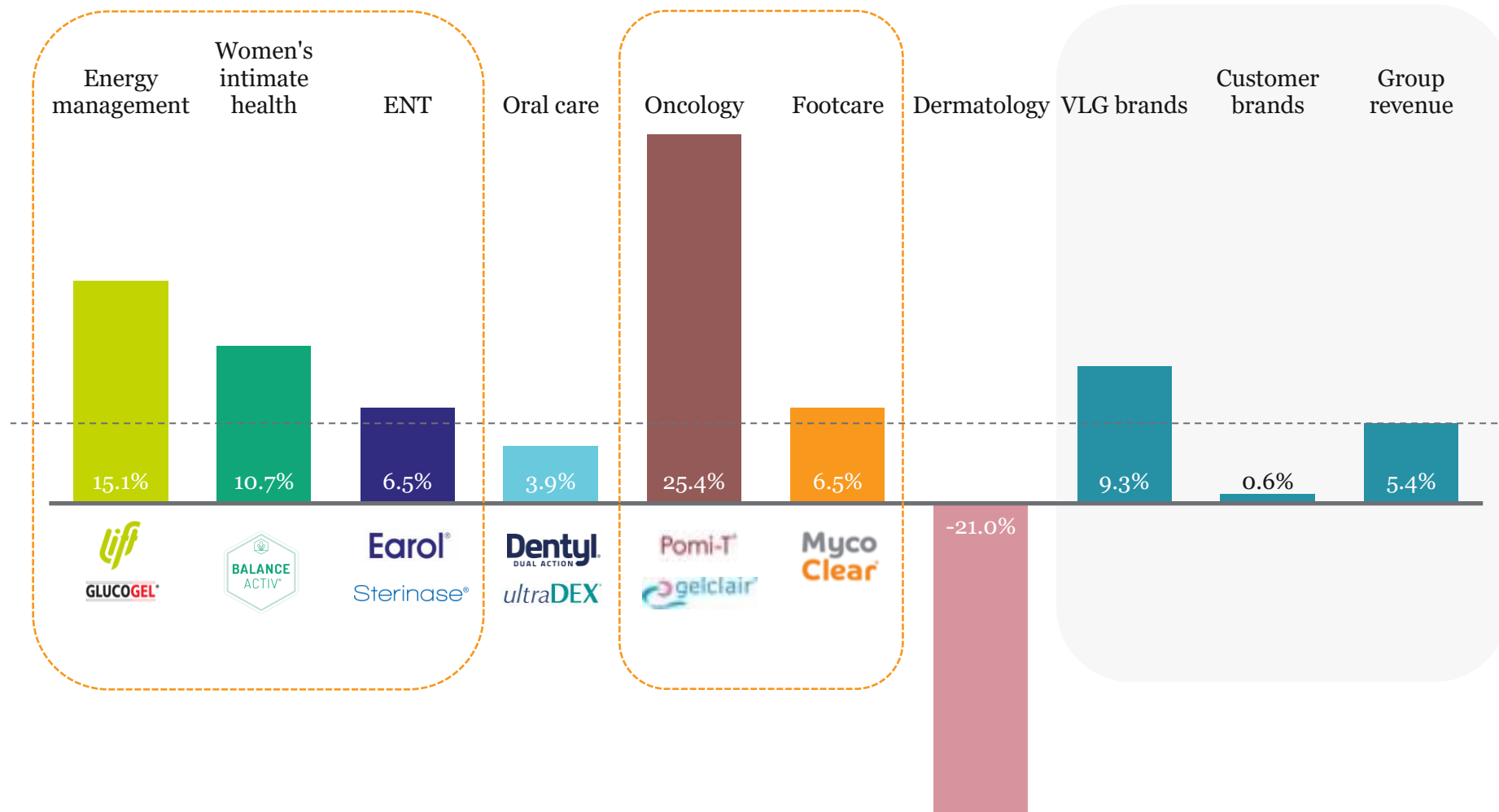
41%

online revenue growth



5 out of 7 therapy areas outperformed Group revenue growth

## Performance by therapy areas



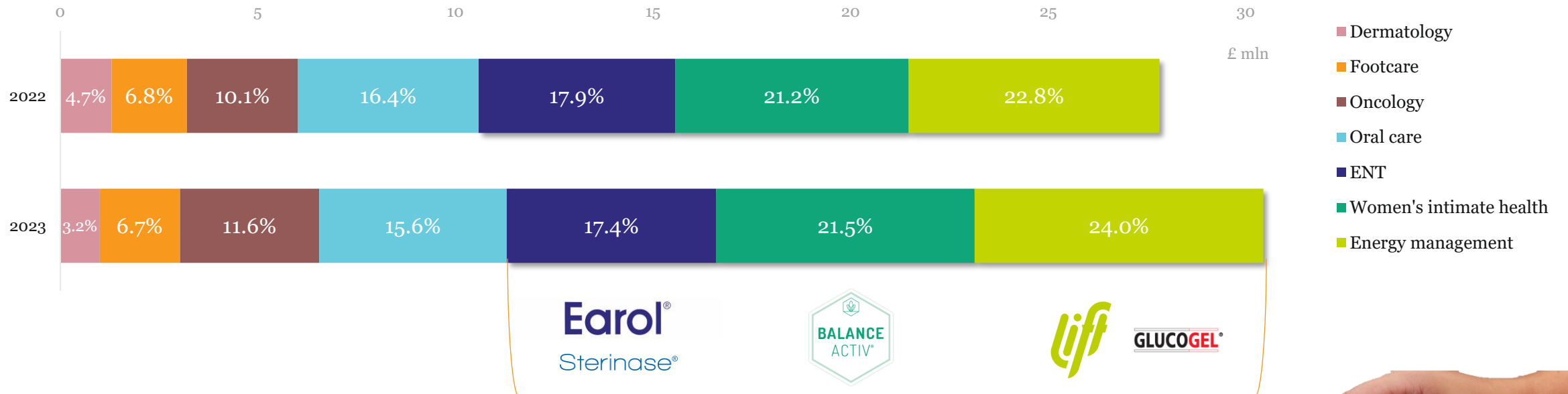
■ Customer Brands ■ VLG Brands

FY23  
vs  
FY22  
(LFL)



## Key VLG brands driving growth

We are cultivating “power brands” through marketing, NPD and broadening distribution points as primary revenue drivers



**63% of VLG brands revenue achieved 11.1% LFL growth**



# Energy Management (+15.1% LFL)

## Therapy highlights



### Energy Management



GLUCOGEL®

+52%

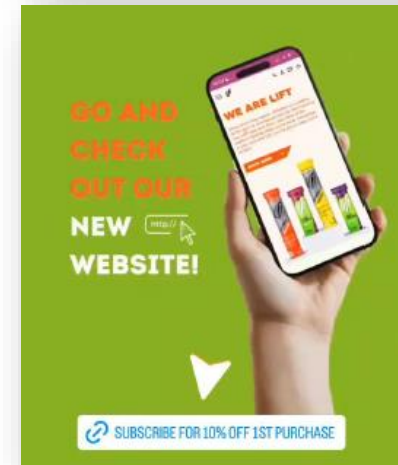
online revenue

4

new SKUs



- Lift Fast Acting Glucose Shots +100%, Chews +21% in online sales
- Launch of Lift e-commerce website in Sept 2023
- Post period, gaining market share due to new product launch
- New launch in Sainsbury's in August 2023 (+6.5% of its UK distribution points)
- Lift social media followers grew by 359%



# Women's Health (+10.7% LFL)

## Therapy highlights (continued)



### Women's Health



**+17%**  
online revenue

**4**  
new products



- “UK’s No.1 BV treatment”**
- UK distribution points +16% vs 2022
  - New product Thrush cream quickly became growth driver - Superdrug doubled distributing store numbers
  - Comprehensive marketing strategy - research report the Big Vagina Report, expert webinar for health education and brand building



**The UK's #1 BV Treatment\***

**Moisture Gel & Pessary**  
Our moisture range are hormone free, hyaluronic acid-based and pH-balanced which are clinically proven to provide rapid, lasting relief from Intimate dryness and discomfort.

**Trush Cream**  
A cream solution with 3 benefits to help the body fight the cause, relieve the symptoms, and prevent the recurrence of thrush, without being a drug.

**BV Gel & Pessary**  
The UK's number 1 BV treatment\* treats BV effectively, relieving odour and discharge to restore and maintain pH balance naturally.

**Soothing Cream**  
Enriched with anti-itch extract azeanathramide, skin calming jojoba oil and moisturising vitamin E, Balance Active Intimate Soothing Cream soothes and protects the skin in the intimate area, naturally.

**Intimate Daily Foam and Daily Wipes**  
Our gynaecologically-tested wipes and foam wash mats and helps to maintain the pH of delicate vaginal skin. Gentle and soothing making them great for daily use.

**The Big Vagina Report**

Exploring the complicated relationships we have with our vaginas



# ENT (+6.5% LFL)

## Therapy highlights (continued)



### ENT

**Earol**® Sterinase®



**£0.2m**  
online revenue  
(1<sup>st</sup> yr launch)

**1**  
new product



“UK’s No.1 ear wax removal spray”

- Earol Olive Spray won the Natural Healthcare category for 2023 MVP Award
- New launch in Tesco in August 2023 (+20% of its UK distribution points)
- Product manufacturing will be internalized from 2024



## Private Label

Products developed, manufactured, and packaged specifically for retailers, who then distribute them through their own retail channels.



New revenue driver



Enhance relationship with retailers



Improve manufacturing utilization



£2.4m  
revenue in 2023



### No7 Rosacea Treatment Serum

Launched in 2023  
£279k in net revenue in 4 months

#### 2024-2025 pipeline:



3 Women's health products  
7 Skincare products



4 Footcare products  
7 Women's health products

## Operational improvement



Expansion of marketing team with a focus on brand building



Entity and group structure rationalization



Introducing AI generative platforms into operation



MDR compliance on track

## ESG practices at 2 manufacturing sites

### Executed carbon footprint study (2020-2023)



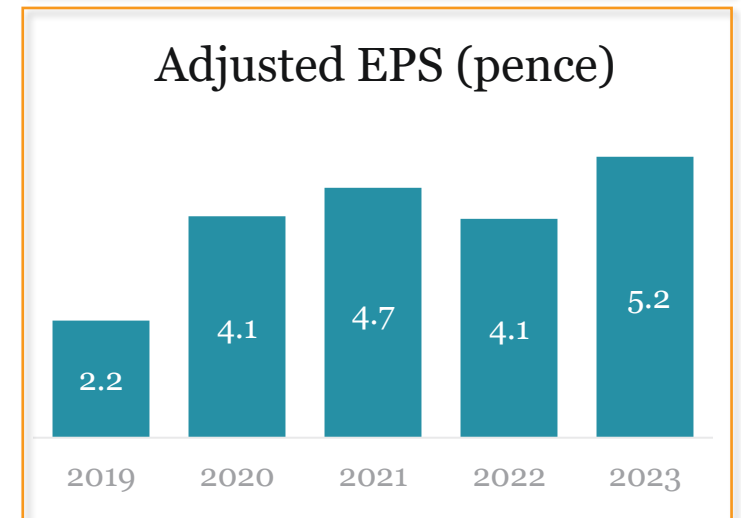
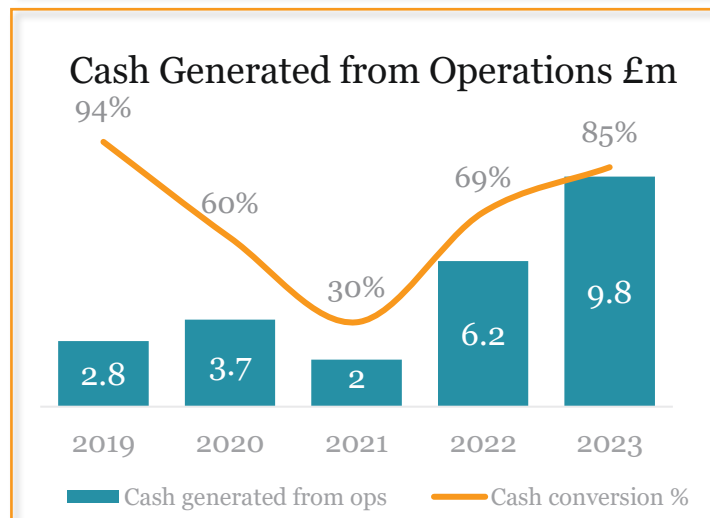
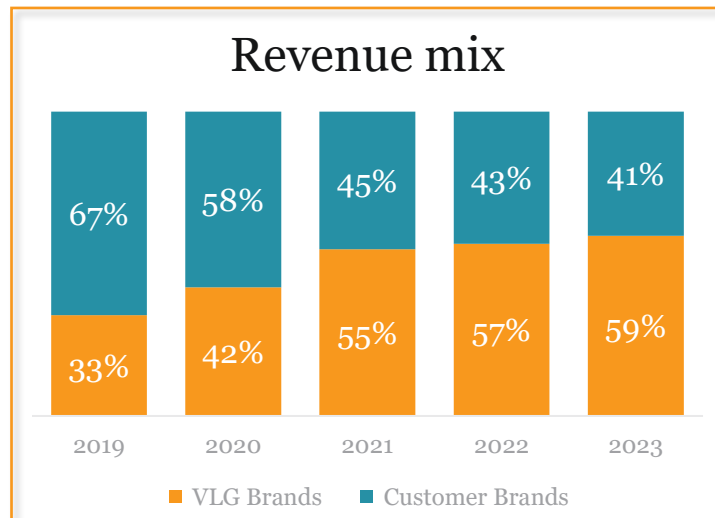
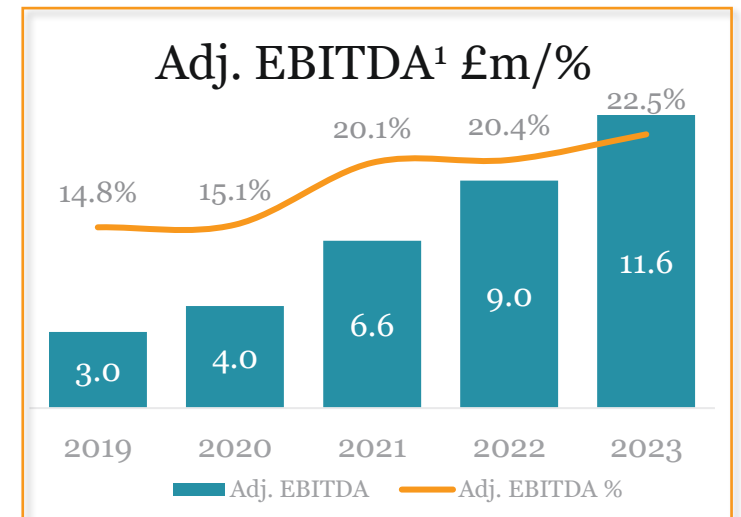
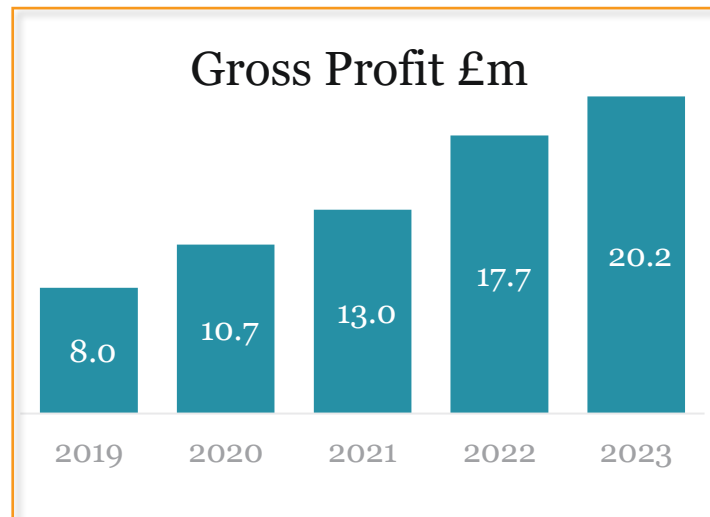
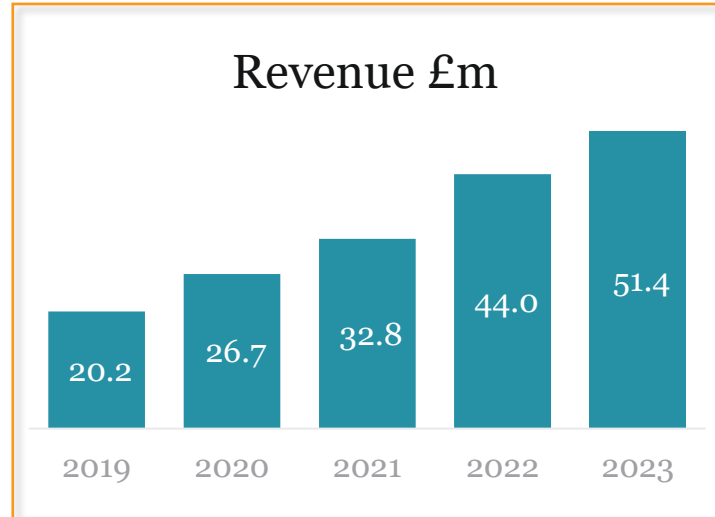
- 14% solar power
- 34% paper and plastic recycled and recovered
- 50% washing water saved

- 59% electricity from renewable sources
- 59% waste recycled



# Continuing upward trajectory despite a challenging environment

## Financial highlights





# Clear trend of EBITDA margin progression

## Margin performance



### Consistent margin improvement at operating level

39.6% 40.1% 39.7% 40.2% 39.3%

-0.5pts from D2C accounting impact

14.8% 15.1% 20.1% 20.4% 22.5%

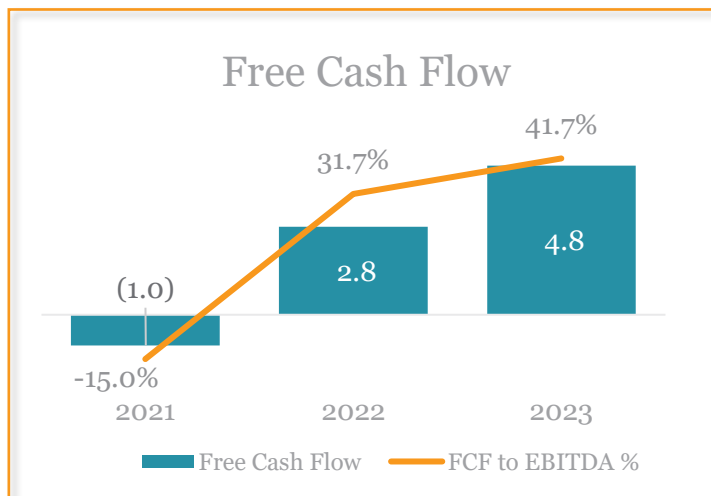
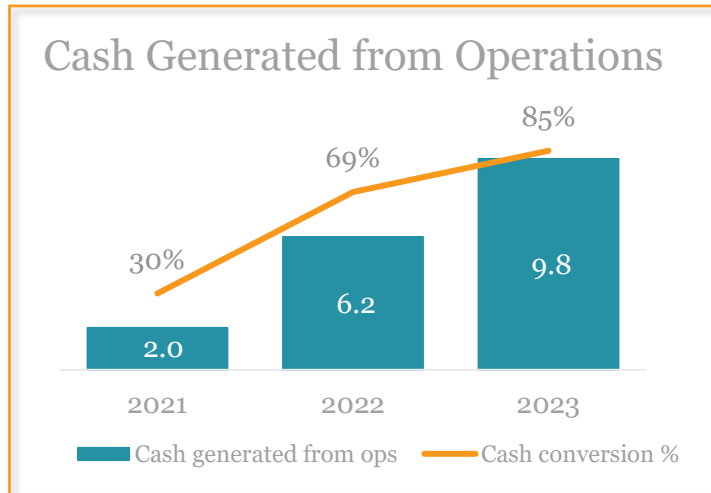
2019 2020 2021 2022 2023

--- Gross margin % — Adj. EBITDA margin %

Margin factors	Impact description	% ↑ ↓	Segment
Online sales growth	Dilutive impact of D2C selling plus change of accounting impact	↓	VLG brands
Inventory management	One-off adverse impact from stock write-off and destruction of discontinued lines	↓	VLG and Customer brands
Others	Unwind of the fair value uplift on inventory from the HLH acquisition	↓	VLG brands
Input costs	Temporary lag effect from rising input costs before being passed on to customers	↓	Customer brands
Sales mix	Temporary margin dilution due to adverse sales mix from high growth of lower margin brands	↓	VLG brands
FX impact	Positive effect from the strengthening EUR on the Group's EUR denominated margins	↑	VLG and Customer brands
License fee income	Increased license fee income pertaining to regulatory obligations	↑	VLG brands

One-off impact

## Cash and net debt performance



### Active leverage reduction resulting from strong cash generation:



Cash generated from operations improved 59% to £9.8m. Cash conversion improved to 85%



Free cash flow improved 71% to £4.8m and free cash flow conversion improved to 41.7%



Reducing net debt to £13.7m (31 Dec-2022: £16.6m), and net leverage reduction to 1.30x (31 Dec-2022: 1.65x)





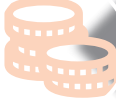



Post period end, net leverage reduced further to 1.15x and RCF renewed for a further 3-year term



# More to expect in 2024

## Post-period & Outlook



-  New revenue stream – private label
-  NPD pipeline tapping into new addressable markets
-  Margin improvement measures including higher sales price
-  Continuation of internalizing manufacturing
-  New distribution partnerships in discussion with top UK & US retail chains
-  Open to acquisition opportunities (margin enhancing and optimizing utilization)



Q&A

