Venture Life

Venture Life Group
Annual Report 2024

Proactive Healthy Longevity

Proactive Healthy Longevity

Overview

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OUR MISSION, VALUES & CULTURE

Values

- Innovation
- Trust
- Integrity
- Consistency
- Responsibility
- Collaboration

Culture

- Teamwork
- Support
- Development
- Inclusivity
- Respect
- Proactivity

Mission

Provide accessible, innovative selfcare products to proactively support a longer healthier life.

AT A GLANCE

What we do

Venture Life provides efficacious and cost effective solutions to help our consumers live a longer healthier and more rewarding life.

Why we do it

The key to living a longer healthier life is to take a proactive, preventative approach to your own healthcare. By providing the products and tools for this, Venture Life will support consumers in this journey.

8
VLG BRANDS

235
SKUs

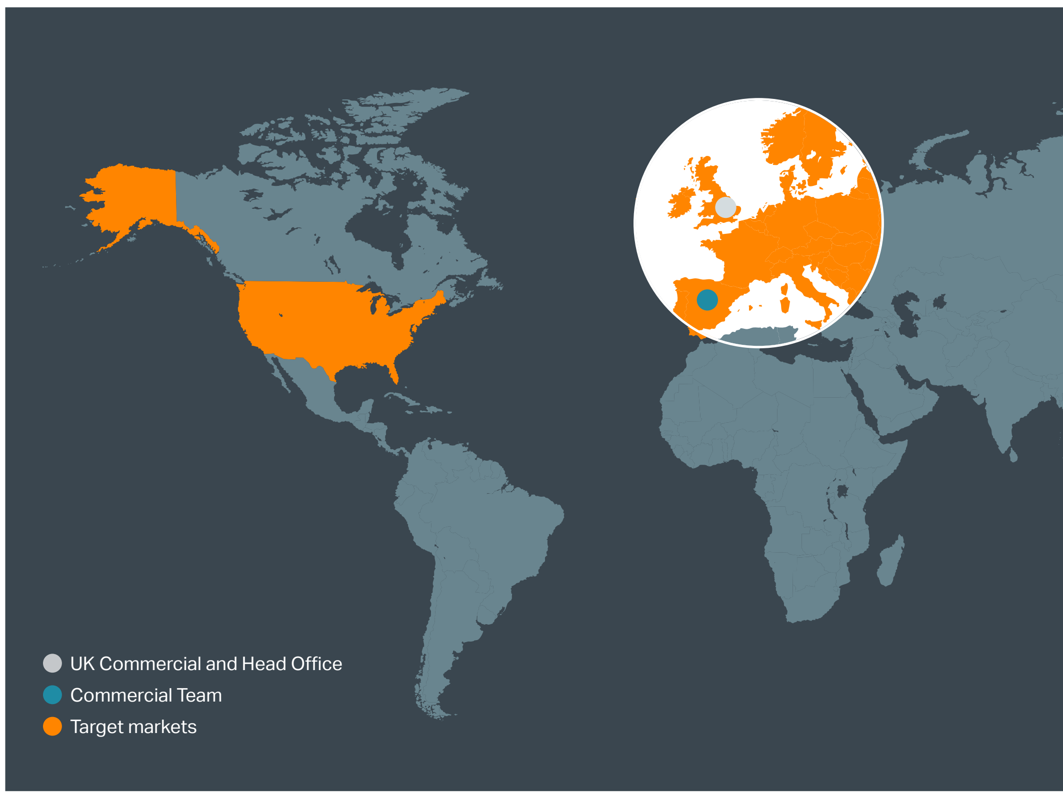
56%
REVENUE FROM MEDICAL DEVICES

44%
REVENUE FROM FOOD SUPPLEMENTS

Where we do it

Venture Life employs an omnichannel go-to-market strategy tailored to where shoppers shop and how they buy.

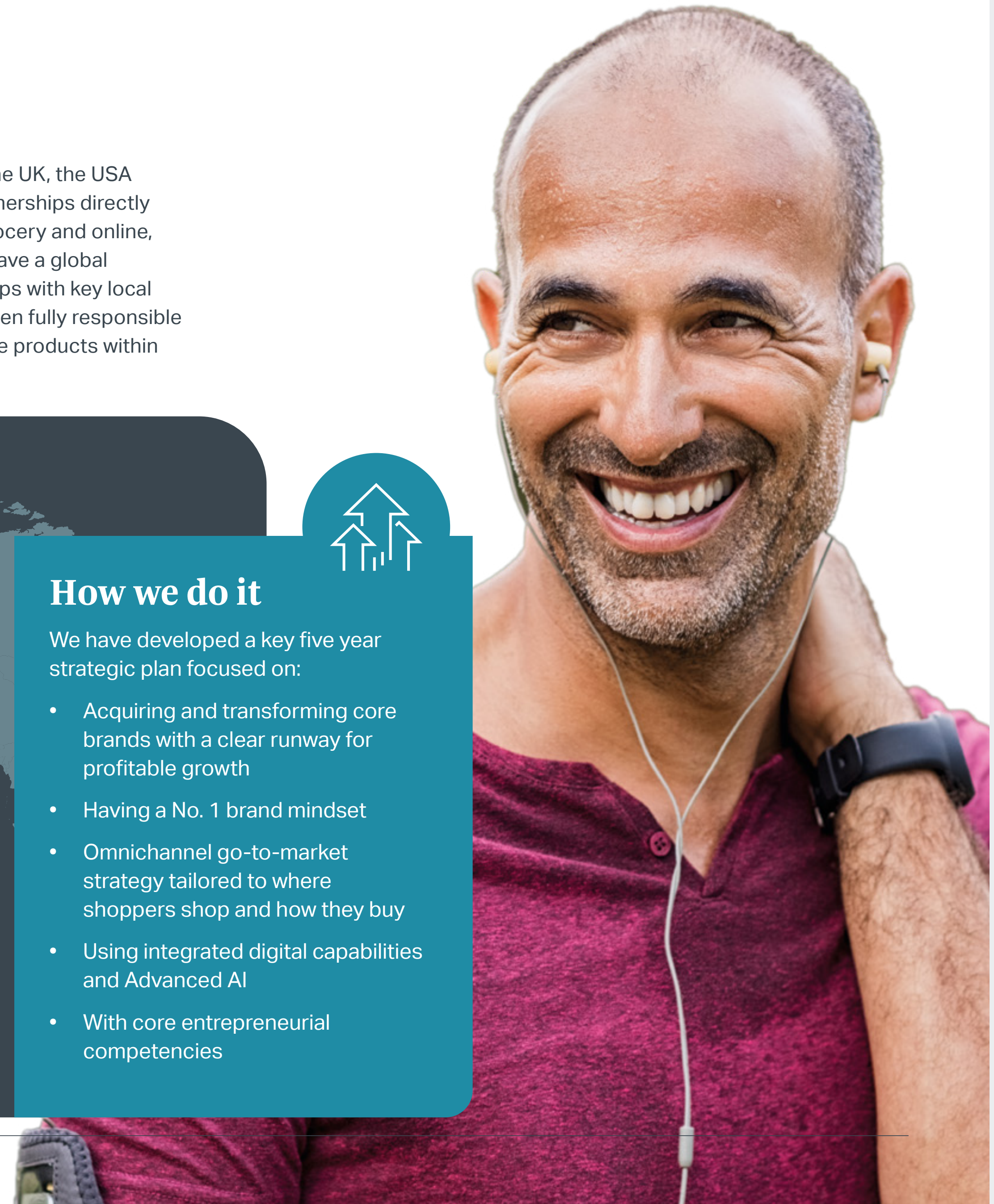
Within certain key markets (currently the UK, the USA and the EU) we build collaborative partnerships directly with key retailers in health & beauty, grocery and online, including Amazon. Outside of this we have a global reach, by forming long-term partnerships with key local distributors in each country, who are then fully responsible for the distribution and marketing of the products within their territories.



How we do it

We have developed a key five year strategic plan focused on:

- Acquiring and transforming core brands with a clear runway for profitable growth
- Having a No. 1 brand mindset
- Omnichannel go-to-market strategy tailored to where shoppers shop and how they buy
- Using integrated digital capabilities and Advanced AI
- With core entrepreneurial competencies



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Our Brands

CATEGORY	% OF VLG BRANDS REVENUE IN 2024	YOY GROWTH	KEY BRANDS
Energy Management	35.0%	+27.5%	lift, GLUCOGEL
Women's Intimate Health	28.4%	+15.5%	BALANCE ACTIV, hervitality
Ear, Nose & Throat	22.4%	+12.4%	Earol
Hormonal Health	3.2%	New Acquisition in 2024	HEALTH & HER, HEALTH & HIM
Oncology Support	10.7%	(14.0%)	Pomi-T, gelclair

We continued to expand our portfolio of own-brand products and have divested the CDMO operations in order to pursue focus on becoming a pure consumer healthcare platform.

Committed and dynamic team

58

TOTAL EMPLOYEES (Dec 2024)

Wide distribution network

31,380

UK DISTRIBUTION POINTS (Dec 2024)

Strong R&D capability

17

NEW PRODUCTS LAUNCHED SINCE 2023

Digitalisation progress

49%

YOY ONLINE REVENUE GROWTH IN 2024

Rich portfolio of products

235

SKUs (Dec 2024)

Solid relationship with distribution partners

58

NEW LISTINGS IN FY 2024

6.1%

REVENUE FROM NEW PRODUCTS (2024)

Divestment of CDMO activities and non-core brands

> "2024 saw strong cash generation and deleveraging which allowed us to resume our M&A Strategy"

Jerry Randall
Chief Executive Officer

The ongoing business delivered strong revenue growth at improved gross margin, fuelled by increased investment in marketing.

Continued Operations[3]

GROUP REVENUE	£26.6m	▲18.9%	(FY23: £22.4m)
GROSS PROFIT	£12.2m	▲31.1%	(FY23: £9.3m)
GROSS MARGIN	45.8%	▲4.2ppts	(FY23: 41.6%)
MARKETING SPEND AS % REVENUE	6.1%	▲2.2ppts	(FY23: 3.9%)
ADJUSTED EBITDA[1]	£6.2m	▲26.1%	(FY23: £4.9m)
ADJUSTED EBITDA MARGIN	23.2%	▲1.3ppts	(FY23: 21.9%)
OPERATING PROFIT BEFORE EXCEPTIONAL ITEMS	£3.1m	▲53.7%	(FY23: £2.0m)
PROFIT BEFORE TAX	£0.0m	n.a.	(FY23: loss £0.5m)
FREE CASH FLOW[3]	£4.3m	▲61.5%	(FY23: £2.7m)
FREE CASHFLOW CONVERSION	69.9%	▲15.3ppts	(FY23: 54.6%)
NET LEVERAGE	1.83x	▲0.53x	(FY23: 1.30x)
ADJUSTED EPS[2]	3.37p	▲29.6%	(FY23: 2.60p)
ADJUSTED PROFIT BEFORE TAX[4]	£4.3m	▲53.1%	(FY23: 2.8m)

[1] Adjusted EBITDA is EBITDA before deduction of exceptional items and share based payments as shown in note 29 of the financial statements.

[2] Adjusted EPS reconciliation shown in note 12 of the financial statements

[3] Continued operations is the ongoing business activities after excluding divestments and items held for sale.

[4] Adjusted Profit Before Tax is Profit Before Tax added back exceptional items, amortisation and share based payments.

Discontinued Operations

REVENUE	£24.9m	▼14.3%	(FY23: £29.0m)
GROSS MARGIN	38.2%	▲0.8ppts	(FY23: 37.4%)
ADJUSTED EBITDA	£5.2m	▼22.1%	(FY23: £6.7m)
ADJUSTED EBITDA MARGIN	20.9%	▼2.0ppts	(FY23: 22.9%)

We have multiple revenue growth opportunities, both organically and through our acquisition strategy.

The divestment of the CDMO operation (see page 19 for details) enables the business to focus investment around the growth as a Branded Consumer Healthcare Platform, with the flexibility of extensive external CDMO capabilities.

Our strategy

- Acquiring and transforming core brands with a clear runway for profitable growth
- A No. 1 brand mindset
- Omnichannel go-to-market strategy tailored to where shoppers shop and how they buy
- Integrated digital capabilities and advanced AI
- Core entrepreneurial competencies
- All CDMO activities externalised

The revised strategy focuses on the development of the higher margin branded products. The externalisation of the CDMO reduces the operating risks of the Group through simplification and the removal of the investment and operational burden of managing manufacturing operations. We, however, retain the innovative expertise of these operations through a long-term development and manufacturing agreement, protecting price and supply for the Group. The divestment allows for our cash generation to be invested purely in our brands and not in the capital intensive nature of manufacturing.

Executing the new strategy requires the business to manage the challenges associated with supply chain reliability, pressure on margins and changing consumer preferences. The long-term development and manufacturing agreement with our CDMO partners helps to navigate these challenges by providing stability and certainty over pricing, as well as building on the strong relationships already held with Biokosmes and Gnesta which have been established over several years and continuing to grant access to R&D expertise. Further, the business has invested in talent acquisition and ERP system which bolster our ability to generate consumer insights by identifying trends which enable new product development ideas and execution of these through highly skilled teams.

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OUR BUSINESS MODEL AND STRATEGY CONTINUED

Development milestones

2010
Company founded

2014
IPO on London Stock Exchange AIM

Merger with Biokosmes Srl - obtained in-house development and manufacturing

2016
Acquisition of UltraDEX brand

2018
Acquisition of Dentyl brand

2020
Acquisition of portfolio of footcare products

2021
Acquisition of Balance Activ, Lift, Glucogel, Gelclair, Pomi-T and XonRID brands, and Gnesta (Sweden) manufacturing facility

2022
Acquisition of Earol brand

2024
Acquisition of Health & Her / Health & Him

2025
Divestment of CDMO activities and non-core brands

- Women's Intimate Health
- Women's & Men's Hormonal Health
- Oral Care
- Energy Management
- ENT
- Footcare
- Oncology

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OUR BUSINESS MODEL AND STRATEGY CONTINUED

Our company

We are committed to providing innovative and efficacious products to support proactive healthy longevity, and we do this by acquiring and transforming core brands with a clear runway for profitable growth. We then develop relationships with retailers and distributors globally to put our products where the shoppers shop. In certain key markets, currently the UK, the USA and the EU we support the products in the retailers with targeted digital marketing. We use data driven insight to design our products to meet consumer needs. Our model is supported by:

- Head office in the UK.
- Commercial operations in the UK and Spain.
- Multiple & diverse external development and manufacturing operations currently across Europe.
- Internal innovation and marketing teams, supplemented as needed with external suppliers.
- Extensive M&A experience within the business in the areas of acquisition and integration.

6
KEY BRANDS

95
MARKETS

10
EXTERNAL MANUFACTURING PARTNERS

3
OPERATIONAL LOCATIONS

8
CORPORATE ACQUISITIONS

Knowledge & expertise

Combined with an experienced management team, our diverse team has extensive experience and history developing and manufacturing healthcare products registered as Medical Devices, Food Supplements and Cosmetics.

Our brands

Our niche range of brands in areas including women's health, men's health, energy management, ENT (Ear, Nose & Throat), oncology support and dermatology. Many of these brands have intellectual property and clinical supporting studies.

Data driven insight

We make extensive use of data to drive insight and innovation for our products. This data help us to design the product to target the specific needs of the consumer.

Acquisition success

We have a proven track record of identifying and acquiring interesting products at sensible prices, then quickly and effectively integrating them by utilising our commercial and manufacturing resources and invigorating acquired brands through dynamic marketing and selling strategies.

Partnerships

Key to our growth is our continued drive to be the "partner of choice" for consumer health care products by fostering and nurturing strong partnerships all over the world, and providing the highest levels of service.

Revolving Credit Facility

Revolving Credit Facility of up to £30 million plus accordion facility for a further £20 million available for further selective earnings enhancing acquisitions.

OUR BUSINESS MODEL AND STRATEGY CONTINUED

Fully integrated for growth

2024 has seen our strategy deliver another year of growth across the key measures of revenue, gross profit and Adjusted EBITDA.

Investments

We have continued to invest in the capabilities of the Group and in particular in both the innovation and development of new products, which have delivered £1.6 million of revenues in 2024.

Acquisition

Our acquisitive strategy is focused on acquiring and transforming core brands with a clear runway for profitable growth. In 2024 we completed our latest acquisition, Health & Her Limited, a very innovative and creative early stage business in the area of hormone support through all life stages for both women and men. Being part of our Group will allow the release of significant commercial synergies between the businesses, and give Health & Her access to much deeper financial and commercial support.

Consistent and sustainable growth

Since entering the public market in 2014 the Group has continued to achieve sustainable revenue and profitability growth through a combination of organic and acquired means. In addition, through its Sustainable Life project, the Group is constantly improving its sustainability and reducing its impact on the environment.

[1] Adjusted EBITDA is EBITDA before deduction of exceptional items and share based payments.

OUR INVESTMENT CASE

We create value for shareholders by acquiring or developing and commercialising products/brands for the self-care market globally.

Sustainable revenue growth

Our consistent delivery of revenue growth since 2014 underscores our robust financial performance. This sustained growth over time signifies strategic prowess and adaptability, positioning VLG as a reliable and formidable player in the market.

SEE FINANCIAL REVIEW P45

Focus on sustainability

We recognise the vital role of sustainability in our business operations. In 2024, we continued to invest in initiatives centred around Environmental, Social and Governance (ESG) principles. Furthermore, our Group places a strong emphasis on giving back to the community as a key focal point of our corporate responsibility efforts.

SEE ESG P30

Margin improvement and strong cash generation

Boosting operational efficiency and increasing our purchasing power through increased demand will positively impact our margins and enable us to use free cash flow generation to reduce debt rapidly and re-invests earning into accretive acquisitions.

SEE FINANCIAL REVIEW P45

Long-term partnerships with international pharmaceutical companies

Our enduring manufacturing partnerships with industry giants like Bayer and Cooper exemplify our commitment to excellence. Focused on high production quality, we maintain solid relationships with major pharmaceutical companies worldwide. Our dedication ensures not only reliable manufacturing but also fosters enduring partnerships built on trust and mutual success.

SEE STAKEHOLDER ENGAGEMENT P35

Brand development and innovation

Our emphasis on brand building, marketing, and continuous innovation underscores our commitment to meeting market demand dynamically. Through strategic branding, targeted marketing efforts, and the continual development of innovative products, we position ourselves to not only respond to but also shape market trends, ensuring sustained relevance and growth.

SEE CASE STUDIES P22 AND P27

Strong distribution partnerships

Our products not only own 31k distribution points across the UK's renowned high streets and grocery stores, but also enjoy a rapidly growing online presence. With a noteworthy 49% year-on-year growth achieved in 2024, our digital footprint enhances accessibility, meeting the evolving needs of consumers seeking convenience and quality in the online marketplace.

SEE OUR BUSINESS MODEL & STRATEGY P9

Long term partnership with expert CDMO's

Although divesting of our CDMO operations in 2025, we have retained this capability through a long-term development and manufacturing agreement which will give us continued and wider access to this expertise.

SEE OUR BUSINESS MODEL & STRATEGY P7

Proven track record in acquisitions

Executing a "buy-and-build" strategy, we drive growth organically and inorganically, achieving remarkable success. Our strategic acquisitions, coupled with organic expansion, create substantial shareholder value. We aim to source impactful acquisitions in the area of proactive healthy longevity which have an accretive impact on our financial performance and a clear pathway to profitable and sustainable growth.

SEE OUR STRATEGY P25

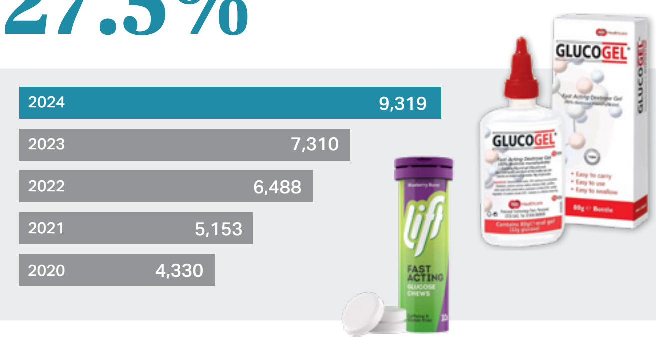
OUR BRANDS

We continued to deliver strong growth across the areas of Energy Management and Women's Intimate Health, and have bolstered our portfolio with the acquisition of Health & Her at the end of the year.

VLG Brands Revenue

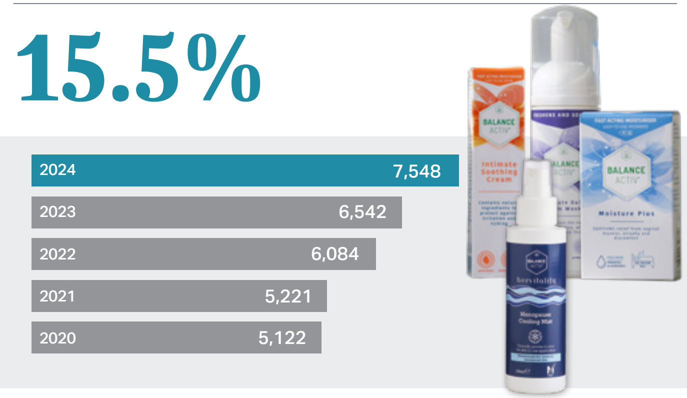
DIABETES / ENERGY MANAGEMENT

27.5%



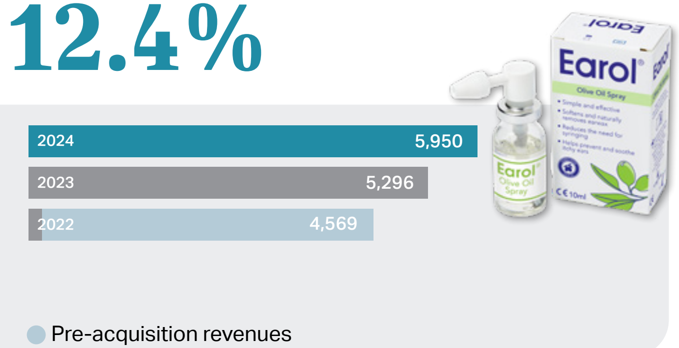
WOMEN'S INTIMATE HEALTH

15.5%



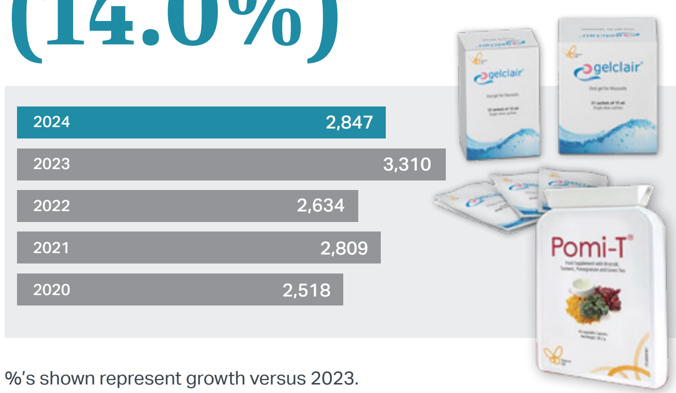
EAR, NOSE & THROAT

12.4%



ONCOLOGY

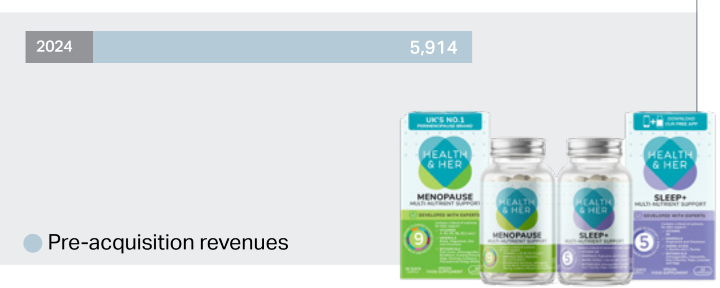
(14.0%)



%'s shown represent growth versus 2023.

WOMEN'S & MEN'S HORMONAL HEALTH

New Acquisition in 2024



CHAIRMAN'S STATEMENT

"The Board would like to express its deepest thanks to the whole VLG family for their commitment and dedication that have worked tirelessly through the year to deliver these results."

11.1%

VLG BRANDS LFL REVENUE GROWTH[1]

I am pleased to share our 2024 results with you, where we saw our increased investment in advertising and promotion of our VLG Brands drive revenue growth of 18.9% and, coupled with operational efficiencies, contributed to lifting our overall gross margin by 4.2ppts to 45.8% which reflects the ongoing business following the decision to divest the CDMO operations and the oral care brands

We have been particularly pleased to be able to re-commence our M&A buy and build strategy and welcome the Health & Her team into the Group at the end of October. This very talented, innovative, data driven business focuses on helping consumers with the effects of hormonal change through all life stages and launched initially in women's health but now has launched products in men's health also. The clever use of product and app interaction has, since launch, helped thousands of women with the debilitating symptoms of perimenopause and menopause, and built a good market position in the UK, with their key retailer relationship being with Holland & Barrett. We are delighted that the founders, Kate and Gervase, and their team, are part of the VLG family now, and already we are seeing many excellent commercial synergies materialise. We expect this business and its people to be a significant contributor to the Group in the future. The acquisition and overall growth took our team to 58 employees by the end of the year.

The equity markets have continued to be very weak through 2024, and have stopped our ability to raise equity finance for acquisitive growth, but the Group has continued to generate cash and utilise its RCF sensibly to fund the Health & Her acquisition, but we are hopeful that initiatives by the government in 2025 will help small cap equity markets to recover and enable us to once again use our equity for growth, the only reason for being on the market in the first place.

Post-period end, we were delighted to exchange contracts on the divestment of our CDMO operations in Italy and Sweden, along with a number of smaller non-core products. This transaction is expected to complete sometime early Q3 2025, subject to the satisfactory completion of some FDI (Foreign Direct Investment) regulatory filings in Italy and Sweden, which are currently in process. This divestment significantly streamlines the business and will allow us to focus on being a pure-branded consumer healthcare business. As well as realising significant cash resources for growth, both organically and acquisitively, this will leave the business with the higher margin branded products with pricing power which can build market share. We will be sad that the teams at Biokosmes and Gnesta are no longer part of VLG, however we will continue to work closely with them under the long term manufacturing and development agreement we will enter into at completion, so losing none of the innovation, development and manufacturing expertise that has helped VLG develop over the last ten years. The Board extends its deep gratitude to everyone at Biokosmes and Gnesta for all their contribution to VLG over these years, and wish them the very best success under their new ownership.

Following on from these changes the Group has refined its strategic focus going forward to focus on the area of proactive healthy longevity for consumers, developing and growing preventative and treatment products to improve a person's healthspan. Our portfolio will continue to develop with a no.1 market share mindset, using best in class technology and data driven insight, and ensuring that our products will be where the shopper shops and we are committed to actively review the composition of the Board to align with the Group's renewed strategic direction, to ensure appropriate diversity and skillsets are represented at the Board level, and to align with an increasing focus on the company being digital/innovation led.

The 2024 results and the developments in the business in 2025 give us a strong springboard into 2025 and the Board looks forward to capitalising on the opportunities we have in the future as a pure play consumer healthcare platform, and delivering growth in shareholder value.

Paul McGreevy
Non-Executive Chair

Financial Review – Read more on page 45

[1]LFL = Like for like

CHIEF EXECUTIVE OFFICER'S STATEMENT

2024 was a year in which the Group invested more in the development of its branded business, VLG Brands.

2024 was a year in which the group invested more in the development of its branded business, the VLG Brands. Advertising and promotion spend on the VLG Brands in the UK & EU retail channel increased by nearly 80% to £1.6 million, a key factor in driving revenue growth of 18.9% to £26.6 million (2023: £22.4 million), which included a contribution from the Health & Her acquisition of £0.8 million (2023: £nil) since acquisition. On a proforma basis including the Health & Her revenues for the full year of acquisition, VLG Brands grew 11.1% organically driven by 16% growth in Women's Health, 28% growth in Lift and 12% growth in Ear, Nose & Throat care and, as can be seen, this increased investment significantly contributed to the revenue growth of the VLG Brands.

This investment in the VLG Brands included the acquisition of the Health & Her (H&H) business at the end of October 2024 for an upfront cash consideration of £7.5 million, plus a further £0.7 million in cash payable 12 months post completion, with an additional £1.8 million of consideration payable in cash contingent upon H&H achieving expected trading results for the twelve months post completion. As detailed on pages 22 to 23 of this report, H&H is an innovative business with highly data driven insight, that supports consumers through the effects of hormonal change through all life stages. Founded in 2018, the business initially focused on women's health and has developed a series of food supplements that replace nutrients depleted at different levels of hormones (including exogenous). The business has also developed an app which helps track the symptoms experienced by women, and gives support to help with the impact of perimenopause and menopause.

Having initially focused on women's health, H&H has now launched a range of products for men's health including support for men during andropause and other areas such as sleep and nocturia.

Revenues of H&H for the year ended 31st May 2024 were £5.9 million and the business generated a loss before tax of £0.4 million reflecting the significant investment in product development and marketing activities under previous ownership. However, by the end of 2024 the business was making an EBITDA profit on a monthly basis, and is expected to significantly increase revenues and profitability in the 2025 calendar year. The majority of current sales are in the UK, where its biggest retail partner is Holland & Barrett, other customers include Boots, Superdrug, J Sainsbury, Morrisons and Waitrose, as well as Amazon. Outside of the UK, it has initiated sales in the EU & the USA (where the first product has launched with a major retailer, with more launches during 2025).

We see significant synergies between H&H, in particular on terms of commercial opportunities and revenue growth. H&H has a strong presence with Holland & Barrett in the UK, which until now VLG had not, and already there is agreement from Holland & Barrett to begin to launch a number of exiting VLG Brands. Similarly in the USA, H&H has a good initial relationship with a key USA retailer, and we expect this relationship to grow with more H&H products but also with existing VLG Brands. The business is also in discussion with other key USA retailers.

[2]NPD = New product development

6.1%

GROUP REVENUE FROM NPD[2]
2023: 2.0%

+26.1%

ADJUSTED EBITDA GROWTH

CHIEF EXECUTIVE OFFICER'S STATEMENT CONTINUED

H&H has an excellent innovative team that has developed a very exciting and innovative brand, which has made extensive use of data driven insight to design its products and offering. Operationally, H&H has significant digital expertise, in both marketing and its app development, which we expect to leverage across the whole VLG Brands business.

I have been particularly pleased with the improvement in gross margin of the ongoing business during the year of 4.2 ppts to 45.8% (2023: 41.6%) which has been driven primarily by margin improvements achieved on supplier negotiations and the production transfer of Earol into Biokosmes. The acquisition of the H&H business contributed to this for the two month period post-completion as these products achieve a significantly higher gross margin compared to the Group average.

The increase in gross profit of £2.9 million has been re-invested into the VLG Brands business, covering the increased advertising and promotion mentioned above, as well as investment in the commercial team and development of new products, resulting in Adjusted EBITDA of £6.2 million (2023: £4.9 million). However this investment will generate value for many years going forward.

Overall cash from operations of £8.4 million was marginally higher than the previous year (£8.2 million), and this cash generation throughout the year had a very positive effect on deleveraging the Group. November and December were higher than expected revenue months for the Group which meant that the cash collection seen in Q1 2025 has been higher than expected. The strong cash generation delivered good deleverage of our net debt in the period, and prior to the acquisition of H&H on 8th November 2024, net debt leverage was at c.1.0x, having been c.1.4x at the start of the year, demonstrating the ability of the Group to quickly delever. By end of the year net leverage had increased to 1.8x reflecting the impact of the H&H acquisition and has subsequently fallen to 1.6x at end of May 2025.

VLG Brands performance overview by therapeutic areas

Women's Health

Balance Activ

£7.5m

+15.5%

REVENUE

Balance Activ witnessed over +15% revenue growth in the year, including a +6% YoY growth in e-commerce revenue, with multipacks and thrush cream being the biggest contributors to this performance. Our newest NPD Thrush cream (registered medical device), in fact, continues to exceed expectations, launching in Grocery, High Street and Pharmacy channels. We have experienced a particularly strong growth in Pharmacy (+83% YoY) where we made ten listings across major UK wholesalers, with the ambition to establish our presence in Independent Pharmacies. This achievement underscores our capability to meet consumer demand through tailored product innovation and understanding the trends in the market.

In 2024 we launched our 'V-Revolution' campaign to strengthen our position in the women's health sector, this is a dynamic and all-encompassing marketing strategy which came to fruition off the back of our successful consumer research named Big Vagina Report campaign 2023. Women told us that, although somewhat embarrassing, they wanted to feel empowered to make choices about their bodies through credible education. We partnered with healthcare professionals and advocates to develop a podcast and social Q&A series which helped to shine a light on everything from BV (Bacterial Vaginosis) to navigating the menopause and its signs and symptoms. This multifaceted approach will embolden women to talk about their intimate health with less embarrassment, leading to a step change in the way women understand their bodies and shop for solutions.

The Women's Intimate Health (WIH) is a £112 million market in the UK. Our objective remains to emerge as the leading brand in this segment, transforming behaviours and extending care to women of all ages and curating our innovation to unlock women's life stages. The future is bright for Balance Activ as the brand embarks on its newest category expansion with the addition of a menopause range tailored to support the overall wellbeing of women through menopause. The range consists of six products: Cooling Mist, Anti-aging face Serum, Collagen boosting Face Mask (cosmetics), Vaginal dryness moisturising Gel and Pessaries (registered medical devices) and Perimenopause & Menopause Complex (food supplement) and is set to launch in Boots and Amazon in April 2025.

Women's Hormonal Health

Health & Her

£5.9m

(new in 2024)

PROFORMA REVENUE

Health & Her, a brand currently providing supplements and digital support for the female hormonal health journey, was acquired by VLG in October 2024. Whilst their menopause and peri-menopause products currently constitute the majority of the business's revenue, the business has extended its offering further and now offers new products targeted at younger women and also into the area of male hormonal health. H&H is a leading brand in hormonal wellbeing supplements and offers a free educational app to support holistic health.

The brand retracted slightly during 2024 to £5.9 million (2023: £6.1 million) due to the limited investment capability of the previous owners. However, the brand made significant strides in enhancing profitability, with substantial improvements in margins across its product portfolio.

Retail revenue saw a 13% increase, with particularly strong growth in the US and Irish markets. Product launches in key US retailers, including Vitamin Shoppe and CVS have opened the door to sizable further growth opportunities in this market. As a result, total US revenue grew by 68%, demonstrating the brand's potential in international markets. Additionally, Health & Her's US e-commerce sales saw significant growth, further reinforcing the importance of digital channels particularly in markets with lower retail penetration.

Extensive groundwork was laid in 2024 for a number of innovative product launches which will go live throughout 2025 in key retailers including Holland & Barrett, Rite Aid, CVS, Boots and Superdrug. These upcoming product expansions will not only strengthen Health & Her's market presence but also reinforce its commitment to delivering data driven and efficacious solutions for all women.

Under VLG's ownership the VLG Board expects to achieve significant synergies between VLG and H&H, at both a revenue and operating level which involve cross business resource synergies as each business will exploit its expertise for the benefit of the other and these will become effective during 2025.

Ear, Nose & Throat

Earol, Earol Swim, Baby Earol, Sterinase

£6.0m

+12.4%

REVENUE

HL Healthcare (including Earol) was acquired by Venture Life at the end of 2022. At that time, the Earol range, including EarolSwim, had limited distribution in the UK and internationally, with minimal marketing support. In 2024, we expanded the brand's reach across several UK retailers, such as Tesco and Morrisons, and introduced the product to new EU markets.

Additionally, the Earol range was broadened with the launch of three new products: Baby Earol, Earol Almond Oil, and Earol Aftercare Spray. This expansion positions the brand as a comprehensive ear care solution for the whole family. The overall brand growth YoY is underpinned by a strong performance online (+213% YoY) where multipacks drive the numbers, demonstrating consumers are willing to treat and prevent earwax build up. Pharmacy is another big growth contributor (+70% YoY) where performance mostly stemmed from a mix of CPI and ten new listings to major UK wholesalers.

Upon acquiring HL Healthcare, the Earol products were initially manufactured by an external CMO. In 2024, we transitioned the majority of Earol's manufacturing to Biokosmes. This shift has resulted in a reduction in the cost of goods sold and improved working capital efficiency.

Earol continues to be highly regarded by ear care specialists, having won multiple industry accolades since the acquisition, including the MVP Awards in 2023 and 2024, and the Pharmacy Product of the Year Award for 2025. These achievements reinforce the brand's premium quality and solidify its position in the market as a trusted choice.

By the end of 2024, Earol had maintained its position as the No. 2 brand in the UK ENT market, with a 13% market share. With increased investment in marketing, we anticipate continued growth, with brand awareness rising by over 20 percentage points throughout 2024. This highlights the significant impact of targeted brand awareness campaigns on both sales and market positioning.

Oncology Support

Gelclair, Pomi-T

£2.8m

-14.0%

REVENUE

In an evolving healthcare market, we remained committed to our core mission: to deliver effective, science-backed relief through advanced mucoadhesive technology. Gelclair's dedication to improving the lives of patients facing oral mucositis and related conditions has seen revenues of £1.7 million for the year (2023: £2.1 million). In the prior year, some of our key customers increased their stock holding to meet regulatory requirements, normalising the ordering trends this business was in marginal growth over the comparative period. This was supported by our expanded reach into new markets, strengthened relationships with healthcare providers, and investment in clinical research to further validate Gelclair's unique benefits. These growth drivers are expected to deliver meaningful revenue uplifts in 2025 as market demand from new customer launches in Brazil and Canada generate momentum. Our product continues to be a trusted option for oncology support care globally, and feedback from both clinicians and patients affirms the life-changing difference it makes during difficult treatment journeys.

The Pomi-T business delivered stable revenues of £1.1 million (2023: £1.2 million) and the Group has implemented a re-branding exercise for the product which we intend to launch in 2025 and we are excited by the complementary nature of Pomi-T which sits well alongside the recently acquired male health product portfolio from Health and Her Limited.

CHIEF EXECUTIVE OFFICER'S STATEMENT CONTINUED

Energy Management

Lift, Glucogel

£9.3m
+27.5%

REVENUE

Energy continues being the biggest contributor to the Group growth for the second consecutive year in 2024, with Lift revenues showing a further increase of +38%. This growth has been driven by a performance in the online channel where Lift shots continued performing strongly.

Furthermore, the Pharmacy channel has shown significant performance, influenced by a mix of CPI annualisation from mid-2023 and 18 new listings across wholesalers, contributing 65% to the overall performance. The introduction of these new listings has expanded the variety of products available to customers, which in turn has driven increased sales and customer engagement within the channel.

We have further broadened Lift's offering in the diabetes segment by introducing two new shot flavours, Strawberry & Lime and Fruity Tropical, which are already proving popular with diabetics. Both products generated £0.3m for the Group, affirming Lift's dominance in the diabetes community. A more focused advertising spend has helped the brand establish its presence both online and in store, with awareness up 59% over the year.

Lift aims to empower people, including those with diabetes and individuals seeking to revitalise their mental and physical well-being. By providing accessible and effective glucose products for managing low blood sugar and innovative energy management solutions. Lift supports an active and worry-free lifestyle, elevating confidence and vitality.

Men's Hormonal Health

Health & Him

£0.1m
(newly launched late 2024)

REVENUE

Health & Him entered the market in October 2024 with strong initial momentum, benefiting from established consumer trust, credibility, and brand recognition from its sister brand Health & Her. The initial goal with the Health & Him brand is to support men navigating andropause and hormonal health challenges in their midlife but there is scope for this to extend into other men's health needs.

Andropause, commonly referred to as the "male menopause", is a natural stage of ageing marked by a gradual decline in testosterone levels, typically beginning in a man's late 40s to early 50s. Bioavailable testosterone can decrease by 2 – 3% per year, meaning that by their 50s, many men may have lost 30 – 50% of their testosterone levels compared to their 20s.* Despite its impact, awareness of andropause remains low, with studies showing that around 78% of men are unaware with the term.* However, growing public discussion, particularly as high-profile figures and celebrities such as Robbie Williams speak more openly about it, is driving a shift in awareness.

Health & Him, driven by deep consumer insight and a strong understanding of the needs of today's men, particularly those experiencing andropause, has quickly gained traction. The brand is now listed in over 900 UK retail locations including Holland & Barrett, Boots, Amazon UK, and its own DTC platform. In May 2025, the brand recorded a month on month growth of 30% in unit sales, reflecting growing consumer awareness and trust.

With early commercial success and rising demand, the brand is now entering its next phase of growth. A robust pipeline of new product development is underway, designed to expand the range and further support men navigating the physical and emotional shifts of midlife.

With VLG's support and synergies, the Health & Him brand is expected to continue its strong momentum. More than a brand, it is fast becoming a movement, reshaping how men approach midlife wellbeing and other men's health challenges.

*Censuswide, 2024. Survey of 1006 males in the UK aged between 40-55, July 2024. Research conducted for Health & Him

Divestment of CDMO activities and Non-Core Products

As announced on 12th May 2025, post period end VLG entered into a binding agreement with BioDue S.p.A ("**Biodue**"), a contract development and manufacturing organisation ("**CDMO**") based in Italy, for the sale of:

- 100 percent of the issued share capital of Biokosmes SRL ("**Biokosmes**") and of Venture Life Manufacturing AB, the holding company of Kullgren Holdings AB and Rolf Kullgren AB ("**Gnesta**") (collectively the "**CDMO Business**"); and
- some of the Group's peripheral products[1] (collectively the "**Non-Core Products**" and associated commercial agreements (together with the CDMO Business, the "**Target Assets**")

for a consideration of €62.0 million (c.£53.0 million) (the "**Sale**") on a cash free, debt free basis.

Completion of the Sale is conditional on the satisfaction of certain conditions, including the approval under the applicable foreign direct investment regimes in Italy and Sweden, and it is expected that completion will take place in Q3 2025.

The consideration will be payable in cash and in full to the Company on completion (the "**Proceeds**"). The Proceeds will provide Venture Life and its subsidiaries (the "**Group**") with significant financial resources to invest further behind its existing brands, and to seek and select further complementary acquisitions of products and assets across the UK, US and Europe enabling the Group to capitalise on the opportunities available and continue scaling the business to deliver growth for shareholders. The Proceeds will also be utilised to pay down the Group's drawn balance ("**Debt**") on its Revolving Credit Facility ("**RCF**"), although the facility will remain in place.

The Sale presents the opportunity for the Board to streamline the Company's operations through the disposal of the Non-Core Products whilst simultaneously being able to move the business away from capital intensive manufacturing operations. This will enable the Group to direct increased cashflow into the commercialisation, growth and development of the Group's higher margin core brands namely Balance Activ, Health & Her/Him, Lift, Earol, Pomi T and Gelclair (collectively the "**Power Brands**").

The Group will retain all its key strategic customer relationships pertaining to the Power Brands, including the partnership with Bayer Consumer Care AG, and will continue to expand its franchise in women's health which remains a strong area of focus going forward.

The Board believes that the Sale represents an opportunity for the Company to realise cash at an attractive multiple on lower margin capital intensive assets which it can redeploy, post repayment of the Debt, in the growth of its existing Power Brands as well as in the acquisition of carefully selected, margin accretive, fast growth assets, at lower multiples, in key geographic markets (UK/US/EU), where the Board believes there is a significant opportunity to create strong commercial synergies across the Group's core categories of interest.

Following the Sale, the Group will become a pure play consumer healthcare brand platform focusing on "Proactive Healthy Longevity" for the consumer, providing both preventative and treatment solutions to support a longer healthier life. This will involve investment in data driven insight and integrated digital capabilities to help drive growth from our existing brands, simultaneously leveraging an omnichannel go to market strategy in key markets to be where the shopper shops and seeking selective acquisitions in complementary high growth categories which have a clear road to profitable growth.

On completion, the Group will enter into a long-term development and manufacturing agreement for an initial term of ten years whereby Biokosmes and Gnesta will continue to provide development and manufacturing services to the Company as part of BioDue's larger CDMO business.

The CDMO Business will take on ownership, management and maintenance of some of the requisite technical files relevant to the manufacturing of some of the Power Brands, with Venture Life retaining perpetual, exclusive and royalty free global rights over these. Following the Sale, the Group will be the largest customer to the CDMO Business and this continued strategic partnership will enable Venture Life to continue building on its product innovation and development pipeline.

Disposal of the oral care brands

Further to the divestment of the CDMO business and Non-Core Products, the Board believe the time is right to also divest its oral care brands, specifically Dentyl and Ultradex. The Group has begun actively marketing the brands for sale and expect a transaction to be completed within twelve months of the year end.

The oral care brands have become non-core and now sit outside of the key strategic objectives of the Group going forwards as well as being dilutive to overall marginality. The oral care market is a highly competitive area with three major players to compete against for shelf space in our retailers and we have limited the amount of marketing investment behind these in order to prioritise other opportunities. Under new ownership the oral care brands will have greater opportunity to fulfil their potential and make further distribution gains in both the UK and overseas.

Venture Life will recycle the cash generated from a sale into new assets which are more complementary to our core focus categories of women's health, men's health and sexual wellness.

[1] Xonrid, Procto-eze, Rosacalma, Vonalei, NeuroAge, Lissio, and the private label footcare products for wart and fungal nail treatments.

2025 outlook

The year has started well with strong revenues in the first quarter and a growing order book, and the integration of Health & Her progressing well. Already we have seen commercial synergies with the new business, that has seen inroads gained with a number of our the VLG Brands being listed in Holland & Barrett, the main H&H customer. Our innovation pipeline is rich for the coming years, and we see these developments being a significant contributor to growth in years to come.

The continued increase in investment in advertising and promotion continues to generate growth from our key brands, and we are delighted to see the launch of our new topical menopause range Hervitality in key retailers in this first half.

The divestment of the CDMO operations will bring significant cash resources for redeployment in the Group, through both increased investment and support of existing brands as well as the acquisition of other complementary brands, where we continue to look for interesting acquisition opportunities that fit with our strategic objectives and our funding resources.

With a good start to the year and the H&H integration progressing well, and with the divestment of the CDMO on track to complete in Q3 2025, the Board looks forward with confidence to updating shareholders further during the course of the year.

Sincerely,

Jerry Randall
Chief Executive Officer

Health & Her

Health & Her was the first brand in the UK to launch app support alongside its award-winning range of menopause supplements. The app was designed to support women with personalised tracking of their wellbeing, triggers and periods during this significant hormonal transition. It also provides a library of educational articles and evidence-based digital tools like pelvic floor exercising, deep breathing and cognitive behavioural therapy and is the No.1 Rated Menopause App by Organisation for the Review of Care and Health Apps (ORCHA) in the UK with a score of 86%.

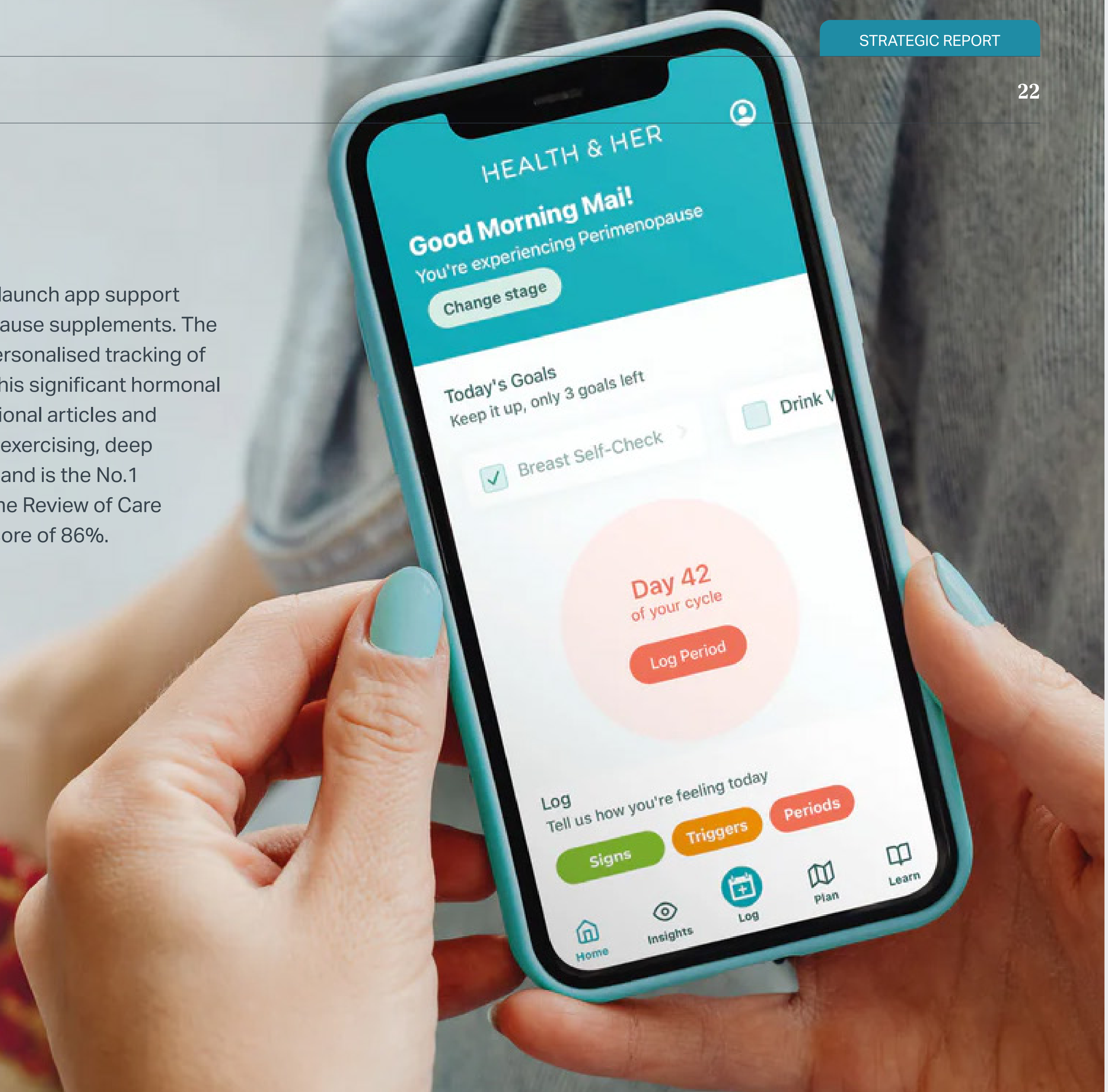
Downloaded in

176

COUNTRIES (Dec 2024)

480k

DOWNLOADS (Dec 2024)



CASE STUDY CONTINUED

The Health & Her app has been shown to significantly enhance the value of the Health & Her Supplement Business by driving customer acquisition and extending lifetime value (LTV). Users of the app demonstrate a 59% higher LTV compared to non-users, which directly impacts the revenue stream by enhancing customer loyalty and retention. The app also provides a source for additional customer acquisition, which alone delivers 8% of all business revenue.

The app is highly rated and trusted, with endorsements from reputable organisations like ORCHA and strong user ratings on digital platforms. This trust is leveraged to drive brand loyalty and purchase intent, making the app a vital touchpoint for influencing consumer behaviour.

By providing daily tracking, habit-building and education alongside supplement reminders and repurchase prompts, the app supports supplement regimen compliance and overall brand saliency. This not only improves customer outcomes but also enhances satisfaction and loyalty, thereby increasing average frequency of brand interactions and repurchase rates.

In addition, the app serves as a crucial tool for gathering user insights and trends, which inform product development and marketing strategies. Approximately 90% of the Health & Her product range and new product development have been inspired by insights derived from the app, significantly reducing the costs and time associated with traditional market research.

The app's scientific backing, demonstrated through published research in the British Medical Journal, adds credibility and allows the introduction of scientifically proven claims in marketing materials. This not only positions the brand as a leader in evidence-based solutions for menopause but also supports expansion into new markets like the USA. These factors combine to create a robust platform for sustained growth and market penetration.

No.1 Rated

No.1 Rated Menopause App by Organisation for the Review of Care and Health Apps

MARKET TRENDS AND OPPORTUNITIES

Navigating the Currents: Trends and Opportunities in the Personal Care Market:

In the wake of the COVID-19 pandemic, the personal care market is witnessing a significant transformation, driven by shifting consumer behaviours and emerging societal trends. The following points highlight key aspects of this evolution and the opportunities it presents.

Rising Self-Care Awareness Post-COVID:

The pandemic has ushered in a heightened awareness of the importance of self-care. According to a survey conducted by The Harris Poll on behalf of Samueli Integrative Health Programs, a staggering 80% of respondents expressed their commitment to being more mindful about practicing regular self-care once the pandemic subsides. This shift reflects a growing understanding of the integral role personal well-being plays in overall health.

SEE STRATEGY 1

Self-Care Alleviates Burden on Understaffed NHS:

Beyond individual well-being, the emphasis on self-care has broader implications, particularly in alleviating the strain on healthcare systems such as the National Health Service (NHS). As highlighted by the NHS, embracing self-care practices can significantly reduce the burden on healthcare professionals and resources, empowering individuals to take charge of their health and well-being. This paradigm shift offers opportunities for personal care brands to align their products with the broader societal goal of promoting self-sufficiency in health management.

SEE STRATEGY 2

Inspiring and Convenient Digital Channels for Personal Goods Shopping:

The rise of digitalisation has reshaped consumer habits, and personal care is no exception. Consumers are increasingly turning to online platforms for their personal care needs, seeking inspiration and convenience. E-commerce channels provide a platform for brands to engage with consumers, offering personalised recommendations and creating an immersive shopping experience. Personal care brands that capitalise on the digital landscape stand to benefit from this shift in consumer behaviour.

SEE STRATEGY 3

Sustainable Consumption for Eco-Conscious Consumers:

Another notable trend in the personal care market is the growing emphasis on sustainable consumption. As eco-consciousness gains momentum, consumers are actively seeking products that align with their values of environmental responsibility. Personal care brands can seize this opportunity by adopting sustainable practices in product development, packaging, and distribution. From eco-friendly packaging to cruelty-free formulations, aligning with sustainability trends not only meets consumer demands but also contributes to a positive brand image.

SEE STRATEGY 4

OUR STRATEGY

1 Acquiring & transforming power brands with a clear runway for profitable growth

- Consistent & complementary with current strategy, categories & portfolio, in high opportunity segments, available in major diverse geographic markets
- Rapidly achievable cross synergies (across channels, customers, market penetration, costs, data insight) both upstream & downstream to capitalise best capability & opportunity.
- Preventative, post prevention bias in age agnostic health span Health & Wellbeing
- Robust investment appraisal process (incl make or buy,) efficient funding structures, fast investment return, integration roadmaps, talent retention & data driven look-back exercises

2 Number 1 Brand & Category Mindset

- Strategic focused opportunities with significant white space where VLG can grow faster than the competition & win
- Being at the cutting edge of marketing best practices & trends to deliver fast-scaling full funnel growth
- Pioneering consumer-centric and HCP research which fuels our breakthrough innovation engine & drives relationships with key stakeholders
- Levering the strong equity of our power brands into multiple life-stage occasions with a focus on delivering for mum (key purchase influencer)
- Create a supportive positive experience beyond the physical product through tech-enabled practices which drives purchase intent, loyalty, trust & repeat purchases

3 Omnichannel go to market strategy tailored to where shoppers shop & how they buy

- Lead2Win via positioning VLG as shopper thought leader in proactive self-care
- Partner4Success with the leading UK and International Retailers and Distributors
- Built insight driven, differentiated and added value strategic customer partnerships at all levels
- More4More: Unlock investment and joint assets to resource joint opportunities that fuel sustainable growth
- Become a thought leader in Digital First to offer insights & touchpoints across existing & emerging customers

4 Integrated digital capabilities with advanced AI & robust data to drive insights

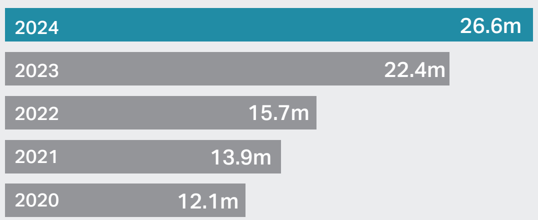
- Strategic investment in AI & digital capabilities through technology, talent acquisition & continuous learning
- Scalable automation fosters agility, efficiency, & adaptability
- Advanced analytics & insights support data-driven decision making
- A digital-first culture is integrated into standard operating procedures, with data integrity & validation as a core part of decision processes
- Robust governance & infrastructure frameworks ensure protection, compliance, & one source of truth

5 Winning Ways of Working : Core entrepreneurial competencies

- A strategic choice in partners to allow us, together, to learn from all successes & ensure a sustainable, long term, win-win collaboration
- Excel in Consumer Brand Marketing, Shopper Marketing, Customer Development, Supply Chain Efficiency & Strategic Value Partnerships
- Excel in Consumer Brand Marketing, Shopper Marketing, Customer Development, Supply Chain Efficiency & Strategic Value Partnerships
- Encouraged transparent continuous communication to enhance opportunity leverage learnings, problem solving & replicability of success
- Mindset of the team to drive achievement of Double-Double success through scalable, profitable growth opportunities

Our KPIs[1] measure our progress, aligning with our strategic framework and our road map for developing our business in the coming years.

Group Revenue



Definition
The total amount of income generated by the sale of goods and services.

Why we measure
Consistent and sustainable growth is a key part of our business model.

Digitalisation

18.7%

+4.0ppts (FY23: 14.7%)

Definition
Revenue generated through e-Commerce activities, e.g. Amazon and own websites.

Why we measure
The digital space is becoming increasingly important and remains the most efficient way to reach our target audience.

Adjusted EBITDA

£6.2m

+26.1% (FY23: £4.9m)

Definition
Earnings before interest, tax, depreciation and amortisation (EBITDA) before deduction of exceptional items and share based payments.

Why we measure
Consistent and sustainable growth in profitability is a key element of our business model.

Gross Margin

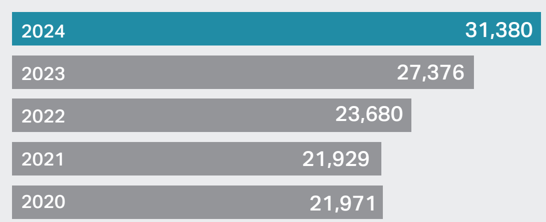
45.8%

+4.2ppts (FY23: 41.6%)

Definition
The percentage of our gross profit as a proportion of revenue.

Why we measure
To measure the direct profitability of our sales and ensure any mitigation or improvements are actioned.

Distribution Points



Definition
Total number of product listings of VLG Brands across high street, pharmacy and grocery channels in the UK.

Why we measure
Strong distribution is critical to the success of the VLG Brands so that consumers have access to our products.

New Product Development

6.1%

+4.1ppts (FY23: 2.0%)

Definition
Revenue generated from newly developed products based on first twelve months since launch.

Why we measure
Insight led innovation is pivotal to VLG's strategy and the Board has set an objective to achieve 20% of revenue from new product launches over the coming years.

[1] KPIs are based on performance of continued operations and have been re-presented to exclude divested activities.

Hervitality Launches Menopause Support Range

VLG is dedicated to empowering and educating consumers as well as addressing health issues which impact women through all stages of life. Taking a proactive approach, this incorporates brand development and building, and new product development.

For many years menopausal women (perimenopausal, menopausal and post-menopausal) have been unrepresented and underserved by the healthcare industry. Despite the fact all biological women will at some point in their life experience menopause, 44% of menopausal women felt their needs were unmet by products currently available with many seeking solutions in the wider fixture.

To address the gap in the market, VLG created a bespoke range of six unique products under the Balance Activ brand consisting of a Cooling Face Mist, Anti-aging Face Serum, Collagen Boosting Face Mask, Vaginal Moisturising Gel, Vaginal Moisturising Pessaries and Perimenopause & Menopause Complex Food Supplements. Hervitality has been designed to offer a non-hormonal range specifically formulated to maintain wellbeing of women experiencing common menopausal symptoms, including dry and itchy skin, vaginal dryness, depleted energy and brain fog.

By showcasing interviews from our 'Real Women' sharing their menopause journeys and reviews on our products, the launch campaign grounds itself in the realities of Menopause and what solutions are available to support them through this natural transition.

The brand has also onboarded Dr. Megha Dhavale, a GP specialising in women's health, as the brand's KOL and Ambassador to add credibility and trust to the brands proposition.

Alongside the launch, VLG undertook extensive consumer research to understand attitudes surrounding menopause, across all people. The research was commissioned to not only delve into the experiences of women who are currently in or who have previously experienced menopause, but also the women yet to enter the menopause, and of their male friends, colleagues, partners, and family members. This was carried out to further establish Balance Activ's authority and position as a lead brand in female intimate care.

With a dedicated focus on menopause specific products, VLG aims to tap into the vast market opportunity, estimated to be worth £16bn by 2028, whilst continuing to offer affordable and effective products for women.

13m

WOMEN IN MENOPAUSE IN UK*

76%

OF WOMEN BELIEVE SELF-CARE PRODUCTS FOR MANAGING MENOPAUSE SYMPTOMS ARE IMPORTANT**

* https://www.rcn.org.uk/clinical-topics/Womens-health/Menopause/Menopause-at-work#:~:text=It%20has%20been%20estimated%20that,menopausal%20women%20are%20 in%20work. Menopause at work | Royal College of Nursing. The menopause is a natural stage in a woman's life and the way this affects each woman is individual and unique.
** Balance Activ Menopause 2024 Research Sample: perimenopausal or menopausal women 325*

Balance Activ's Digital-First Marketing Strategy

Enhancing Engagement in Intimate Health

Our brand Balance Activ, known for its intimate health products such as Bacterial Vaginosis and Thrush Creams, has successfully implemented a digital-first marketing strategy to address the sensitive nature of its market. Our mission is to empower women* to take control of their intimate health through expert advice and dependable solutions that work in harmony with the body. Because we believe all women deserve to better understand their bodies at every stage of life and have the choice to restore balance.

Campaign Overview

The V-Revolution is breaking down barriers and shining a light on intimate health with confidence and creating a community where taboo topics are transformed into empowering discussions. With in-depth knowledge of how our audience consumes media, we created an impactful national campaign using leading digital platforms. The campaign strategy involved using a mix of educational and product content via Meta, YouTube boosted content to drive brand awareness with podcasts, shorts, and six-second ads and paid search via Google targeting those seeking information.

Key Success Factors

Delivering valuable content through the V-Revolution podcasts series and the Big Vagina Report (BVR) initiative. We're determined that women gain the confidence they need to talk more openly about this topic without shame, whether that be with friends, health professionals or the local pharmacist.

Following a 2023 BVR survey of 5,000 women, the V-Revolution digital campaign launched a podcast series on women's intimate health. In one episode, comedian Diona Doherty and Olympian Michelle Griffith-Robinson discuss menopause, addressing hot flashes, mood swings, self-esteem, and intimacy.

* The term 'women' in this report is used to describe those who told us they identify as female.

** Based on data from Jan 2022 – Dec 2024.

Engagement Insights

Engagement insights reveal that educational content, particularly podcasts and the Big Vagina Report (BVR), achieved the highest levels of engagement. Incentives such as report downloads effectively encouraged participation, while video content and social peer reviews generated significant click-through rates (CTR). Additionally, podcast shorts garnered substantial attention, boasting a 73% engagement rate, and podcasts addressing topics like "Menopause" & "Discharge" became the most viewed content.

Performance Results

Overall, these efforts resulted in an average CTR of 10.45%, significantly surpassing the average of 1.9%. The website has seen substantial performance** improvements, with a 54% year-over-year average increase in traffic and a 122% increase in organic traffic. There has also been a 28% year-over-year average increase in returning visitors. Campaign results have been impressive, boasting a 10.45% average click-through rate on Google, significantly higher than the channel average of 1.9%, and an average cost per click of £0.30. On YouTube, engagement rates reached 73%, and there were 7.3 million impressions across all channels.

Why Digital is Balance Activ's Advantage

Discreet & Targeted Reach: Balance Activ employs SEO and content marketing to rank for terms related to Bacterial Vaginosis (BV), thrush, and vaginal dryness, attracting women actively seeking solutions. They also use highly targeted social media and paid digital ads to ensure their messages reach relevant demographics without the broad, potentially uncomfortable exposure of traditional media.

Empowering Education: The comprehensive website offers detailed product information, usage guides, and educational content on common intimate health conditions. This empowers women to understand their bodies and make informed choices, building trust in the brand.

Building Community & Trust: Through platforms like Facebook and Instagram, Balance Activ engages in sensitive conversations, shares educational content, and directly addresses customer queries. This open dialogue helps dismantle taboos and fosters a supportive community focused on empowering women's intimate health.

Balance Activ's digital-first approach focuses on providing an informative and accessible platform for women to manage their intimate health. This strategy has helped establish their reputation within the sector.

58

TOTAL EMPLOYEES (Dec 2024)

84%

ARE SATISFIED WORKING AT VLG (2023: 75%)

80%

THINK SUSTAINABILITY IS "VERY IMPORTANT" WHEN WORKING AT VLG (2023: 80%)

In our ongoing commitment to fostering a vibrant and engaged workplace, we are delighted to share the positive trends in employee engagement for the year. Highlighting our progress in 2024, we implemented several initiatives aimed at enhancing the well-being and camaraderie among our employees:

Work Health Promotion Project - "HEALTHY WEEKS" Campaign:

The Company has renewed its participation in the Workplace Health Promotion (WHP) program, reaffirming its commitment to promoting employee health and well-being. Having already taken part in this initiative in previous years, the company continues its ongoing improvement journey to enhance working conditions and the quality of life for its employees. The program follows a preventive and proactive approach, aimed at encouraging healthy lifestyles through targeted initiatives such as promoting balanced nutrition, encouraging physical activity, raising awareness of the risks associated with smoking and alcohol consumption, and providing support programs for stress management.

This renewal further strengthens the company's health and safety oriented corporate culture, aligning with its Corporate Social Responsibility (CSR) objectives. Maintaining participation in the WHP program not only enhances individual well-being but also helps improve the workplace atmosphere, increase productivity, and reduce absenteeism. Through the active engagement of employees and collaboration with healthcare organisations and local institutions, the Company once again demonstrates its commitment to fostering a healthier, more inclusive, and sustainable work environment, recognising that employee well-being is a key factor in long-term growth and success.

Employee Training - Three-Tier Approach:

We are implementing a group-wide, comprehensive training program with three tiers: mandatory, recommended, and leadership. This multi-tiered approach ensures that employees receive tailored training to enhance their skills, stay informed, and develop leadership capabilities.

Employee Quarterly Events:

Recognising the significance of team building and fostering positive relationships outside the office, we introduced quarterly events for employees. These events offer a half-day off each quarter, dedicated to entertaining team-building activities that strengthen bonds and create a positive work culture.

Electric Vehicle Scheme in Partnership with Octopus:

In line with our commitment to sustainability, we are initiating an electric vehicle scheme in partnership with Octopus. This program allows employees to use salary sacrifice for affordable access to clean energy cars for their daily commute, contributing to our collective efforts in reducing our carbon footprint.

As we continue to prioritise employee engagement, these initiatives reflect our dedication to creating a workplace that not only meets professional needs but also nurtures personal growth, well-being, and a sense of community among our valued team members.

Our Priority SDGs for our sustainable development

3 GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promote well-being for all ages.

7 AFFORDABLE AND CLEAN ENERGY

Progressing towards sourcing more of our energy from renewable resources.

8 DECENT WORK AND ECONOMIC GROWTH

Helping our colleagues to succeed by providing support, flexibility and rewards to help them grow.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Investing in innovation and technology to further support our drive to sustainability.

10 REDUCED INEQUALITIES

Reducing inequality within and between nations.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Ambition to reduce waste and increase recycling and recyclability of products.

13 CLIMATE ACTION

Reduce our carbon emissions.

14 LIFE BELOW WATER

Conserve and sustainably use the oceans, seas and marine resources for sustainable development.

> **As the global pursuit of net-zero targets gains momentum, we are dedicated to double down our efforts in the realm of ESG initiatives. Our overarching goal is to emerge as a trustworthy, responsible, and sustainable business entity, with a dedicated focus on nurturing Our Planet, fortifying Our Business, and fostering the well-being of Our Community**
>
> **Jerry Randall**
> CEO

Sustainable Development Goals

The 2030 Agenda for Sustainable Development, was adopted by all United Nations Member States in 2015, and provides a shared blueprint for peace and prosperity for people and the planet, now and in the future.

We believe the 17 Sustainable Development Goals (SDGs) are a clear framework for creating an effective ESG strategy and our commitments will therefore be aligned against the relevant SDGs.

In 2024, the VLG initiated a coordinated group wide ESG strategy, signalling a commitment to sustainable business practices. Common ESG practices were implemented across all units, driven by the shared dedication of employees and the Board to invest time and resources. This strategic shift aimed to not only align with ESG principles but also enhance the Group's standing as a source of pride for customers valuing responsible corporate conduct.

All departments worked diligently throughout the year to integrate ESG considerations into their operations, resulting in notable achievements. KPIs provided a transparent measure of the group's performance against common ESG goals and Sustainable Development Goals (SDGs), guiding its trajectory towards sustainable practices.

As the organisation reflects on the successes of 2024, the focus now shifts to 2025, where efforts will intensify. New investments and ambitious targets will be pursued, reinforcing the commitment to ESG principles. The Group aims to solidify its position as a leader in sustainable business practices, meeting and surpassing stakeholder expectations. This ongoing pursuit of excellence, positions the organisation to make a lasting impact on both the corporate landscape and the communities it serves.

In 2024, we undertook stakeholder research to identify our eight priority Sustainable Development Goals.

In alignment with the United Nations directives on sustainability, our Group aims to achieve net zero carbon emissions by 2050. In 2024, we worked to establish our carbon footprint. In consultation with expert advisers, we identified the key areas of interest for planning decarbonisation activities. These efforts will form the basis of our progression towards achieving net zero by 2050.

Our ESG Strategy: The 5 step approach we are taking.

ESG Leadership Team
Our leadership team will be formed from a diverse and accurate representation of our stakeholders

Stakeholder Consultation
We will consult with our stakeholders to understand the expectations on us, in being a trusted, responsible, and sustainable business

Priority Goals
Learning from our stakeholders' views and expectations, identify our priority goals and ensure alignment to the SDGs

Measurement method
The key to our ESG success will be creating a clear and transparent measure of progress against each of the goals set

Reporting
Regular reporting and transparency of progress to our stakeholders

In 2024, we have achieved some tremendous steps on this journey:

Our People

Our efforts to enhance employees' well-being have resulted in a healthy, inclusive work environment. Success is due to welfare policies, health and safety training, and support for work-life balance. We will continue prioritising employee well-being in 2025.

VLG meets nearly all KPIs emphasising our commitment to a productive, inclusive, and sustainable work environment.

We actively promote inclusion and equal opportunities. Company-initiated events are well received and attended. VLG plans to integrate volunteering into its corporate culture for greater social impact.

Our Business

The office fruit basket initiative promotes healthy eating and enhances employee well-being.

The annual survey indicated that the average employee satisfaction score exceeded 80%.

The Seedl training platform achieved 88.9% employee engagement, meeting our goal for continuous development.

Our Community

Our 2024 team and individual volunteering days were well received, with many team members enjoying the activities and making a difference to local causes like Age Concern Bracknell and Chloe and Sophie's Special Ear Fund.

The launch of our Electric Car Salary Sacrifice Scheme exceeded our expectations with a 12.9% uptake in the scheme.

Key activities during 2025 for the Venture Life Sustainable Life team will be numerous.

We have made considerable progress in 2024 and will continue to focus our efforts on the UK site.

Supplier Engagement:
Enhance supply chain cooperation through open communication, shared goals, and collaborative technologies for better efficiency and stronger partnerships.

Environmental Sustainability:
Optimise emissions management and reduce the overall carbon footprint across the value chain.

Employee Well-Being:
Enhance employee health through corporate welfare initiatives, targeted healthcare programs, awareness campaigns, and preventive measures.

Personal Development Plans:
Implement the VLG PDP process. Increase focus on Personal Development Plan (PDP) during 2025. Finalize by mid-January. Conduct reviews late January/early February. Complete PDPs by Q1 2025.

Mentoring Scheme:
Launch pilot mentoring, followed by a full launch. Assign a manager. Provide essential training. Complete by end of 2025.

Apprenticeship Scheme:
Review 2025 recruitment to explore apprentice options and utilise available government funding. Utilise 95% government funding for training.

Equality & Diversity:
- Roll out recruitment policy in Q1.
- Increase data capture for gender and nationality.
- Report on sexual orientation and disability.

Electric Car Scheme:
Continue to promote Salary Sacrifice Electric Car programme. Launch Salary Sacrifice Electric Car program.

Annual Nominated Sustainable Charity:
Continue to support our chosen charities and contribute to the community, enhancing our social responsibility commitment and corporate values. This involvement has united employees and boosted their morale.

Well-being Days:
Allocate one full day or two half-days yearly for well-being activities. Start in January 2025.

Volunteering Days:
Allocate two half-days per quarter toward the company's nominated charity.

Training:
Provide leadership and management training for all managers to help maintain a safe and open organisational culture for everyone. By equipping managers with these skills, we can create an environment where all employees feel valued and supported.

Summary

These initiatives underscore our unwavering commitment to sustainability and community engagement, reinforcing our dedication to making a positive impact both within and outside the organisation. Our emphasis on environmental responsibility through the Electric Car Scheme not only benefits our employees but also contributes to global ecological sustainability. The Volunteering Days reflect our belief in community service, encouraging a spirit of altruism among our staff. By supporting a Nominated Sustainable Charity, we aim to drive meaningful change and inspire a sense of purpose in our fundraising activities.

Streamlined Energy and Carbon Reporting

We are required to comply with the Companies (Directors' Report) and Limited Liability Partnerships (Energy & Carbon Report) Regulations, this covers Streamlined Energy and Carbon Reporting (SECR). The results are achieved according to the Green House Gas (GHG) Protocol requirements foreseen by The Corporate Accounting and Reporting Standard and The Product Life Cycle Accounting and Reporting Standard.

In accordance with the GHG Protocol guidelines, VLG has implemented the consolidation approach known as "operational control" for its operations. This approach is in line with the conventional accounting and reporting practices adopted by numerous companies that monitor and report emissions from the facilities under their management, specifically those for which they possess the operational licence.

Under this framework, VLG is accountable for the entirety of emissions from operations that are either directly overseen by the company or its subsidiaries. It is important to highlight that having operational control confers upon the company the full authority to make all decisions regarding the management of its operations.

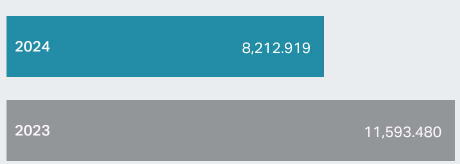
Environmental Impact

In 2024, VLG emitted 8,212,919 Kg CO_2e, a reduction of 29.2% since the previous year. During the year, the Group has been committed to identifying opportunities to reduce its carbon footprint and to further establishing solid foundations to track performance and measure progress against initiatives. In conjunction with this, we engaged external consultants to undertake further verification of the data obtained for our carbon footprint analysis which led to correction of the published prior year emissions following previous overstatement, this included performing detailed assessments of each category with additional emphasis placed on the following areas which hold the most meaningful opportunity for us to reduce our environmental impact:

- Energy consumption (gas, diesel, electricity).
- Raw materials, packaging, and logistics.
- Opportunities for improving sourcing and transport processes.

These focus areas have become integral to our decision making processes related to infrastructure, procurement and logistics management.

Total Emissions (Kg CO_2e)



Key Achievements in 2024:

- Switch to bio-based and regenerative raw material supplies (e.g. sorbital for biomass, plant based propylene glycol).
- Increased usage of recycled or sustainable packaging materials (e.g. recycled HDPE, bio-based PET).
- Increased supplier engagement including receipt of emission reduction plans from key suppliers.
- Increased focus on consolidating shipments and reducing 'wasted' container space.
- Promotion of smart working, carpooling and public transport incentives for our employees.
- Installation of new boiler system for CDMO, reducing annual carbon emissions by over 46k tco_2.

Our reporting

Our calculations are based on records we hold and use location-based emissions in compliance with the factors published by DEFRA from 2023 to 2024. We report all our Scope 1 and Scope 2 emissions. On top of that, we also made voluntary disclosure of wider Scope 1 emissions, including other fuel use, refrigerants and manufacturing emissions.

- **Scope 1 - Direct emissions (voluntary disclosures including other fuel use, refrigerants and manufacturing emissions)**

  Scope 2 - Indirect emissions

- **Scope 3 - Other indirect emissions**

The table below covers the total emissions from our activities for all locations in 2024, it also offers a comparison to 2023.

Scope	GHG Protocol Classification	Yearly comparison (kg CO_2e) 2023	2024
Scope 1	Direct emissions	**331.940**	**443.407**
Scope 2	Market based	**326.540**	**402.994**
	Location based	**190.360**	**202.830**
Scope 3 Upstream	Other indirect emissions	**10,524.680**	**5,828.942**
	- Purchased goods and services	9,256.660	4,112.955
	- Capital goods	190.020	1,075.625
	- Fuel and energy related activities	94.730	141.834
	- Transportation and distribution	715.660	203.240
	- Waste generated in operations	112.010	91.758
	- Business travel	37.750	37.248
	- Employee commuting	117.850	166.281
Scope 3 Downstream	Other indirect emissions	**219.960**	**1,334.747**
	- Transportation and distribution	150.560	1,147.681
	- End of life treatment for sold products	69.400	187.066
	Total Scope 1, 2 & 3	**11,593.480**	**8,212.919**

*prior year figures corrected

Delivering value to our consumers, suppliers, customers, communities, employees, shareholders.

Consumers

What matters to them

Quality products for enhanced life quality:
Consumers prioritise quality products that elevate their daily lives. Our commitment is to exceed these expectations by delivering excellence and creating lasting connections.

Affordable products with easy access:
Recognising the importance of accessibility, we expanded distribution points by 4,004 in the UK. Our pricing strategy ensures that our products remain affordable and accessible, enriching daily lives without undue strain.

How we delivered

Introduction of new products:
Since the beginning of 2023 we have launched 17 new products, showcasing our dedication to innovation and keeping up to date with market trends.

Wide distribution network across the UK and considerate pricing:
31,380 distribution points across the UK ensure our products are readily available, making it easier for consumers to access quality goods. Our pricing strategy strikes a balance between quality and affordability, reflecting our commitment to making our products a seamless part of consumers' everyday lives.

Communities

What matters to them

Responsible corporate keeps giving back to the communities:
Communities want local businesses to actively contribute, creating a positive cycle of growth for both.

Sustainable business practices:
Communities want a clean and organised environment whereby the corporate is aware and vigilant about the potential impact caused by its business practices.

How we delivered

Community wellbeing:
We have reinforced our recycle and recover activities across all three operational sites, and plan for more community engagement activities for 2025.

Measure and mitigate:
We executed a carbon footprint study for both manufacturing plants in Italy and Sweden to quantify, understand and mitigate emissions from production.

STAKEHOLDER ENGAGEMENT CONTINUED

Customers

What matters to them:

Meeting supplier demands for high-quality products:
Our clients, renowned FMCG companies worldwide, have exacting standards for both products and services. They seek products characterised by superior quality, attractive design, and the ability to meet high-volume demands.

Eco-packaging and product life cycle assessment:
In response to environmental concerns and the need to adhere to Scope 3 emissions requirements, customers insist on packaging solutions that meet stringent environmental standards. They specifically request packaging made from durable, recyclable, reliable, and eco-friendly materials.

Innovation and customisation in formulas:
In a rapidly changing market where consumer preferences evolve swiftly, our clients require a reliable partner with robust research and development capabilities. This partnership is crucial for product innovation and development to keep up with emerging trends and to satisfy consumer demand for new and exciting products.

Ensuring regulatory compliance:
As the European Union Medical Device Regulation (EU MDR) takes effect, our clients prioritise collaborations with partners capable of ensuring timely compliance. The ability to meet regulatory requirements is crucial for maintaining a seamless business relationship.

How we delivered:

World-class fully-automated production lines:
Our suppliers' state-of-the-art, fully-automated production line ensures precision, efficiency, and consistency, reducing production times and enhancing overall efficiency.

Continued access to CDMO capability:
Our external comprehensive CDMO capability provides end-to-end services, ensuring a holistic manufacturing process and delivers best-in-class customer services underpinned by a long-term manufacturing and supply agreement.

EU MDR compliance:
Actively working towards European Union Medical Device Regulation (EU MDR) compliance showcases our dedication to meeting regulatory standards on time.

STAKEHOLDER ENGAGEMENT CONTINUED

Employees

What matters to them:

Feeling engaged and satisfied:
Employees want to know more about what's happening in the Company so they can feel connected to the cause they work for every day. Our latest survey shows that 84% of staff agree that they always want to give their best whenever at work.

Personal growth opportunities:
Our employees aspire to grow together with the Company. The employees' motivation for skill development and guidance is evident, as they strive to keep pace with the rapid growth of the company and the swiftly changing industry.

How we delivered:

Quarterly team-building event:
In 2024, we organised another four team-building activities that focus on fostering trust, communication, and collaboration among team members by incorporating fun and interactive elements to encourage camaraderie and strengthen the sense of belonging within the organisation.

Employee training program:
We have implemented an extensive training program that encompasses technical skills, soft skills, and industry-specific knowledge. The program is structured in three tiers, allowing for customisation to meet individual needs. This ensures that the training remains relevant and applicable to various roles within the organisation.

Shareholders

What matters to them:

Consistent value return with better profitability:
Shareholders value a steady and reliable return on their investment, which is exemplified by improved profitability. This indicates the maturity of the company and its ongoing commitment to enhancing operational excellence.

Striking a balance between healthy balance sheet and acquisitive expansion:
Companies that find the right balance between sustainable growth and financial resilience are better positioned to thrive in a constantly changing business environment.

How we delivered:

Improving margin:
We have placed a strong emphasis on enhancing our margin, ensuring that our operations are not only profitable but also optimised for efficiency. Through diligent cost management and process improvements, we aim to consistently improve our bottom line, providing shareholders with the desired value return on their investments.

Delivering growth while cutting down net leverage ratio:
Despite the challenges in the market, we have continued to deliver market-leading growth. During the year we engaged with our shareholders to obtain their view on acceptable leverage which were taken into consideration when exploring acquisition opportunities and optimal timing.

Introduction

The Board periodically reviews the principal risks and uncertainties of the Group as part of regular ESG updates issued by the CEO and seeks to identify the key risks that could significantly affect performance, potentially causing our actual results to differ from expected and historical outcomes over the short, medium or long term. The business functions regularly update the principal risks to reflect current threats and opportunities, noting whether the risk level is increasing or decreasing.

The cyber threat landscape has recently intensified and continues to evolve rapidly. We expect more sophisticated attacks involving ransomware, social engineering, and AI-powered cybercrime. The rapid advancements in generative AI increase the risk of misuse, which could erode trust and credibility and lead to legal liabilities.

We outline mitigating actions to manage our principal risks but recognise their limitations. Not all actions may succeed, and some threats might not be fully eliminated. If these risks materialise or are not effectively mitigated, our cash flow, financial position, operating results, and reputation could suffer significantly.

Reducing our impact on the environment is a key goal for the Group, specifically reducing our carbon footprint and building our 2050 net zero plan. With all of the CDMO operations now becoming external to the Group, the vast majority of our carbon footprint will sit within Scope 3. In the future, sustainability and carbon footprint considerations will be an integral part of our procurement function going forwards and we will work with our suppliers to continually strive towards achieving these goals.

As part of this, climate risk is a key consideration of the Group as it is precipitating both increased scrutiny from all stakeholders (including consumers), and associated legislation that is requiring CDMO activities to implement initiatives which reduce the impact on the environment. It is vital that our procurement activities focus on utilising more sustainable, lower carbon footprint operations for our products to meet these challenges.

The following pages set out the Principal Risks agreed by the Board which have been identified following good practice as recorded in ISO 31000 and provided our people with a clear glossary of risk management terms and definitions as well as the individual steps required as part of the Group's risk management process. The objectives for each primary business function are agreed in conjunction with key departmental heads together with the identified threats to the realisation of those objectives which are ultimately captured as part of the business risk register. The Group's risk register assesses threats in terms of their probability and impact (cost, reputation and the environment) and sets out the mitigating actions for each of these and target completion dates.

PRINCIPAL RISKS AND UNCERTAINTIES CONTINUED

Principal risk

No change in risk | Increase in risk | Decrease in risk

Customer Preference

No change in risk

RISK

- The Group do not stay up-to-date with consumer trends and preferences (such as more natural remedies) and sudden changes in preferences following high profile media coverage of medical specialists expressing their opinions on the most effective and safe products.
- Competitors create new customer preferences by the launch of new unique products.
- Consumer tastes, preferences and behaviours are changing more rapidly than ever before due to a heightened awareness of the acceleration in climate change.
- Competitors become more agile and responsive to consumer buying preferences which reflect their concerns over the environment.

IMPACT

- Current products become less attractive to consumers as they are considered less environmentally friendly or effective than competitors' products.
- The Group experiences a reduction in sales, revenue and profitability.

MITIGATION

- We monitor external market trends and collate consumer, customer and shopper insights in order to develop brand strategies and build competitive advantage.
- Our marketing and commercial functions actively search for ways in which to translate the trends in consumer 'preference and taste' into new technologies for incorporation into future products.
- We are focused on elevating brand experience with the aid of particular marketing initiatives undertaken with specific retailers.
- Our innovative management processes convert strategies into projects to launch new products in the market, scale technology across categories, and build up the multi-year innovation pipeline.
- Our brand communication strategies are designed to engage consumers in order to build our brand equity.
- We aim to connect with consumers with relevant brand messaging content on a continuous basis.
- We adopt effective and relevant messaging using an omnichannel approach to reflect the high-end products we wish to promote, with increasing emphasis on digital and social platforms or the latest media trend.

Customer and Channel

Decrease in risk

RISK

- Failure to maintain a strong relationship with existing customers due to new entrants to the market or existing competitors depleting the Group's market share.
- The loss of a group of customers representing a significant proportion of the Group's revenue.
- Lack of awareness of and response to changing shopper habits.
- Protracted cycle of penetrating new national and international markets and building relationships with new customers.
- Inability to increase the number of product types or increase our presence in the retail market.
- E-commerce platforms impose advertising restrictions, trading rules and seller policies that curtail sales.

IMPACT

- Any deterioration of relationships with customers would reduce the availability of our products to consumers and impact sales and revenue.
- The loss of a group of customers representing a significant proportion of revenue could have a major impact on the Group's operating results and cash flow.
- The inability to develop new markets or develop existing ones will impede business growth and stifle potential revenue streams.

MITIGATION

- We seek to safeguard established service levels for existing customers whilst building on and improving our reputation.
- We have developed the capabilities for our international, commercial and marketing teams to enable us to find new ways to improve our performance and become the partner of choice.
- We develop joint business plans with our key customers such as retailers that include detailed investment plans and customer service objectives.
- We continually identify changing shopper habits and build relationships with new customers through, for instance, digital commerce channels.
- We build strategic and enduring partnerships with pharmaceutical companies globally.
- We invest in data and technology to optimise order and stock management processes for our distributive trade customers to preserve our reputation.
- We pursue acquisitions to increase the number of product types or increase our presence in the retail market.
- We strictly adhere to E-commerce platforms advertising restrictions, trading rules and seller policies so that sales are not depleted.

PRINCIPAL RISKS AND UNCERTAINTIES CONTINUED

No change in risk · Increase in risk · Decrease in risk

Treasury (Decrease in risk)

RISK

- The Group will not be able to meet its financial obligations as they fall due as a consequence of having insufficient cash reserves.
- The business is unable to meet its long-term financial obligations and continue to operate as a viable entity.
- A customer or a counterparty to a financial instrument fails to meet its contractual obligations.
- Changes in exchange rates adversely affect the repatriation of overseas earnings.
- Changes in interest rates lead to higher borrowing costs, decreased consumer demand and cash flows discounted at a higher rate.
- Failure to comply with changes in the substance or application of the laws governing dividends, tax credits and intellectual property.
- While acquisitions represent significant opportunities it is recognised that they can present a major financial risk in terms of demonstrating expected value, the process of integrating new entities/assets into the Group prove to be more time consuming and disruptive than envisaged, synergies are overestimated and changes in the market diminish financial performance of the new business and there is a cultural misalignment.

IMPACT

- A material shortfall in our cash flow could undermine the Group's credit rating and impair investor confidence and restrict ability to quickly access funds.
- Changes in exchange rates, tax obligations, interest rates, counterparty performance and investor relations can undermine financial performance which has a ripple effect on the funds available for research and development, marketing, sales and promotions.

MITIGATION

- We monitor rolling forecasts of the Group's liquidity and cash as well as cash equivalents on the basis of expected cash flow.
- The Group has an established credit policy which imposes a series of controls including regularly assessing the credit worthiness of key customers and suppliers, requiring upfront payments for orders with new customers and monitoring the composition of the Group's monthly debtor book to ensure that customers are not at risk of exceeding credit limits.
- We maintain significant undrawn committed credit facilities for general corporate purposes.
- We monitor proposed changes in taxation legislation and ensure these are taken into account when we consider our future business plans.
- The Group seeks to implement appropriate hedging mechanisms to protect against adverse movements in exchange and interest rates.

Supply Chain (Increase in risk)

RISK

- Manufacturers fail to complete orders in accordance with agreed quantities, scheduled delivery dates and or quality standards due to business interruption from for instance, fire, flooding, explosion, water shortage, virus outbreak, plant failure, cyberattack, geopolitical unrest or energy outages.
- Interruption to distribution and storage functions carried out by third parties due to their liquidation or poor business performance arising from for instance, climate driven disruptions, staff shortages, trade union disputes or business disruption.
- Lack of availability of packaging and approved labelling which meets regulatory requirements.
- Fines, sanctions, and financial loss from non-compliance with ESG regulations.

IMPACT

- Lack of timely completion of deliveries reducing the availability of our products to customers and consumers leading to a reduction in sales and revenue and reputational damage with retailers, e-commerce companies and other third parties.
- Lack of compliance with ESG policies and regulations leading to potential reputational damage with third parties and consumers.

MITIGATION

- The Group continues to strengthen its list of approved manufacturers, distributors, storage providers and key material suppliers to provide flexibility, security of delivery and maintain retail relationships. The goal being not to be over-reliant on any one vendor.
- We develop risk-based supply chain plans by running simulations and scenarios, projecting the impact of risks such as demand volatility and delivery expectations and using formal processes to gain insights into all risks.
- We monitor the supply chain in real time with technologies like advanced analytics and the IoT for better visibility and real-time alerts that allow for faster response times (for manufacturing, delivery and recall).
- We monitor changes in environmental legislation (in conjunction with regulatory departments) so that packaging, labelling and product constituent requirements are shared with the supply chain.
- We have integrated risk management into our sourcing and day-to-day business processes, with an emphasis on our third party oversight.

PRINCIPAL RISKS AND UNCERTAINTIES CONTINUED

No change in risk | Increase in risk | Decrease in risk

Cyber Security

RISK	IMPACT	MITIGATION
• The business or part of the business suffers a successful cyber-attack. • The Group breaches UK and European legislation such as the General Data Protection Regulation (GDPR), the Computer Misuse Act (1990), the Communications Act (2003), the Cyber Resilience Act (Regulation (EU) 2024/2847), the EU Digital Services Act (DSA) and the Digital Market Act (DMA). • The Group or our third parties potentially fail to: ethically collect, use, re-use through AI, data analytics or automation; secure, destroy personal information in accordance with laws, regulations, and internal controls and requirements. • The Group or our third parties fail to ensure appropriate controls and governance to identify, protect, detect, respond, and recover from cyber security incidents in accordance with applicable laws, regulations, industry standards, internal controls, and requirements.	• The business is held to ransom following the theft or encryption of data. • Financial transactions are impacted, due to, for instance, social engineering, phishing or deepfake video conferencing. • The integrity, confidentiality and availability of our business data, personnel data and third-party information which we hold, is compromised, (including theft, corruption, encryption or deletion). • In particular we lose, or significant amounts of confidential data is compromised relating to our products, our commercial activities, our financial transactions, and all other aspects of our business operations, diminishing our ability to successfully compete in the marketplace. • The reputation of the business is impacted if the Group suffers from a major disruption to its operations, warehousing, transportation or sales.	• We use anti-virus software, firewalls, network segmentation, strong passwords and multi-factor authentication. • We have sought the UK government's Cyber Essentials certification. • We have policies in place covering the protection of both business and personal information, as well as the use of IT systems and applications by our employees. • We ensure that all business software is up to date with patches applied as required. • All data is very regularly backed up off site. • We implement and regularly review our incident management, business continuity and IT disaster recovery plans. • We train and alert staff to ensure that they are aware of known and emerging risks. • We engage with third parties to review and recommend ongoing improvements to enhance IT security and resilience.

Plastic Packaging

RISK	IMPACT	MITIGATION
• There is mounting pressure to reduce plastic waste and ensure acceptance of replacement materials by consumers and customers. • There are challenges around finding appropriate replacement materials that do not have trade-offs on functionality, performance and safety. • The cost of recycled plastic or other alternative packaging materials could significantly increase in the foreseeable future and this could impact our business performance. • Enhanced plastic regulations impose higher taxes or fines on the use of plastic materials.	• The requirements of the enhanced plastic regulations places a burden on VLG in terms of data collection on plastic use, recycling and disposal, monitoring changes in the regulations, working with customers and consumers on recycling and calculating and paying waste disposal costs.	• We are working with partners and consumers to raise awareness and find solutions to improve the recycling infrastructure for plastics. • We are supporting industry-wide systemic changes through external advocacy such as promoting well-designed and cost effective EPR schemes. • We are targeting assisting consumers to understand disposal and collection methods. • We are working on innovative solutions that target a shift to new business models (reuse and refill), new formats (concentration) and new materials (paper-based packaging). • We are continuing to work with external partners to seek alternative materials that may be used throughout the supply chain.

PRINCIPAL RISKS AND UNCERTAINTIES CONTINUED

No change in risk | Increase in risk | Decrease in risk

Climate

Increase in risk

RISK	IMPACT	MITIGATION
The Group may not be able to adapt its ingredients and packaging quickly enough to: • Limit exposure to emerging environmental legislation governing for instance, the use of plastics. • Meet changing consumer preferences, (with increased sensitivity to ESG), with consumers substituting existing Group products with competitors more environmentally friendly products.	• Our energy and materials costs increase as we introduce initiatives, such as moving towards more sustainable packaging for our products, including pursuing a transition away from plastics, where possible. • We incur increased costs of production and transportation arising from pursuing a more environmentally friendly supply chain, engaging an alternative group of manufacturers where required, who provide more ESG compatible solutions, but charge a premium for them. • The use of e-commerce platforms become more challenging where sales policies are more environmentally stringent. • Competitors are more agile and respond more quickly to consumer buying preferences and the public's concern over microplastics transferring through the food chain.	• We have increased the Group's focus on delivering our sustainability strategy and incremental improvements to it. • We ensure we keep abreast of industry-led initiatives (as well as those of the UK Government and the European Union) to improve packaging solutions and adopt where appropriate, any industry-wide changes that bring about positive change for the environment. • We monitor competitors packaging solutions and manufacturers advancements towards greater sustainability. • We keep abreast of forthcoming e-commerce platform regulation and policy changes so that the Group can proactively respond rather than be reactive after the event.

Talent

No change in risk

RISK	IMPACT	MITIGATION
• The Group is unable to attract, develop and retain a high caliber workforce with the requisite qualifications, skills and experience to enable the organisation to grow and compete in current and key emerging markets. • The loss of management or other key personnel with a wealth of operational experience within the Group is compounded by an inability to quickly attract the best talent.	• The talent pool for some roles, is small and hence quickly finding suitable replacements may be challenging, particularly in tech, compliance, and ESG-related roles, where the UK market is experiencing structural shortages. • The loss of senior personnel can be disruptive to key customer, supply chain and institutional relationships, operations, and revenue and profitability, particularly given the interdependence of business functions. • The breadth of subject specialisms is expanding all the time, necessitating the need to gain knowledge of the skills required for each new role such as digital transformation, integrating AI and addressing emerging ESG regulations. • The introduction of new personnel not only requires an understanding of their qualifications, experience and skillset but also an understanding of their behavioural traits so that they will effectively integrate with the existing teams. • New personnel will need to be inducted in terms of the organisational and risk management culture and risk appetite.	• We have targeted programmes to attract and retain top talent, which are aligned to the company goals and we actively monitor our attrition rate. • We have management development processes that include regular performance reviews against objectives and an annual bonus and equity retention scheme to incentivise and reward high achievers. • We have development plans including digital learning platforms and accredited certifications to upskill and reskill employees for future roles to increase their opportunities. • We undertake succession planning with the aid of digital succession planning tools and recognised best practices. • We bring in specialists to augment the current talent pool for specific projects and carry out a knowledge/skills transfer, so that staff acquire new skills and the dependency risk is reduced. • In order to remain agile and responsive to marketplace trends, we regularly review our ways of working (such as hybrid working and flexible organisational models) to drive speed and simplicity through our business.

OUR SECTION 172(1) STATEMENT

Introduction

Under s172(1) of the Companies Act 2006, the Directors of Venture Life Group are obligated to act in the way they consider would be most likely to promote the success of the Company for the benefit of its members (its stakeholders including shareholders). Understanding the views and interests of our stakeholders helps the Board with its decision-making and aims to generate long-term value for the shareholders whilst considering the impact to the wider society, and building and maintaining strong and commercially beneficial relationships with our other key stakeholders.

You can read more about our stakeholder engagement on pages 36-38 of the Strategic Report.

Our approach

Below sets out the areas the Directors must have regard (among other matters) to when acting in ways they consider to be most likely to promote the success of the Company:

Long-term consequences of decisions

We have a clear long-term strategy which focuses on the Group's significant capacity for growth. We create value for our shareholders with the implementation of the Group's strategy, and the Directors make strategic decisions on future direction, investment and stakeholder value based on clear long-term objectives.

You can read more about our strategy and objectives against strategy on page 25 of the Strategic Report.

Interests of employees

We are committed to providing a vibrant and engaging workplace. The directors recognise that dedication, expertise and passion are essential to executing our strategy. The Remuneration Committee are working on implementing an updated Remuneration Policy which supports the delivery and attainment of the Company's purpose, business model, strategy and culture. For more information on our people please, see page 29.

Fostering business relationships

Fostering good relationships with our manufacturers, suppliers and customers is crucial to ensuring the growth and good reputation of our business. To help maintain good business relationships we regularly engage and maintain transparent dialogue with our key stakeholders and endeavour to pay our suppliers and service providers within payment terms and do not seek to disadvantage or compromise those with whom we do business.

Impact on the community and the environment

The Directors recognise the importance of minimising the impact of the Group's business conduct on the environment and community. For more detail on the Group's sustainable development goals and how we give back to communities, please refer to pages 30-33.

High standards of business conduct

The Directors recognise that the Group's reputation is built on high standards of business conduct which must be maintained for the business to achieve its intended growth. The Board supports the Executive Management team in embedding a culture that encourages employees to act with trust and integrity in line with the Group's values.

Acting fairly between shareholders

All shareholders are treated equally, with information being made available to all shareholders in a consistent manner. The CEO leads interactions with shareholders supported by other Executives and the Chair. Our CFO leads interactions with sell-side market analysts to ensure forward looking market forecasts are appropriate.

Measuring performance against strategic objectives

The Board is responsible for maintaining oversight of the Company's operation and ensures the Company fulfils its business objectives.

You can read more about our strategy and objectives against strategy on page 25 of the Strategic Report.

The list below sets out who the Board has identified as its stakeholders:

- Our shareholders
- Our dedicated team of employees
- Our customers, consumers and suppliers
- The local communities in territories which we operate
- The environment
- The regulators applicable to our products
- Our NOMAD, analysts and other professional advisors

OUR SECTION 172(1) STATEMENT CONTINUED

Our principal decisions

The table below summarises how the Directors had regard to their duties under s172(1) when making principal decisions during the year:

Principal decision	Stakeholders impacted	Our considerations
The decision to acquire Health & Her Ltd	• Shareholders • Our dedicated team	The acquisition diversified the Group's product portfolio and added new key customers in new key markets. Additionally, the acquisition brought new skillsets and capabilities into the Group which further strengthen innovation and digital competencies within our dedicated team.
The decision to divest Dentyl and UltraDex	• Shareholders • Our dedicated team • Customers	As the Group's product portfolio expands, the oral care brands are no longer a core focus and therefore divestment would enable resources to be allocated more effectively.
The decision to sell the CDMO activities (incl. Biokosmes SRL and Rolf Kullgren AB) and the non-core brands	• Shareholders • Employees • Environment	The divestment offered attractive value and simplified the Group by removing capital intensive operations and enabling an increased proportion of cashflows to be re-directed into the growth of VLG's own brands through marketing support and new acquisition activity.

£26.6m
+18.9%
(2023: £22.4m)
GROUP REVENUE

45.8%
+4.2ppts
(2023: 41.6%)
GROSS MARGIN %

£6.2m
+26.1%
(2023: £4.9m)
ADJUSTED EBITDA

3.37p
+29.6%
(2023: 2.60p)
ADJUSTED EPS

The core business delivered strong growth at higher margins, benefiting from divestment of the CDMO activities and Non-Core Products.

Introduction

During the year, the Group has identified two disposal groups as making up discontinued operations as at the balance sheet date, being the Contract Development Manufacturing Operations (CDMO) activities and peripheral brands, plus the oral care brands. The 2024 financial results separate the discontinued operations from the ongoing core business and report the performance of these as a single amount in the Statement of Comprehensive Income. Assets and liabilities relating to CDMO activities and peripheral brands, and oral care have been classified as held for sale in the Consolidated Statement of Financial Position at 31 December 2024. The core business delivered strong growth at higher margins, benefiting from divestment of the CDMO activities and Non-Core Products which were contracting and dilutive.

Group revenue

The Continuing Group reported 2024 revenues of £26.6 million, an increase of 18.9% over the £22.4 million earnt in the previous period and excluding all associated revenues from discontinued operations. These figures include Health and Her revenues earnt after the acquisition was completed on 15th November.

On a like-for-like basis which treats new acquisitions as if they had been in place for the whole of the current and the comparative period, the overall Continuing Group revenue was 11.1% ahead of the prior year.

The Group has classified its CDMO activities and Non-Core[1] Products as discontinued operations at the balance sheet date, which includes the whole of the Customer Brands segment plus the Non-Core Products. Revenues associated with discontinued operations declined 14.3% to £24.9 million (2023: £29.0 million) primarily driven by volume reductions across the Customer Brands business as well as a number of annualised delisting's in the Non-Core Products portfolio.

Gross profit

Continuing Group gross profit for the year of £12.2 million increased 31.1% versus the previous year (2023: £9.3 million) with a significant increase in the gross margin percentage to 45.8% (2023: 41.6%). Comparative to the reported results of the Group in 2023, this represents an improvement of 6.6ppts (2023 reported: 39.2%), highlighting the significant impact from the standalone divestment of the dilutive CDMO and Non-Core Brands business which has incremented the whole Group's gross margin.

The absolute gross profit improvement was driven by better margins following supplier negotiations on a number of key brands, full production internalisation of the Earol brand, and a number of smaller reformulation efforts across VLG Brand products. Savings under pre-divestment initiatives will be withheld by the Continuing Group with prices dictated by a negotiated Manufacture and Service agreement (MSA) to last ten years, providing strong security with a known and reliable partner for the foreseeable future.

A smaller but still measurable contributor was the acquisition of accretive trade under the Health & Her brand which operated at a significantly stronger gross margin for the post-acquisition six-week period.

The ongoing business expects to operate slightly above 2024 levels going forward as the Group leverages its simplified operations, reduced working and fixed capital constraints and scaling logistics relationships against future acquisitions.

During 2024, Divested Operations contributed Gross Profits of £9.5 million (2023: £10.9 million), being a 12.5% decline due to volume reductions in the Customer Brands segment. The business did fulfil a planned margin improvement of 0.8ppts to 38.2% as a result of cost initiatives on internally manufactured product lines, however remained overall dilutive to the Group.

Operating expenses

Operating expenses before depreciation and amortisation rose significantly from the previous period to £6.6 million (2023: £4.8 million). £0.4 million of these expenses were acquired and relate to the transactions post completion of the Health and Her acquisition. The remaining increase of £1.4 million was part deployed into marketing and advertising and part deployed into team capability through headcount and upskilling. Marketing and Advertising grew by almost 80% to £1.6 million as part of the Group's strategic

1 Non-core products include Xonrid, Procto-eze, Rosacalma, Vonalei, NeuroAge, Lissio, Dentyl, Ultradex and the private label footcare products for wart and fungal nail treatments.

investment in product placement and enhanced market awareness part contributing to the strong topline growth in VLG Brands. The group is committed to continuing investment in effective marketing activities as a key product driver, and anticipates progressive returns to materialise from the subsequent period.

Investment in team capability was split across departments with the largest driver being an increase in customer facing team resource to translate marketing momentum into secured business.

The Continuing Group increased its overall headcount by five persons during the year. The existing workforce within the business saw an average 5% pay uplift broadly matching inflation.

Gross R&D activities have been entirely reclassified to Discontinued Operations and increased 16.2% to £1.2 million during the year. The Continuing Group retains global exclusive rights to all sold technical files into perpetuity with Biokosmes SRL as the primary manufacturer. On an ongoing basis NPD operations and R&D initiatives will continue to be undertaken by Biokosmes under the terms of the MSA ensuring continued and uninterrupted operations with a trusted and knowledgeable supplier.

Non-cash administrative expenses

Non-cash costs for amortisation and depreciation increased slightly from the previous year to £2.4 million and £0.4 million respectively, with the small increase to amortisation reflecting just two months of amortisation on acquired Health and Her assets. Depreciation charge increase is driven by expansion in right-of-use leases for logistics space to facilitate the continuing Group's expanded trade on VLG Brand products.

Exceptional costs

Exceptional costs of £1.6 million (2023: £0.6 million) increased substantially during the period primarily attributable to mergers and acquisitions activity. The Group treats costs associated with acquisition and divestment activities as exceptional so as to help provide an understanding of the Group's underlying performance. Costs incurred in the acquisition of Health & Her Limited totalled £0.7 million, and a further £0.3 million on divestment and prospective merger activities. Remaining costs are split between the closure of the Netherlands office as part of the Group's centralisation efforts, and initial expenses of the Group's new ERP system which commenced implementation during Q4 and is expected to go-live in late 2025.

Net finance expense

The continuing Group is financed by a revolving credit facility refinanced during 2024 in the committed sum of £30.0 million of which £22.0 million had been drawn at the balance sheet date. The revolving credit facility bears interest on a ratchet mechanism between 2.00-2.85% plus SONIA on drawn funds as well as a commitment fee at the rate of approximately 0.8% on the balance of undrawn funds up to the facility limit. The effective rate of interest charged for the current period was 6.4%.

Finance costs decreased by £0.4 million to £1.5 million (2023: £1.9 million) due primarily to steady repayments of the RCF through the year totalling £3.3 million, and also impacted by steadily reducing SONIA rates during the second half of the year.

The total finance expense of £1.5 million includes significant non-cash elements amounting to £0.2 million related to revaluation on non-substantial modification of the revolving facility, interest on outstanding deferred consideration fully paid at November 2024, and FX impact on conversion of EUR borrowings.

Adjusted EBITDA

Allowing for the controlled investments in marketing and team capability, continued tight control of our cost base and operational initiatives ensured that the additional gross margin over the prior year was passed through the P&L to deliver an Adjusted EBITDA of £6.2 million, an increase of 26.1% over the prior year (2023: £4.9 million) at a margin of 23.2% (2023: 21.9%). Margins are expected to improve in the subsequent period as returns from committed marketing spend incrementally materialise.

Operating profit, PBT and net income

Operating profit was £1.5 million (2023: £1.4 million) with a loss before tax for the Continuing Group of £0.0 million (2023: loss of £0.0 million). The overall Group reported net loss of £0.3 million (2023: net income £0.9 million) which translated into adjusted earnings per share of 3.37 pence (2023: 2.60 pence). Adjusted profit before tax which adds back exceptional items, amortisation and share based payments increased by 53.1% to £4.3 million (2023: £2.8 million).

Acquisition of Health and Her Limited

On 8 November 2024, the Group completed the acquisition of 100% of the equity of Health & Her Ltd ("H&H"), a UK based specialist female health business for an upfront cash consideration of £7.5 million, plus a further £0.7 million in cash payable 12 months post completion, with the potential for an additional £1.8 million of consideration payable in cash contingent upon H&H achieving expected trading results for the twelve months post completion.

The Group expects the acquisition to unlock a number of key revenue synergies from trading the acquired products into its network of existing customers and from cross-selling existing Venture Life Brands into H&H's customer base which opens up the strategically important US market, and presents significant operational synergies from bringing new skillsets into Venture Life's infrastructure.

The acquisition has been accounted for as a business combination in the Consolidated Financial Statements of the Group to December 2024 which include the results of the Health and Her Ltd business for the period from 9 November 2024 to 31 December 2024. For the period post-completion, H&H generated revenues of £0.8 million and Adjusted EBITDA of £0.1 million.

Non-current assets

Non-current assets including goodwill, reduced by £34.7 million during the year to £52.7 million (2023: £87.3 million) due almost fully to the reclassification of fixed assets to Assets Held for Sale. Excluding for Discontinued Operation accounting, Intangible assets would have risen by £5.1 million, primarily due to the acquisition of Health and Her Limited, with the balance from a £0.9m increase in Deferred Tax Assets. The Continuing Group has identified considerable opportunities to leverage this asset against ongoing activities and remains confident that future economic benefit is realisable.

Current assets

Current assets reduced by £13.2 million due to the accounting reclassification of manufacturing working capital to Assets Held for Sale. Excluding for this, working capital remains broadly consistent with the prior year, with increases in Inventory and Trade and Other Receivables of £0.2 million and £1.1 million respectively being fully attributable to acquired Health and Her assets. Year-end cash reserves were £3.1 million (2023: £5.6 million) owing to the November repayment of HL Healthcare Deferred Consideration of £2.0 million.

Current liabilities

Trade and other payables reduced to £5.3 million (2023: £9.1 million) primarily due to reclassification of £5.3 million of discontinued operations. On a like-for-like basis the whole Group's payables had increased slightly by £1.5 million which reflected payables related to exceptional and professional fees as well as acquired liabilities from Health and Her of £0.8 million.

Interest bearing borrowings includes current Lease Obligations of £1.1 million which is flat between periods for the Continuing Group. The Discontinued Group held £0.8 million of warehousing space leases in Italy that have now been classified to Liabilities Held for Sale.

In the previous period the RCF was classified to Current Liabilities as refinancing was completed after the balance sheet date with the liability strictly due within twelve months.

Deferred Contingent Consideration of £0.7 million has been recognised in relation to the acquisition of Health and Her Limited, which is payable in November 2025. The comparative period also included deferred consideration carrying value of £2.2m for the acquisition of HL Healthcare Ltd, however this was settled in November 2024.

The balance of Current Liabilities relates to Taxation which has remained flat across both periods at £0.3 million.

Non-current liabilities

Interest bearing borrowings of £22.2 million (2023: £4.1 million) include the full drawdown against the RCF, plus leases due after more than one year. As described above, the previous year did not include the RCF as it was categorised to Current Liabilities. Divested operations have resulted in a reclassification to Liabilities Held for Sale of £2.9 million of non-current Lease Obligations and £1.6 million of Statutory employment provisions that wholly relate to the Italian subsidiary and were previously classed as Non-current liabilities. The balance of Non-current liabilities relates to deferred tax liabilities of £7.6 million (2023: £8.0 million) which saw a modest 4.5% reduction due to in period unwinding.

Cash generated from operations

Cash generated from operations increased 50.3% to £4.6 million (2023: £3.1 million) and is stated after a working capital outflow of £0.1 million (2023: outflow £1.1 million) which included an increase in trade and other receivables acquired from the Health and Her Limited acquisition of £0.9 million.

Operating cash conversion, calculated as cash from operating activities as a proportion of Adjusted EBITDA, increased to 75.0% (2023: 63.0%) reflecting a higher weighting of trade payables at the end of the financial year versus the comparative period..

Tax paid increased by £0.4 million to £0.7 million (2023: £0.3 million) arising from a significant increase in taxable profits within the continuing Group's Italian subsidiary in 2023 and prepaid tax of £0.6 million based on estimated 2024 profits.

Overall Group Net cash from operating activities remained broadly flat between financial years at £8.2 million (2023: £8.2 million).

Cashflows from investing activities

Cash used in investing activities increased to £11.3 million from £5.3 million in the previous period and comprised outflows of £2.0 million on deferred consideration for the acquisition of HL Healthcare Ltd, plus net cash consideration of £7.5 million for the acquisition of Health and Her Limited. The balance is comprised of £0.6 million (2023: £0.8 million) and £1.2 million (2023: £1.4 million) of capital investment in Tangible and Intangible assets respectively in both Italy and Sweden, primarily relating to the continue upgrading of its 27 medical devices to become MDR compliant ahead of the Medical Device Regulator's deadline in May 2028. These balances are collectively classified as Cash Outflows from Discontinued Operations.

Free cash flow

The free cash flow (FCF) generation of the Continuing Group has improved considerably for a second successive year. Free cash flow available for debt service of £4.3 million was £1.6 million up against the previous period (2023: £2.7 million) with a resulting EBITDA to FCF conversion of 69.9% (2023: 54.6%).

Cashflows from financing activities

Cash inflows from financing activities amounted to £1.8 million (2023: outflow £2.8 million) and comprised interest payments of £2.0 million (2023: £1.3 million) which includes upfront refinancing committed costs, lease payments of £0.3 million (2023: £0.2 million), a net drawdown on the RCF of £5.7 million (2023: net repayment £1.0 million) with the balance outflow of £1.6 million (2023: £0.3 million) relating to discontinued operations financing activities.

Net debt and leverage

Net debt excluding lease obligations was £20.1 million (31 Dec 23: £13.7 million) and equated to net leverage of 1.83x at the period end (31 Dec 23: 1.30x).

With an overall available RCF facility of £30 million (plus £20 million accordion), including an Adjusted EBITDA to gross debt leverage limit of 2.5x, the Continuing Group retains access to meaningful funding.

Daniel Wells
Chief Financial Officer
30 June 2025

CORPORATE GOVERNANCE REPORT

A focus on strategic clarity, whilst being committed to a high standard of governance, is key to delivering sustainable success for the benefit of all our stakeholders.

Chairman's governance introduction

On behalf of the Board, I am pleased to present the Corporate Governance report for 2024 which sets out our approach to governance, provides further information on the operation of the Board and its Committees, and explains how Venture Life complies with the Quoted Companies Alliance Corporate Governance Code 2018 (the "QCA Code 2018").

Governance

Venture Life Group has adopted the QCA Corporate Governance Code as its benchmark for good governance since inception and will report against the QCA Code 2018 for the year under review. An updated QCA Code was published in 2023 (the "QCA Code 2023") and we will report against this in next year's annual report. The Board has undertaken a gap analysis of its governance framework against the QCA Code 2023 to identify any areas which require review during 2025.

I am pleased to report that the Company has continued to mature its governance structures with the appointment of MUFG Corporate Governance Limited as Company Secretary and enhancing our risk management framework to better identify, assess and mitigate potential risks that could impact our operational and financial performance.

The Board is entrusted with the task of steering the Group and ensuring the implementation of a robust and solid governance framework, which continues to evolve with the growth of the business. As Chair, I have oversight of how our corporate governance processes and procedures support Venture Life in achieving its performance over the longer term as well as meeting the requirements of the QCA Code 2018.

The Board is committed to delivering high standards of corporate governance commensurate with the size and nature of the activities of Venture Life. The governance structure is designed to foster vigorous discussions and challenge all Board members, which facilitates effective decision making within acceptable timeframes and based on precise information. Our commitment to achieving excellent governance standards is crucial in creating shareholder value, while also addressing broader stakeholder interests.

In conclusion, I am content with the governance standards that the Board persistently upholds and can confirm that the Group has adhered to the QCA Code 2018 throughout the year.

Board priorities

The Board continues to focus on delivering against the strategic priorities set out on page 25 with the target of continuing to deliver sustainable growth in revenues, profit and cash generation. One of the key areas of focus for the Board has been improving operational fundamentals so that the Company is better equipped to fulfil its true potential. This includes the implementation of a new Enterprise Resource Planning (ERP) system, strengthening internal processes, introducing new policies and further investing in the Group's supporting infrastructure, e.g. training, HR and IT.

Purpose, culture and values

Our core values form the bedrock of our culture and behaviour. These values guide our employees in their contributions towards the Group's success, support business growth, and promote a collaborative environment to achieve our aligned goals.

The Board is committed to investing in and maintaining a high-performance culture that attracts and retains talented people who deliver outstanding results for our customers. Fostering this high-performance culture is critical to delivering on our strategic priorities and ultimately enhances the success of the Group. Further details of our purpose, culture and values can be found on page 51.

Stakeholder engagement

In line with the provisions of Section 172 of the Companies Act 2006, the Board has consistently taken into account the interests of all stakeholders when making significant decisions throughout the year.

Utilising various methods, the Board has interacted with its stakeholders over the year through both formal and informal channels of communication. These channels are crucial in enabling the Board to effectively monitor the Company's culture. Additionally, our open dialogue with shareholders has been especially important and is key to fostering mutual understanding. We maintain regular communication with our major shareholders with additional discussions on the business' key developments.

A comprehensive review of our stakeholder engagement, including our Section 172 statement and examples of how we considered stakeholders in making key Board decisions, can be found on pages 35-44 of the Strategic Report.

CORPORATE GOVERNANCE REPORT CONTINUED

Board changes
As announced in May 2025, Gianluca Braguti will stand down from the Board following the divestment of the Group's CDMO activities. Gianluca, who joined the Venture Life Board in 2014 when Biokosmes became part of the Group, will remain a Director of Biokosmes and accordingly will step down as a member of the Company's Board on completion of the Sale.

Remuneration
Details on remuneration can be found in the Directors' Remuneration Report on page 62.

Audit, risk and internal control
The Audit and Risk Committee's work has continued to focus on protecting the interests of shareholders and strengthening the Group's risk management and internal control systems. Further information on audit, risk and internal controls can be found in the Audit and Risk Committee report on page 55.

Annual General Meeting
We plan to hold our AGM on 30 June 2025 with details of the arrangements for the meeting set out in the AGM notice which has been circulated to shareholders prior to mailing of the annual report. The AGM notice is also available on our website at www.venture-life.com.

Due to the divestment of the CDMO operations and peripheral products as announced to the London Stock Exchange on 12 May 2025, the audit of the Company's Annual Report and financial statements for the year ended 31 December 2024 (the "Annual Report") was not available in sufficient time to be laid before shareholders ahead of the deadline for holding the AGM.

This year the Company will convene a general meeting of shareholders at which the Annual Report will be laid (the "General Meeting"). S&W Partners Audit Limited were re-appointed as the Company's auditor at last year's Annual General Meeting held on 4 June 2024 to hold office until the conclusion of the next Annual General Meeting at which the Company's accounts are laid before the Company. As no accounts are being laid at this AGM, the resolution to reappoint the auditors and fix their remuneration will be put forward at the General Meeting also.

Paul McGreevy
Chairman
30 June 2025

BOARD OF DIRECTORS

Chair N Nomination Committee R Remuneration Committee A Audit and Risk Committee

Paul McGreevy
Chairman

Appointed
May 2022

Skills and experience
Paul joined Venture Life as Non-Executive Chair in May 2022. Paul currently holds several Non-Executive roles in healthcare, retail, and manufacturing. Over the past 30+ years, Paul has held numerous Senior Executive positions across FMCG and retail, enabling a broad perspective across the business. Having had a successful strategic consulting career across diverse sectors, an advisor to various PE, and extended experience of M&A, Paul brings a wealth of experience to the Board. Paul chairs the Group's Nomination Committee and is a member of the Audit and Risk and Remuneration Committees.

N A R

Carl Dempsey
Independent Non-Executive Director

Appointed
September 2018

Skills and experience
Carl joined the Venture Life Board as Non-Executive Director in September 2018. Until recently, Carl was Worldwide Vice President Global Customer Management at Johnson & Johnson ("J&J") where he was responsible for global sales of US$3.6 billion across 22 countries.

During his 29 year career at J&J, Carl had particular responsibility for developing the Health and Wellness Partnership strategy. He also led the successful integration of Pfizer Consumer Healthcare across Europe, Africa and the Middle East which included the mouthwash brand.

N A R

Mark Adams
Independent Non-Executive Director

Appointed
October 2022

Skills and experience
Mark joined Venture Life in October 2022, bringing a wealth of relevant experience and expertise to the Board, including significant time as a main Board Director of publicly listed companies. His most recent role was as Group Finance Director at Marlowe plc, a UK leader in business critical services and software which assures safety and regulatory compliance. Prior to Marlowe, Mark held senior financial and board level roles at Stobart Group, Pets at Home Group plc, easyJet plc and a number of other businesses.

Mark is a Non-Executive Director and Audit Chair at One Media iP Group plc, Development Media International CIC and Facilities by ADF plc.

N A R

Jerry Randall
Chief Executive Officer

Appointed
July 2010

Skills and experience
Jerry co-founded Venture Life in 2010. From 2000 to 2009, he was CFO and co-founder of Sinclair Pharma plc, an AIM listed international specialty pharma business. Jerry was also on the Board of Silence Therapeutics plc, an AIM listed biotech development business, from 2008 to 2013. Initially a Non-Executive Director, he became a Non-Executive Chairman in 2010 and moved to Executive Chairman in 2012. Jerry enjoyed a career initially in corporate finance acting as nominated adviser (and in practise with KPMG) to both private and quoted companies between 1993 and 2000, he has been involved in a number of flotations and transactions on the Official List, Unlisted Securities Market and AIM, as well as raising private equity. He qualified as a chartered accountant with KPMG in 1990.

N R

Gianluca Braguti
Chief Manufacturing Officer

Appointed
March 2014

Skills and experience
Gianluca began his career working in his father's pharmacy and then, after he graduated as a pharmacist, continued working for several years in the Milano University cosmetic research and development department researching cosmetic applications for raw materials used in different fields. In 1990, he started developing formulations for Italian cosmetic brands mainly in the perfumery and pharmacy area and started his experience in contract manufacturing business, Biokosmes. In 1999, Biokosmes started developing and manufacturing medical devices, selling predominantly in Europe.

In 2002 Biokosmes passed its first FDA inspection, and started exporting its products to the US.

Gianluca is due to step down from the Board on completion of the sale of the Group's CDMO operations, expected in Q3 2025.

Daniel Wells
Chief Financial Officer

Appointed
December 2021

Skills and experience
Daniel was appointed to the position of Chief Financial Officer in December 2021 following the acquisition of private equity backed BBI Healthcare where he had been Finance Director for two years. Prior to this, he spent ten years at Mitie Group PLC in a variety of senior finance and commercial roles across the UK and Ireland, including as Account Director for the Tesco contract.

Daniel began his career in the private healthcare sector as part of the Corporate Finance team at Hazlewoods LLP, and qualified as an accountant in 2011.

A

STATEMENT OF CORPORATE GOVERNANCE

Overview

This report has been structured to follow the Principles of the Code, which are categorised under the following headings: Board leadership and purpose; Division of responsibilities; Composition, succession and evaluation; Audit, risk and internal control; and Remuneration. This report sets out our governance framework and illustrates how we have applied the Code Principles and complied with its Provisions.

Board Leadership and Purpose

Statement of Compliance with the QCA Code

The Board is accountable to the Group's shareholders for good corporate governance and it is the objective of the Board to attain a high standard of corporate governance. As an AIM-quoted company, full compliance with the UK Corporate Governance Code ("the Code") is not a formal obligation. The Group has not sought to comply with the full provisions of the Code; however, it has sought to adopt the provisions that are appropriate to its size and organisation and establish frameworks for the achievement of this objective, and has adopted the principles of the Quoted Company Alliance ("QCA") Code. The ten principles of the QCA Code are detailed in the Investor Relations section of the Group's website. This statement sets out the corporate governance procedures that are in place.

The role of the Board

The Board is responsible for promoting the long-term sustainable success of the Group, delivering value for shareholders and contributing to wider society. It agrees the strategic priorities of the Group, ensuring that these are consistent with the Group's culture and achieved within an appropriate framework of effective controls that enable risk to be assessed and managed. It also ensures effective engagement with shareholders and other stakeholders, and that workforce policies are consistent with the Group's values. Further details of our engagement with stakeholders and how we promote success are set out on page 35.

Responsibility for day-to-day operations is delegated by the Board to the Executive Directors within defined authority limits, which are regularly reviewed and updated by the Board.

Matters reserved to the Board

The Board maintains a schedule of matters reserved for decision by the Board, which details the key aspects of the affairs of the Group which the Board does not delegate to management or any Board Committees, though it may consider recommendations from them. The schedule of matters reserved for the Board is regularly reviewed and is available at www.venture-life.com.

The Board's specific responsibilities include:

- Setting the strategic aims, purpose and values
- Approving the Group's budget and financial plans
- Ensuring alignment of culture, policy, practices and behaviour throughout the business with the Group's purpose, values and strategy
- Approval of capital expenditure, significant investments and acquisitions
- Approval of annual and interim results and trading updates
- Setting the Group's risk appetite and oversight of the internal control, risk management and governance frameworks
- Monitoring management's performance
- Ensuring succession plans are in place
- Ensuring a satisfactory dialogue with shareholders and other key stakeholders

Matters outside the schedule of matters reserved for decision by the Board or the Committees' terms of reference fall within the responsibility and authority of the Executive Directors, including all executive management matters.

Our purpose

Our CEO steered the Company towards a results-based business model, focusing on delivering measurable outcomes and creating value for our stakeholders. In 2024, we have continued to drive growth through a multi-pronged strategy that includes organic growth, strategic acquisitions, and expanding our market share. Our focus is not just achieving success across the Group, but also making a positive impact on our customers, employees, and the communities we serve.

An explanation of the basis on which the Group generates and preserves value over the longer term is set out in the business model on page 7.

Our culture

The Board is dedicated to upholding a high-performance culture, which is pivotal in attracting and retaining talented individuals. Our focus is on delivering results for our clients, and our focus has been instrumental in the Board being the driving force behind our culture, setting the tone from the top and promoting a high-performance environment. This approach not only allows us to remain competitive in the market but also ensures that we consistently deliver value to our stakeholders. We believe in maintaining an optimal culture, underpinned by robust corporate governance. This is reflected in our commitment to acting responsibly and making the right decisions. Effective monitoring and regular assessments facilitate this while helping us to ensure we continue to thrive in a competitive market.

Our values are the architects of our culture. They serve as a compasss for our employees, directing their contributions towards the Group's success and instilling a commitment to uphold the highest ethical standards.

Our values

Innovation	Consistency
Trust	Responsibility
Integrity	Collaboration

Board stakeholder engagement

Proactive engagement with our stakeholder groups remains a central focus for the Board, which ensures the Directors have regard to the matters set out in Section 172. The Board receives regular stakeholder insights and feedback, which enables stakeholder views to be considered in key Board decisions.

The Board engages with stakeholders both directly and by receiving updates from the Executive Directors on management led stakeholder engagement. The Board regularly interacts with shareholders to facilitate effective dialogue, both through recurring scheduled events, such as investor roadshows and trading updates, and through one-to-one shareholder meetings led by the Chairman, CEO or Committee Chairs. Shareholder communications are also supported by regular coverage from external analysts who cover the financial performance of the Group.

For further information on the Group's engagement with stakeholders, and the Group's Section 172 statement, refer to page 43 of the Strategic Report.

Division of Responsibilities

Our governance model in 2024

At 31 December 2024, the Board comprised of the Non-Executive Chairman, two Independent Non-Executive Directors and three Executive Directors. This page shows the Group's corporate governance structure and provides an overview of the Committees of the Board.

The Board	Nomination Committee	Audit and Risk Committee	Remuneration Committee
Chairman: Paul McGreevy **Other members:** Mark Adams, Carl Dempsey, Jerry Randall, Daniel Wells, Gianluca Braguti **Key responsibilities:** Responsible for the long-term sustainable success of the Group.	**Chairman:** Paul McGreevy **Other members:** Mark Adams, Carl Dempsey **Key responsibilities:** Responsibility for reviewing Board composition, identifying and nominating candidates for Board appointments and for succession planning.	**Chairman:** Mark Adams **Other members:** Paul McGreevy, Carl Dempsey **Key responsibilities**: Provides oversight and governance over the Group's financial reporting, risk management and internal controls, internal audit function and relationship with the external auditor.	**Chairman:** Carl Dempsey **Other members:** Mark Adams, Paul McGreevy **Key responsibilities:** Reviews and recommends the remuneration policy and sets and monitors the level and structure of remuneration for Executive Directors and Senior Management. Sets the Chairman's fee.

2024 roles and responsibilities

There is clear delineation of responsibility between the Chairman and the CEO, which is set out in writing. This division of responsibilities, together with the schedule of matters which are reserved for the Board, ensures that no individual has unfettered powers of decision making.

By delegating specific responsibilities to its Committees, the Board can ensure that it is operating effectively and efficiently with the right level of attention and consideration being given to relevant matters. The role and responsibilities of each Board Committee are set out in formal terms of reference, which are reviewed annually.

The Chair of each Committee reports to the Board after each Committee meeting on the matters discussed and minutes of each meeting are provided to the Board for information as appropriate. The terms of reference of the Committees are available at www.venture-life.com.

STATEMENT OF CORPORATE GOVERNANCE CONTINUED

The roles and responsibilities of the Board members and Company Secretary as at 31 December 2024 are set out below.

Chairman Paul McGreevy	• Provides leadership and promotes a culture of openness and debate between Executive and Non-Executive Directors, facilitating constructive Board relations and the effective contribution of all Directors, and providing constructive challenge to management. • Sets the Board agenda and ensures that Directors are provided with accurate, timely and clear information to enable the Board to operate effectively. • Responsible for the integrity and effectiveness of the systems of governance. • Seeks regular engagement with major shareholders in order to understand their views on performance and governance, and ensures the Board has an understanding of their views. • Acts on the results of the Board evaluations by recognising the strengths and addressing any weaknesses of the Board.
Non-Executive Directors Carl Dempsey Mark Adams	• Provide a broad range of skills and experience to the Board to assist in formulating the Group's strategy. • Provide constructive challenge, strategic guidance and support to the Executive Directors based on their breadth of knowledge and experience.
Chief Executive Officer Jerry Randall	• Responsible for the development and delivery of the strategic priorities agreed by the Board. • Responsible for leading the Group's operating performance, day-to-day management and risk management programmes in conjunction with the CFO. • Managing relationships with key stakeholders and advising the Board accordingly.
Chief Manufacturing Officer Gianluca Braguti	• Responsible for the regulatory and quality affairs of the Group, under the capacity as the Group's Technical Director. • Responsible for leading new product development and implementing the recommendations put forward by the Group's marketing and innovation teams. • Overall responsibility for operational performance of the Group's manufacturing sites in Italy and Sweden.
Chief Financial Officer Daniel Wells	• Responsible for the Group's financial affairs, including treasury and tax matters. • Responsible for financial strategy, budgeting, monitoring key internal controls, risk management and delivering the investor relations programme. • Supports the CEO in the development and delivery of the Group's strategic priorities.
Company Secretary MUFG Corporate Governance Limited	• Supports the operation of the Board and its Committees through the provision of company secretarial services, including providing guidance and advice on corporate governance matters.

Board governance

The Board is comprised of the Chairman, two Independent Non-Executive Directors and three Executive Directors. The Non-Executive Directors have an appropriate balance of skills and experience, and consider that, collectively, they have substantial recent and relevant experience in a variety of sectors which enable robust discussion and appropriate challenge at Board and Committee discussions.

The Board has established a governance framework to discharge its collective responsibilities. This framework supports our Directors' compliance with their duty to promote the success of the Group under Section 172 of the Companies Act 2006, which requires the Directors to act in the way they consider, in good faith, would most promote the success of the Group for the benefit of its shareholders, having regard to certain other matters including other key stakeholders. Agendas for Board meetings identify matters that require a Board decision, and an overview of Section 172 is maintained by MUFG during the year to act as a reference for Board decisions. Information about how this duty has been performed by our Directors, including the Section 172 statement, is detailed on page 43.

Board and Committee meetings

The Chairman sets the agenda and determines the format of discussions at Board meetings. At each scheduled Board meeting, the CEO, CFO and CMO present reports on operational performance, financial performance and progress against the Group's strategic priorities. Other members of Senior Management are invited to attend during the year to update the Board on key priorities, with external advisers also attending meetings as required.

STATEMENT OF CORPORATE GOVERNANCE CONTINUED

To ensure the continued effectiveness of the Board, the Chairman meets with the Non-Executive Directors without the presence of the Executive Directors when necessary. Refer to page 56 of the Nomination Committee Report on the Group's evaluation procedures.

Directors' attendance at scheduled Board and Board Committee meetings held during 2024 is provided in the table below:

	BOARD	AUDIT & RISK COMMITTEE	REMUNERATION COMMITTEE	NOMINATION COMMITTEE
Mr Paul McGreevy	7/7	3/3	2/2	1/1
Mr Mark Adams	7/7	3/3	2/2	1/1
Mr Carl Dempsey	7/7	3/3	2/2	1/1
Mr Gianluca Braguti	7/7	-	-	-
Mr Daniel Wells	7/7	3/3	-	-
Mr Jerry Randall	7/7	-	2/2	1/1

Board activity in 2024

The Board has a rolling agenda of items that are regularly considered, which includes reviewing key areas of the business throughout the year, monitoring delivery against strategic priorities and covering any topical matters that arise. The Board dedicates an additional meeting every year to focus on reviewing the Group's strategy and to consider annual objectives. The Board monitors the achievement of the Group's objectives through regular Board reports which include updates from the Executive Directors, members of the Executive Leadership Team and other Senior Management.

The Board held seven scheduled meetings during the year, with three additional sub-committee meetings held to approve the Annual Report and Accounts, Interim Results and the approval of the Health and Her Ltd acquisition.

Conflicts of interest

Directors have a statutory duty to avoid situations in which they have or may have interests that conflict with those of the Group, unless that conflict is first authorised by the Directors. This includes potential conflicts that may arise when a Director takes up a position with another company. Venture Life Group's Articles of Association allow the Board to authorise such potential conflicts, and there is in place a procedure to deal with any actual or potential conflict of interest. During the year, no actual or potential conflicts were identified which required approval by the Board. Should a Director become aware that they, or their connected parties, have an interest in an existing or proposed transaction with the Group, they should notify the Board. The Board deals with each actual or potential conflict and takes into consideration all the relevant circumstances.

Time commitment and independence

All Directors are required to set aside sufficient time to carry out their Board responsibilities and show commitment to their role. In the past year, all Directors demonstrated their ability to commit sufficient time to their roles and contributed additional time and support for the acquisition of Health & Her Ltd and during the divestment of the CDMO activities.

Prior to each Board meeting the Board reviews the Register of Directors' Interests. Any external appointments or other significant commitments of the Directors require the prior approval of the Board.

For the year ended 31 December 2024, and at the date of the publication of this Annual Report, the Board is satisfied that none of the Directors are over committed and that each Director devotes sufficient time to discharge their responsibilities.

During the year under review, the Board spent time reviewing its composition and succession plans to ensure that any new appointments create the appropriate mix of skills, experience, and independence that would continue to support the Company's growth. Principle 5 of the QCA Code confirms that independence is a Board judgement. Following the acquisition of Health and Her Ltd, a potential future conflict of interest had arisen for Paul McGreevy and as a result of this he was due to step down from the Board as both Chair and Non-Executive Director following the release of this Annual Report.

However, due to recent changes in circumstances at both the Company and Mr McGreevy's other interests, the potential conflict of interest previously identified no longer exists. As a result, Mr McGreevy has informed the Board that he no longer needs to step down. The Board has acknowledged and accepted this notification, and Mr McGreevy will now remain on the Board as Chair. All other Non-Executive Directors are considered by the Board to be independent.

Board Development and Training

The Board encourages ongoing development and training for the Executive Management Team. During the year the Directors attended a series of workshops and seminars with the objective of keeping up to date with latest legislation, regulatory standards and technical developments in their respective fields. The Board also promotes the continuous development of key individuals through exposure to new areas of business and cross-functional work experience.

Audit & Risk Committee Report

Members of the Audit and Risk Committee and attendance at meetings

The Audit and Risk Committee is chaired by Mark Adams who is also the Senior Independent Director. Paul McGreevy and Carl Dempsey are also members of the Committee. All Committee members are considered independent by the Board and in accordance with the Code. Biographical information can be found on page 50. Members' attendance at Committee meetings is set out in the table page 54. The Company Secretary acts as Secretary to the Committee.

Role of the Audit and Risk Committee

The primary function of the Audit and Risk Committee is to assist the Board in fulfilling its responsibilities to protect the interests of shareholders with regard to the integrity of financial reporting, risk management and internal controls and governing the relationship with the internal and external auditors.

The Committee's terms of reference were reviewed during the year and can be found on the Group's website at: www.venture-life.com.

Composition of the Committee

The Chair of the Committee's most recent role was that of Group Finance Director at Marlowe plc, a UK leader in business-critical services and software which assure safety and regulatory compliance. The Chair has held senior financial and board level roles at Stobart Group, Pets at Home Group plc, easyJet plc and a number of other businesses and satisfies the requirement of having appropriate recent and relevant financial experience. The Committee members as a whole have competence relevant to the business, in addition to general management and commercial experience.

The CFO and external auditor are regular attendees of the Audit and Risk Committee. Other members of management attend as and when requested. The Committee holds private sessions with the external auditor as necessary without members of management being present, and at least twice per year.

Significant financial reporting matters

During the year, the Committee agreed upon the accounting treatment of the CDMO operations, Non-Core Products and oral care brands as non-current assets held for sale.

Other relevant financial reporting matters

The Committee also reviewed other relevant financial reporting matters in the period:

- Adjusted items and alternative performance policy; and
- Going concern and longer-term prospects.

Financial reporting

The Committee regularly reviews the robustness of financial reporting processes. The Group maintains a comprehensive financial review cycle, which includes a detailed annual financial planning process where budgets are prepared for challenge and approval by the Board. Management reviews key performance indicators on a regular basis which enable business performance and the market to be monitored on an ongoing basis, allowing corrective action to be taken as necessary. At a Group level, a comprehensive management accounts pack, including income statements, a balance sheet, a cash flow statement, and key performance indicators, is reviewed monthly by the Board. Re-forecasts of current year performance are carried out on a regular basis during the year. Management monitors the publication of new accounting and reporting standards and reports on any updates to the Committee.

Risk management and internal controls

The Committee, on behalf of the Board, keeps under review the effectiveness of the Group's risk management and internal control systems through management update reports, output from the Executive Risk Committees and reports from S&W Partners Audit Limited to ensure that controls in place are effective in order to safeguard shareholders' investments and the Group's assets. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has defined its risk appetite for strategic, financial, operational and compliance risks as set out on page 38 of the Strategic Report. A standard methodology for risk assessment is applied across the Group to assist with monitoring gross and residual risk and comparing residual risk against risk appetite. As required by the Code, the Board, through the Audit and Risk Committee, has carried out a robust assessment of the principal and emerging risks facing the Group, including those that could threaten its business model, future performance, solvency or liquidity.

The Board, supported by the Audit and Risk Committee, has reviewed the effectiveness of the risk management and internal control systems during 2024, and up to the date of the approval of the Annual Report and Accounts. No significant failings or weaknesses were identified during the period under review.

Whistleblowing

The Group believes that it is important to have a culture of openness and accountability in order to prevent situations relating to possible impropriety, financial or otherwise, from occurring or to address them when they do occur. The Group's independent whistleblowing helpline continues to be in operation and activity reports are provided to the Committee, with any matters relating to Senior Management being reported directly to the Audit and Risk Committee Chair or the Chairman. Any material whistleblowing matters are raised to the Board and responded to accordingly. The Committee is satisfied that the whistleblowing policy and its administration remain effective.

Fair, balanced and understandable

The Group has a comprehensive and thorough assurance process in respect of the preparation, verification and approval of periodic financial reports. The involvement of qualified and appropriately experienced staff, under the direction of the CFO, ensures a comprehensive review and verification process which deals with the factual content of the reports and ensures consistency across various sections.

Together with the review and challenge of management by the Committee and its recommendation to the Board, provides comfort to the Board that the Annual Report and Accounts taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's business model, strategy, position and performance.

External auditor

S&W Partners Audit Limited continued as external auditor in 2024, following appointment at the 2024 AGM.

As noted, the Committee has reviewed the effectiveness and quality of the external audit process. The Committee did this by:

- Reviewing the external auditor's plan, with specific focus on the auditor's approach to auditing areas of heightened interest to the Audit and Risk Committee or are new or unique to the 2024 audit;
- Discussing their views on material accounting issues, key judgements and estimates, and their audit report;
- Considering the robustness of the audit process; and
- Reviewing the quality of people and service provided by S&W Partners Audit Limited, confirming the independence and objectivity of S&W Partners Audit Limited.

The Committee reviews the independence of the auditor as part of the audit planning and audit finding reports which are presented at the Audit & Risk Committee meetings, whereby a list of services provided by the auditor are presented to the Committee together with the associated fees.

The Committee has recommended to the Board the re-appointment of S&W Partners Audit Limited as auditor of the Group. The approval of S&W Partners Audit Limited as the Group's auditor will be put to shareholders as an ordinary resolution at the forthcoming General Meeting.

Conclusion

As a result of its work during the year, the Committee has concluded that it has acted in accordance with its terms of reference and has ensured the independence of the external auditor during the year.

Mark Adams
Chair of the Audit and Risk Committee
30 June 2025

Nomination Committee Report

Members of the Nomination Committee and attendance at meetings

The Nomination Committee is Chaired by Paul McGreevy. The other members of the Committee are Mark Adams and Carl Dempsey. Biographical information can be found on page 50. Members' attendance at Committee meetings is set out in the table on page 54. The Company Secretary acts as Secretary to the Committee.

The Nomination Committee regularly reviews the structure, size and composition of the Board and its Committees to ensure they are best placed to drive operational performance, oversee the delivery of the Group's strategic priorities and support the management team. Maintaining the right composition of the Board underpins the quality of debate and constructive challenge during Board discussions. The process for Board appointments is led by the Committee which makes recommendations to the Board for its approval.

2024 area of focus

- Senior Management succession planning
- Review of Board Composition

Board and Senior Management succession planning

The Committee evaluated and deliberated on the succession planning of the Board and Senior Management. This was done to ensure the continued presence of a variety of viewpoints and perspectives at Board and leadership level, which we consider crucial for our success. The Committee continues to monitor succession planning and talent development to guarantee that we possess the necessary skills for our future and to ensure diversity of the Board.

STATEMENT OF CORPORATE GOVERNANCE CONTINUED

Role and responsibilities and activities undertaken during the year

The Committee's main responsibilities, as outlined in its terms of reference, are:

- To keep under review the structure, size and composition of the Board and the membership of its Committees;
- To review succession planning processes for the Board and other Senior Management positions and the opportunities available to the Company to further promote diversity and inclusion; and
- To ensure a formal rigorous and transparent process is adopted for the appointment of new Directors, both Executive and Non-Executive.

The terms of reference can be found on the Company's website at: www.venture-life.com.

The Board has a formal procedure in respect of the appointment of new Directors, with the Nomination Committee leading the process and making recommendations to the Board.

Directors' service contracts

All of the Directors have service agreements or letters of appointment which are available for inspection at the Company's registered office during normal business hours. Details of the letters of appointment for Non-Executive Directors and the service contracts for Executive Directors can be found in the Directors' Remuneration Report on page 63. No other contract with the Company or any subsidiary undertaking of the Company in which any Director was materially interested subsisted during or at the end of the financial year.

Board appointment criteria are considered automatically as part of the Committee's review of succession planning. Currently, all the Non-Executive Directors and the Chairman have been appointed for less than nine years. Non-Executive Directors are typically expected to serve a minimum of two three-year terms, and thereafter their appointment is reviewed on an annual basis. All Directors must seek re-election at each AGM.

Election and re-election of Directors

The relevant experience and effectiveness of the Directors, and how that furthers the Company's business, is kept under review. The Committee and the Board have concluded that each Director standing for election and re-election at the AGM continues to demonstrate the necessary skills, experience and commitment to contribute effectively and add value to the Board.

Succession planning

Through succession planning, the Committee ensures that the Board is able to deal with strategic and operational opportunities and challenges. Board succession planning takes into account the Board diversity policy and the existing skills and experience of the Board and future requirements.

The Board's approach to Senior Management succession is to develop a talent pipeline and promote from within wherever possible. The Committee is focused on ensuring there is a robust pipeline of talent and that these high-potential colleagues are developed and supported to prepare for leadership roles. This includes strengthening the leadership development proposition, supporting mentoring initiatives and planning role moves to provide more experience earlier in the careers of potential future successors.

During the year the Board undertook key appointments within the senior leadership team and increased the responsibilities undertaken by certain of its Board members in order to ensure the necessary development and progression with regard to succession planning.

Diversity

The Board recognises the importance and benefits of diversity throughout the organisation and on the Board. We believe that the business benefits from having a diverse workforce, at all levels and in all roles, that reflects the communities in which the Group operates as this enables us to better understand and meet the needs of our customers. Diversity includes different nationalities, race, religion, age, sexual orientation and gender, as well as different personalities, education, backgrounds and culture.

Board diversity

The Board's policy on diversity is to ensure that the Directors on the Board have a broad range of experience, skills and knowledge, with diversity of thinking, background and perspective. When identifying suitable candidates for appointment to the Board, the Nomination Committee considers candidates on merit against objective criteria, having regard to the recommendations of the FTSE Women Leaders Review, the Parker Review and the Financial Conduct Authority's Listing Rule 9.8.6R(9), alongside the established needs of the Company.

The Board are committed to actively review the composition of the Board to align with the Group's renewed strategic direction, to ensure appropriate diversity and skillsets are represented at the Board level. Any search firm engaged to assist the Nomination Committee in identifying candidates for appointment to the Board will be specifically directed to include diverse candidates generally, and women candidates in particular.

Targets set in UK Listing Rule 6.6.6R (9) provides:

(i) At least 40% of individuals on the Board of directors are women;
(ii) At least one senior position on the Board of Directors is held by a woman; and
(iii) At least one Director from a minority ethnic background on the Board.

The Board has not met the targets set out in (i) or (ii) above however, target (iii) was met when Gianluca Braguti, was appointed Chief Manufacturing Officer following the acquisition by Venture Life of Biokosmes, the company he founded in March 2014.

Although the Company has a small Board which provides some constraints, the Committee continues to be mindful of the targets set out in (i) and (ii), especially when reviewing succession plans and considering candidates for leadership development opportunities.

Workforce diversity

The Committee continues to be broadly satisfied with the diversity at employee level within the Group but aspires to improve the gender balance and ethnic diversity at the senior level. Management has in place a range of measures designed to address this, including mentoring, development programmes and flexible working, and the Committee will continue to monitor progress on behalf of the Board.

Board evaluation and effectiveness

An internal Board evaluation is carried out to review the performance of the Board, its Committees, and the individual Directors. Formal Board evaluation will be led by the Chairman and facilitated by MUFG Corporate Markets Limited, the Group's Company Secretary during 2025.

Priorities for 2025

The Committee will continue to focus on succession planning for both the Board and Senior Management with our succession planning taking into account our diversity policy, which can be found on the Group's website at: www.venture-life.com and the FCA's Board diversity rules.

Paul McGreevy
Chair of the Nomination Committee
30 June 2025

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DIRECTORS' REPORT

Introduction

The Directors submit their report and the financial statements of Venture Life Group plc for the year ended 31 December 2024. Venture Life Group plc is a public limited company quoted on AIM, incorporated and domiciled in the United Kingdom with registered office at Venture House, 2 Arlington Square, Bracknell, Berkshire. RG12 1WA. It has subsidiary companies in the United Kingdom, Italy, The Netherlands, Sweden and Switzerland and a branch located in Italy.

Results

The profit before tax for the year ended 31 December 2024 was £19,000 (2023: loss £471,000). The detailed results for the year and the financial position at 31 December 2024 are shown in the Consolidated Statement of Comprehensive Income on page 76 and the Consolidated Statement of Financial Position on page 76.

Principal activities

The principal activities of the Company and its subsidiaries (the Group) are the development, manufacturing and commercialisation of healthcare products, including medical devices, food supplements and cosmetics for the ageing population.

Corporate governance

A report on corporate governance and the Group's compliance with the QCA Code is set out on page 48 and forms part of this report by reference.

The Board of Directors

The members of the Board of Directors and their biographical details are shown on page 50 and are incorporated into this report by reference. The following Directors held office during the year and up to the date of this report:

NAME	TITLE
Paul McGreevy	Non-Executive Chair
Jerry Randall	Chief Executive Officer
Gianluca Braguti	Chief Manufacturing Officer
Carl Dempsey	Non-Executive Director
Mark Adams	Non-Executive Director
Daniel Wells	Chief Financial Officer

External directorships

It is the Group's policy that its Directors may take up other directorships provided that such appointments do not conflict with their employment with the Group. Individuals may retain any remuneration received from such services. External directorships held by the Directors who are in office as at the date of this report are detailed below:

NAME	EXTERNAL DIRECTORSHIPS
Paul McGreevy	McGreevy Consulting Ltd, S&J International (UK) Limited, Normal A/S and Revive Active.
Daniel Wells	Susandan Limited.
Carl Dempsey	Big Blue Bear Limited.
Mark Adams	Cotterill Drainage Limited, Development Media International Associates C.I.C, Facilities By ADF Plc, One Media IP Group plc and Redlotus Services Limited.
Gianluca Braguti	Enova SRL.

Directors' share interests

The Directors in office at 31 December 2024 and their interests in the shares of the Company were as follows:

DIRECTOR	TITLE	NUMBER OF ORDINARY 0.3P SHARES HELD AT 31 DECEMBER 2024	% OF ISSUED SHARE CAPITAL	NUMBER OF ORDINARY 0.3P SHARES HELD AT 31 DECEMBER 2023	% OF ISSUED SHARE CAPITAL
Jerry Randall[1]	Chief Executive Officer	**2,203,200**	**1.73%**	2,203,200	1.74%
Gianluca Braguti[1]	Chief Manufacturing Director	**3,742,730**	**2.95%**	3,742,730	2.96%
Daniel Wells	Chief Financial Officer	**-**	**-**	-	-
Paul McGreevy	Non-Executive Chair	**806,385**	**0.63%**	689,866	0.55%
Carl Dempsey	Non-Executive Director	**148,500**	**0.12%**	148,500	0.12%
Mark Adams	Non-Executive Director	**175,000**	**0.14%**	58,504	0.05%

[1] Includes indirect holdings.

DIRECTORS' REPORT CONTINUED

Appointment and replacement of Directors

The appointment and replacement of Directors is governed by the Company's Articles of Association (the 'Articles'), the Companies Act 2006 and related legislation. The Articles provide that the Company may by ordinary resolution appoint Directors to the Board. The Articles also provide that the Board may appoint Directors to the Board. The Company must have not less than two, or more than twelve Directors. Where Directors are appointed by the Board, they may only hold office until the next AGM of the Company where they will be eligible for election. Each Director must then retire from office at the third AGM after the AGM at which they were last elected. However, the Board has decided that all Directors will seek re-election at each AGM in accordance with the Code. The Company may remove a Director by special resolution or by ordinary resolution where special notice has been given and the necessary statutory procedures are complied with.

Directors' indemnity and compensation for loss of office

Directors and Officers of the Company and its subsidiaries are covered by Directors' and Officers' liability insurance, which gives appropriate cover for legal action brought against the Directors.

The Company does not have arrangements with any Director that would provide compensation for loss of office or employment resulting from a takeover, except that provisions of the Company's share plans may cause options and awards granted under such plans to vest on a takeover. Further information is provided in the Directors' Remuneration Report on page 62.

Engagement with stakeholders

The long-term success of the Company is dependent on its relationships with its stakeholders. In accordance with Section 172 of the Companies Act 2006, the Company's statement on engagement with its suppliers, customers, the community and others can be found on page 35.

Employee engagement and equal opportunities policy

The Company provides employees with information on the Group's performance and on matters concerning them on a regular basis. The Board engages with employees through formal and informal channels including the Employee Satisfaction Survey, as set out on page 29. Venture Life Group operates an equal opportunities policy that aims to ensure that all employees are treated fairly and without favour or prejudice throughout selection, recruitment, training, development and promotion.

Share capital

At 31 December 2024, there were 127,052,312 ordinary shares of £0.03 each in issue. Each ordinary share carries one vote; therefore, the total voting rights in issue at 31 December 2024 were 127,052,312. Details of the Company's issued share capital and shares issued during the year can be found in Note 18 of the financial statements.

The Company was granted a general authority by its shareholders at the 2024 AGM to allot shares up to 33.33% of the Company's issued share capital. This resolution will expire at the conclusion of the 2025 AGM.

A resolution will be proposed at the 2025 AGM to renew the general authority to allot shares up to 33.33% of the Company's issued share capital.

The Company was granted authority by its shareholders at the 2024 AGM to purchase up to 12,649,820 of its ordinary shares, being 10% of the issued share capital. This authority will expire at the conclusion of the 2025 AGM.

In order to retain flexibility, the Company will propose a resolution at the 2025 AGM to renew the Company's authority to purchase up to 10% of its ordinary shares at the Directors' discretion. If the resolution is passed, the new authority will replace the existing authority, which will lapse at the conclusion of the AGM on 30 June 2025.

Dividends

The Directors do not recommend the payment of a dividend.

Major shareholdings

The table below shows notifications received by the Company in accordance with DTR 5 during financial year ended 31 December 2024. This information was correct at the date of notification. It should be noted that these holdings may have changed since notified to the Company. However, notification of any change is not required until the next applicable threshold is crossed.

INSTITUTION	VOTING RIGHTS AT 31 DEC 2024	% OF CAPITAL AT 31 DEC 2024
Slater Investments	29,102,833	22.91%
BGF Investment Management Limited	11,396,824	8.97%
Hargreaves Lansdown	9,146,128	7.20%
River & Mercantile Asset Management LLP	9,783,971	7.70%
Close Brothers Asset Management	10,376,893	8.17%
Stonehage Fleming	8,673,893	6.83%
Interactive Investor	6,463,635	5.09%
Chelverton Asset Management	4,364,322	3.44%
A J Bell Securities	4,142,073	3.26%

As at 30 June 2025, the date of this report, the Company had received the following additional notifications:

INSTITUTION	VOTING RIGHTS	% OF CAPITAL
Slater Investments	35,403,497	27.65%
River Global	10,326,471	8.06%
Chelverton Asset Management	-	0%
Close Brothers Asset Management	9,618,419	7.51%
Stonehage Fleming	8,423,893	6.58%
Harwood Capital	3,574,631	2.79%

Rights and obligations attaching to shares

The Company has a single class of ordinary shares in issue. Holders of the ordinary shares are entitled to receive dividends (when declared) and a copy of the Company's Annual Report and Accounts, attend and speak at general meetings of the Company and appoint proxies and exercise voting rights or the transfer of voting rights.

None of the ordinary shares carry any special rights with regard to control of the Company and there are no restrictions on voting rights or the transfer of voting rights. Major shareholders have the same voting rights per share as all other shareholders.

Significant agreements

The Group is not party to any significant agreements that would take effect, alter or terminate on a change of control of the Group.

Streamlined Energy and Carbon Reporting and Task Force on Climate-Related Financial Disclosures

Information on the Group's Streamlined Energy and Carbon Reporting and Task Force on Climate-Related Financial Disclosures is set out in the Strategic Report on page 34 and forms part of this report by reference.

Risk management and internal controls

The Board has carried out a robust assessment of the Group's principal and emerging risks as set out on pages 38 to 42 of the Strategic Report. The Group's financial risk management objectives and policies, including its use of financial instruments, are set out in Note 27 of the financial statements.

Going concern

The financial position of the Group, its cash flows and liquidity position are set out in the consolidated financial statements. Furthermore, Note 27 of the financial statements includes the Group's objectives and policies for managing its capital, its financial risk management objectives, details of its financial instruments and its exposure to credit and liquidity risk.

The Directors believe the Group has adequate resources to continue in operation for a period of at least twelve months from the date of approval of the financial statements due to its existing, and forecast, availability of cash resources. For this reason, they continue to adopt the going concern basis in preparing the financial statements. The Directors have made this assessment after consideration of forecast cash flows, specifically uncertainties in relation to the macroeconomic outlook, the reverse stress scenario sensitivity and the Group's liquidity over the relevant forecast period.

Auditor

The Directors holding office at the date of this annual report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditor is unaware. Each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

S&W Partners Audit Limited, the external auditor of the Group, has advised of its willingness to continue in office and a resolution to reappoint them as auditor and the authority for their remuneration to be determined by the Audit and Risk Committee will be proposed at the 2025 General Meeting. Further details on how the objectivity and independence of the auditor is safeguarded and assessed can be found in the report of the Audit and Risk Committee on page 55.

Political donations

No political donations were made or political expenditure incurred for 2024 (2023 nil).

AGM

The Company's AGM will take place at 10.00 am on 30 June 2025 at the Offices of Simmons & Simmons LLP, CityPoint, 1 Ropemaker Street, London, EC2Y 9SS. The Notice of Meeting, which sets out the resolutions to be proposed at the forthcoming AGM and attendance arrangements, accompanies the Annual Report and Accounts and can also be found on the Group's website at www.venture-life.com.

Post balance sheet events and future developments

Refer to Notes to the financial statements for details of post-balance sheet events. Details of the Group's business activities and the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 13 to 47 and form part of this report by reference.

On behalf of the Board

Jerry Randall
Chief Executive Officer
30 June 2025

Daniel Wells
Chief Financial Officer
30 June 2025

Remuneration Committee

As a company listed on the Alternative Investment Market (AIM), the Company is not required to comply with Schedule 8 of the Large and Medium-sized Companies and Group (Accounts and Reports) Regulations 2008 as amended in August 2013 (the "Regulations"), nor is it required to comply with the principles relating to Directors' remuneration in the UK Corporate Governance Code 2016 (the "Code"). This report has not been audited.

The Company's Remuneration Committee consists of the Chair and the other two Non-Executive Directors. The Chief Executive Officer and Chief Financial Officer are invited to attend meetings of the Committee but no Director is involved in any decisions relating to their own remuneration. None of the Committee has any personal financial interest (other than as shareholders), conflicts of interests arising from cross directorships, or day-to-day involvement in running the business.

The Committee is responsible for the consideration and approval of the terms of service, remuneration, bonuses, share options and other benefits of the other Directors. All decisions made are after giving due consideration to the size and nature of the business and the importance of retaining and motivating management. The Committee will meet at least once a year and at other times as appropriate.

Remuneration policy

The Group's remuneration policy is designed to ensure that the remuneration packages attract, motivate and retain Directors and senior managers of high calibre and to reward them for enhancing value to shareholders. The Group's policy is that a substantial proportion of the total potential remuneration of the Executive Directors should be performance-related and aligned to performance measures that benefit all shareholders and promote the long-term success of the Group.

The performance measurement of the Executive Directors and the determination of their annual remuneration package, including performance targets, are undertaken by the Remuneration Committee.

There are four main elements of the remuneration package for Executive Directors and other senior management:

- basic annual salary and benefits;
- annual bonus payments;
- long-term incentives; and
- pension arrangements.

The remuneration of the Non-Executive Directors comprises only of Directors' fees.

Salary

Basic salaries are reviewed annually and if revised, the change in salary takes effect from the start of the financial year.

Annual bonuses

The Board believes that bonuses are an important incentive for Executives to achieve the Group's objectives, and as such should represent a significant element of the total compensation awards for the Executives.

All the Executive Directors currently participate in the same bonus scheme and achievement of bonuses is aligned to the achievement of the Group's financial targets. The bonus scheme enables Executives to earn a bonus of up to £100,000 each for achieving stretching financial targets and, where appropriate, stretching operational targets, which have been set at a level perceived appropriate to provide the necessary incentives. In the event of over-or under-achievement of the Group financial performance against those targets, appropriate adjustments may be made to the bonus payable.

Long-Term Incentive Plan

The Company uses market value share options as its primary Senior Executive incentive arrangement to motivate and retain selected Senior Executives within the Group. Under that arrangement the Directors were granted the following share options:

DIRECTOR	SHARE OPTION SCHEME	OPTIONS AS AT 31 DECEMBER 2023	OPTIONS GRANTED DURING THE YEAR	OPTIONS EXERCISED DURING THE YEAR	**OPTIONS AS AT 31 DECEMBER 2024**	DATE FROM WHICH FIRST EXERCISABLE	EXPIRY DATE	EXERCISE PRICE	PERFORMANCE CONDITIONS
Jerry Randall	Unapproved	483,333	-	-	**483,333**	1 Jul 2014	31 Dec 2025	41.0p	Non-market
Jerry Randall	Unapproved	1,000,000	-	-	**1,000,000**	31 Mar 2022	31 Mar 2029	33.7p	Non-market
Gianluca Braguti	Unapproved	1,000,000	-	-	**1,000,000**	31 Mar 2022	31 Mar 2029	33.7p	Non-market
Daniel Wells	Unapproved	145,349	-	-	**145,349**	1 Sep 2024	1 Sep 2031	68.8p	Non-market
Daniel Wells	Unapproved	300,000	-	-	**300,000**	21 Feb 2025	21 Feb 2032	43.0p	Non-market
Jerry Randall	Unapproved	1,000,000	-	-	**1,000,000**	4 July 2026	4 July 2033	38.1p	Non-market
Gianluca Braguti	Unapproved	1,000,000	-	-	**1,000,000**	4 July 2026	4 July 2033	38.1p	Non-market
Daniel Wells	Unapproved	1,000,000	-	-	**1,000,000**	4 July 2026	4 July 2033	38.1p	Non-market

None of the Directors exercised options during 2024 (2023: none).

Since 2016, awards have been made under the Company's Long-Term Incentive Plan ("LTIP" or the "Plan") as its primary Senior Executive incentive arrangement to replace market value share options. The key terms of the LTIP are as follows:

- Awards will normally be granted annually and will vest after three years;
- Awards will normally be structured as nil cost options or conditional awards;
- Awards will normally be granted annually immediately following the release of the Group's financial results each year;
- The maximum annual value of nominal cost options that can be made to an individual is equivalent to 200% of basic salary at the date of grant;
- Awards will only normally vest subject to continued service and to the extent that relevant performance targets are met; and
- Performance targets will normally be based on earnings per share and/or total shareholder return targets.

The Remuneration Committee administers the LTIP and the grant of nominal cost options under the LTIP.

A summary of the awards made in previous years is set out below and were all exercised during the year. No awards were made during 2024 and the Group has since adopted a policy against the award of nominal cost options:

NAME	AWARD FOUR (DATE OF GRANT 23 MARCH 2018)
Jerry Randall	224,274
Gianluca Braguti	180,325
Sharon Daly (née Collins)	149,516
	554,115

A full summary of the performance conditions attached to outstanding awards can be found in Note 21.

Directors' letters of appointment and contracts

All Executive Directors have rolling service contracts with six months' notice. The Non-Executive Directors do not have service contracts but have letters of appointment.

	DATE OF CONTRACT	NOTICE PERIOD
Executive Directors		
Jerry Randall	12 December 2013	Six months' notice to be given by the Executive Director and 30 days' by the Company. In the event that the Company terminates the Executive's employment without cause, then an amount equal to 50% of the employee's salary is payable by the Company.
Gianluca Braguti	19 March 2019	
Daniel Wells	1 December 2021	
Non-Executive Directors		
Paul McGreevy	17 May 2022	Three months
Mark Adams	22 Oct 2022	Three months
Carl Dempsey	20 Sep 2018	Three months

Directors' remuneration 2024

	SALARY/FEES £	BONUS £	BENEFITS £	TOTAL £	PENSION CONTRIBUTIONS £	SOCIAL SECURITY CONTRIBUTIONS £	TOTAL £
Executive Directors							
Jerry Randall	259,570	-	5,861	265,431	69,964	57,590	392,985
Daniel Wells	179,550	-	3,095	182,645	38,561	23,522	244,728
Gianluca Braguti	217,644	-	4,886	222,530	43,529	23,167	289,226
Non-Executive Directors							
Carl Dempsey	34,067	-	-	34,067	-	3,446	37,513
Paul McGreevy	74,483	-	-	74,483	-	9,023	83,506
Mark Adams	36,383	-	-	36,383	-	3,765	40,148
Total	**801,697**	**-**	**13,842**	**815,539**	**152,054**	**120,513**	**1,088,106**

Directors' remuneration 2023

	SALARY/FEES £	BONUS £	BENEFITS £	TOTAL £	PENSION CONTRIBUTIONS £	SOCIAL SECURITY CONTRIBUTIONS £	TOTAL £
Executive Directors							
Jerry Randall	247,209	120,000	4,888	372,097	66,633	57,264	495,994
Sharon Daly (née Collins)[1]	65,810	80,000	2,123	147,933	12,713	20,627	181,274
Daniel Wells	180,000	100,000	614	280,614	27,000	36,408	344,022
Gianluca Braguti	234,925	120,000	3,685	358,610	42,998	23,053	424,661
Non-Executive Directors							
Carl Dempsey	32,445	-	-	32,445	-	3,225	35,670
Paul McGreevy	63,000	-	-	63,000	-	7,433	70,433
Mark Adams	34,650	-	-	34,650	-	3,595	38,345
Total	**858,040**	**420,000**	**11,311**	**1,289,350**	**149,344**	**151,604**	**1,590,298**

[1]Resigned 3 August 2023

Share options

The Company currently issues share options to staff to reward performance, to encourage loyalty and to enable valued employees to share in the success of the Company. In setting up the share option schemes, the Remuneration Committee took into account the recommendations of shareholder bodies on the number of options to issue, the criteria for vesting and the desirability of granting share options to Executive and Non-Executive Directors.

All employees are generally eligible to receive share options under the unapproved share option schemes after three months' service. Option awards for employees are recommended by the Executive Directors and approved by the Remuneration Committee.

Pensions and other benefits

The Group contributes to the personal pension plans of certain Executive Directors and employees. Under the scheme, the Group will make direct contributions. The Group is compliant with its auto-enrolment obligations in respect of eligible employees. Some benefits, such as private medical insurance, are available to all Executive Directors and certain other employees. Death in service benefit is provided to all Executive Directors and employees.

Non-Executive Directors

The Non-Executive Directors have entered into letters of engagement with the Company, with the Board determining their fees. Non-Executive Directors do not participate in the Group's pension or bonus schemes in their capacity as Non-Executive Directors.

The appointments can be terminated upon three months' notice being given by either party.

On behalf of the Board,

Carl Dempsey
Chairman of the Remuneration Committee
30 June 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Directors' responsibilities

The Directors are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the group financial statements in accordance with UK-adopted international accounting standards and the parent company financial statements in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law, the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company of the profit or loss of the Group for that period.

In preparing the Parent Company financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" has been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

In preparing the Group's financial statements, International Accounting Standard 1 requires that Directors:

- Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- Make an assessment of the Group's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for preparing the Directors' Report, the Strategic Report, the Directors' Remuneration Report and the Corporate Governance Report in accordance with the Companies Act 2006 and applicable regulations, including the requirements of the AIM rules.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' statement

We confirm that to the best of our knowledge:

- The consolidated and Parent Company financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and loss of the Group and the undertakings included in the consolidation taken as a whole; and
- The Strategic Report and the Directors' Report include a fair review of the development and performance of the business and the position of the Group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that it faces.

The Directors consider that the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

This responsibility statement was approved by the Board of Directors and was signed on its behalf by:

Jerry Randall
Chief Executive Officer
30 June 2025

Daniel Wells
Chief Financial Officer
30 June 2025

INDEPENDENT AUDITOR'S REPORT (GROUP)

Opinion

We have audited the group financial statements of Venture Life Group plc (the 'group') for the year ended 31 December 2024 which comprise of the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows, and the notes to the group financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards.

In our opinion, the group financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2024 and of the group's loss for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our approach to the audit

Of the group's 16 reporting components, we directly subjected 7 to audits for group reporting purposes and 3 to specific audit procedures where the extent of our audit work was based on our assessment of the risk of material misstatement and of the materiality of that component. The latter components were not individually significant enough to require an audit for group reporting purposes but contained material financial statement line items that we subjected to specific testing.

The components within the scope of our work covered 81% of group revenue, 64% of total component profits before tax, 98% of total component losses before tax, and 91% of group net assets.

All testing was carried out directly by the Group auditor with the exception of one component, for which we used a component auditor Video conference meetings were held with the component auditor at the planning stage. At these meetings, the group audit team discussed the component auditors' risk assessment and planned audit approach. Once the audit work was completed, the findings reported to the group audit team were discussed in more detail, and any further work required by the group audit team was then performed by the component auditor. In addition to these planned meetings, the group audit team sent detailed instructions to the component audit teams and reviewed their relevant audit working papers.

For the remaining 6 components, which were not significant to the group either individually or in aggregate, we performed analysis at a group level to re-examine our assessment that there were no significant risks of material misstatement within these.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT (GROUP) CONTINUED

KEY AUDIT MATTER	DESCRIPTION OF RISK	HOW THE MATTER WAS ADDRESSED IN THE AUDIT
The carrying value of goodwill and other intangible assets arising from the acquisitions of BBI Healthcare Ltd, HL Healthcare Ltd and the Helsinn brands	The valuation of goodwill and other acquired intangible assets brought forward is an area where we have assessed that there is an increased risk of material misstatement due to error. For goodwill and other indefinite life intangible assets the directors are required to perform an annual impairment review. The process used by management for undertaking impairment reviews under International Accounting Standards (IAS 36 'Impairment of Assets') is to determine the recoverable value, which is considered to be the value in use through forecasting cash flow based on growth rates, and the determination of the appropriate discount rate. We have targeted the key audit risk to those impairment reviews where there is limited headroom and consequently small changes to judgements could significantly impact the results.	We challenged the assumptions used in the impairment models for intangible assets, described in note 13. As part of our procedures we: • considered historical trading performance by comparing recent growth rates of both revenue and operating profit across the group's geographical and market segments; • assessed the appropriateness of the assumptions concerning growth rates and inputs to the discount rate against latest market expectations; and • considered management's assertions about the group's future utilisation of assets following a review of the business's strategic plan by CGU. • considered the completeness of assets and liabilities as a result of the allocation in assets and liabilities held for sale. In performing our procedures, we used our internal valuation specialists and third-party evidence to assess the appropriateness of the discount rate applied. We have considered the appropriateness of the disclosures within the financial statements.
Valuation of assets recognised on business combinations for Health & Her Ltd	The valuation of assets recognised on business combinations is an area where we have assessed that there is an increased risk of material misstatement due to error. IFRS3 requires certain newly acquired assets and liabilities to be recorded at fair value. There is significant management judgement involved in determining the fair value of the assets and liabilities acquired, including intangibles such as customer relationships, brands, and goodwill. Management's judgements are involved in the application of the discount rate and estimated growth rates.	We challenged the work performed by management's valuation expert in relation to the valuation of acquired intangible assets. This included: • whether the methodology used in the valuations in line with acceptable valuation methods and whether inputs such as future profits, attrition rates and discount rates used are appropriate. • the competence of management's expert through reference to their qualifications and experience • assessing the acquisition balance sheet by agreeing material balances to supporting evidence, including cash balances on acquisition; • agreeing the consideration paid, by reference to acquisition agreements and to bank statements; • reperforming the calculation of goodwill and comparing to the amount determined by management to gain assurance over the mathematical accuracy of the calculation; and • assessing the adequacy of the accounting policy and relevant disclosures made in the financial statements with respect to the acquisition to determine whether they are complete, accurate and in line with IFRS 3. In performing our procedures, we engaged our internal valuation specialists to assess the methodology, key valuation inputs, and assumptions. This assessment involved benchmarking against comparable companies and transactions.

INDEPENDENT AUDITOR'S REPORT (GROUP) CONTINUED

KEY AUDIT MATTER	DESCRIPTION OF RISK	HOW THE MATTER WAS ADDRESSED IN THE AUDIT
Recoverable value of the manufacturing and oral care disposal groups	An impairment of a disposal group is recognised when the expected fair value of proceeds arising from the sale is less than the carrying value. This area presents an increased risk of misstatement due to the significant judgments involved in assessing the assets and liabilities included within the disposal groups and determining the fair value of proceeds. The judgements involved in assessing the classification of assets has been discussed below.	We challenged the assumptions used in the valuation of the disposal groups. As part of our procedures, we: • Evaluated the assumptions and methodologies used by management in determining whether any impairment should be recognized. • Reviewed the assets and liabilities included in the disposal group to ensure that all items are appropriately classified and that no significant assets or liabilities have been omitted. • Examined sales agreements and letters of intent to understand the terms, including those occurring after the balance sheet date, to assess how the expected proceeds align with the fair value. In performing our procedures, we used our internal valuation specialists and third-party evidence to assess the appropriateness of the split of intangible assets previously included within the BBI and Dently cash-generating units. Disclosures in the financial statements have been reviewed for appropriateness.
Fraud arising in revenue recognition	Revenue is one of the most significant items in the group's statement of comprehensive income and impacts several KPIs. Under ISA (UK) 240, it is presumed that there are risks of fraud in revenue recognised. As the group's revenue is substantially driven from the sale of products, we have determined that, due to pressure to meet market expectations, there is a significant risk that management might fictitiously record revenue around the year end.	For revenue as described in note 3.5 we have performed the following procedures: • Performed substantive testing across material revenue streams by agreeing a sample of transactions to supporting documentation and vouching that it has been appropriately recognised in the correct period. We focused our testing towards the final two months of the year. • Obtained the pre and post year end nominal ledgers and agreed a sample of invoices raised to delivery notes to determine whether revenue is being recognised in the appropriate period. • Obtained an understanding of credit notes raised post year end and confirmed that the associated revenue was appropriately recognised.

INDEPENDENT AUDITOR'S REPORT (GROUP) CONTINUED

Our application of materiality

The materiality for the group financial statements as a whole ("group FS materiality") was set at £612,000. This has been determined with reference to the benchmark of the group's revenue, which we consider to be one of the principal considerations for members of the company in assessing the group's performance. Group FS materiality represents 1.25% of the group's revenue, including both continuing and discontinued operations.

In determining materiality, we made the significant judgement that revenue is considered to be the most appropriate benchmark because this is the key performance indicator as measured by the directors.

Performance materiality for the group financial statements was set at £459,000, being 75% of group FS materiality, for purposes of assessing the risks of material misstatement and determining the nature, timing and extent of further audit procedures. We have set it at this amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds group FS materiality. We judged this level to be appropriate based on our understanding of the group and its financial statements, as updated by our risk assessment procedures and our expectation regarding current period misstatements. In determining performance materiality, we considered whether there were any significant adjustments made to the financial statements in prior years, whether there were any significant control deficiencies identified in prior years and whether there were any significant changes in business objectives and strategy

Conclusions relating to going concern

In auditing the group financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the group financial statements is appropriate.

Our evaluation of the directors' assessment of the group's ability to continue to adopt the going concern basis of accounting included:

- Challenging the assumptions used in the detailed budgets and forecasts prepared by management for the financial year ending 2025 and into 2026.
- Considering historical trading performance by comparing recent growth rates of both revenue and operating profit across the group's geographical and market segments;
- Assessing the appropriateness of the assumptions concerning growth rates and other inputs used against the value in use calculations performed as part of the impairment reviews.
- Comparing the forecast results to those actually achieved in the 2025 financial period to date;
- Reviewing bank statements to monitor the cash position of the group post year end, and obtaining an understanding of significant expected cash outflows (such as capital expenditure) in the forthcoming 12-month period;
- Considering the group's funding position and requirements;
- Reviewing and challenging management's calculations suggesting the Group is able to comply with all loan facility covenants in the 12 months from approval of the financial statements; and
- Considering the sensitivity of the assumptions and re-assessing headroom after sensitivity.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual report and Accounts 2024, other than the group and parent company financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Accounts 2024. Our opinion on the group financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the group financial statements are prepared is consistent with the financial statements; and

INDEPENDENT AUDITOR'S REPORT (GROUP) CONTINUED

- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 65, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the group financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these group financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

We obtained a general understanding of the group's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the group's industry and regulation. We corroborated our enquiries through our inspection of board minutes and other information obtained during the course of the audit.

We understand that the group complies with the framework through:

- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary.
- The close involvement of Executive Directors' in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the group's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the group:

- The UK Companies Act 2006
- the relevant taxation regulations in the jurisdictions in which the parent company and group operates.
- UK-adopted international accounting standards
- AIM Rules for Companies
- the implementation of the EU Medical Device Regulations (MDR)

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Understood the regulatory timeframes and, based on the information set out in the bi-monthly board meetings, managements plans to achieve the MDR registrations. We discussed progress with management as part of our procedures on the costs incurred and read the updates included in the board minutes.
- Reviewed the compliance of the group with the relevant taxation regulations. This included verifying that all tax liabilities are accurately recorded.

INDEPENDENT AUDITOR'S REPORT (GROUP) CONTINUED

- Confirmed that the financial statements have been prepared in accordance with UK-adopted international accounting standards and verified that the company complies with the AIM Rules for Companies. This involved ensuring that the financial reporting is consistent with the standards set by the International Accounting Standards Board (IASB) and endorsed by the UK Endorsement Board, and that the company has adhered to the required corporate governance codes and disclosure requirements.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Due to pressure to meet market expectations management might fictitiously record revenue around the year end; and
- Management's assumptions made as part of the impairment reviews may not be balanced.

These areas were communicated to the other members of the engagement team not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- The procedures set out in the Key Audit Matters section in respect of fraud risks relating to revenue recognition;
- Assessing the appropriateness of the assumptions concerning growth rates and inputs to the discount rate against latest market expectations and inputs to the discount rate against latest market expectations;
- Gaining an understanding of the controls that management has in place to prevent and detect fraud;
- Journal entry testing, with a focus on journals indicating large or unusual transactions; and
- Performing audit procedures to consider the compliance of disclosures in the financial statements with the applicable financial reporting requirements including those relating to discontinued operations and post balance sheet events

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
- Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
- Knowledge of the industry in which the parent company and the group operates; and
- Understanding of the legal and regulatory requirements specific to the parent company and the group.

A further description of our responsibilities is available on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matter

We have reported separately on the parent company financial statements of Venture Life Group plc for the year ended 31 December 2024.

Use of our report

This report is made solely to the parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Bishop
Senior Statutory Auditor, for and on behalf of
S&W Partners Audit Limited
Statutory Auditor
Chartered Accountants

45 Gresham Street
London
EC2V 7BG

30 June 2025

INDEPENDENT AUDITOR'S REPORT (PARENT COMPANY)

Opinion

We have audited the financial statements of Venture Life Group plc (the 'parent company') for the year ended 31 December 2024 which comprise Parent Company Balance Sheet and Parent Company Statement of Changes in Equity and the parent company notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice)

In our opinion, the parent company financial statements:

- give a true and fair view of the state of the parent company's affairs as at 31 December 2024;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the parent company financial statements section of our report. We are independent of the parent company in accordance with the ethical requirements that are relevant to our audit of the parent company financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	Description of risk	How the matter was addressed in the audit
Valuation of investments in subsidiary undertakings	The valuation of investments in subsidiary undertakings is the most significant assets of the parent and has a risk of misstatement due to potential impairment. These are held at cost less impairment on an individual basis. Management performs an annual assessment to determine whether there are indicators of impairment. Where indicators are identified, the assumptions contained in the impairment review can be highly judgemental and can significantly impact the results.	For the investments detailed in note 5, we have challenged management's impairment calculation, discounted future cashflows and key assumptions used to support the carrying value of the investments.

Our application of materiality

The materiality for the parent company financial statements as a whole ("parent FS materiality") was set at £459,000. This has been determined with reference to the benchmark of 0.473% of parent company's total assets, as its purpose is to hold investments in subsidiaries.

Performance materiality for the parent company financial statements was set at £ 344,000, being 75% of parent FS materiality. In determining performance materiality, we considered whether there were any significant adjustments made to the financial statements in prior years, whether there were any significant control deficiencies identified in prior years and whether there were any significant changes in business objectives and strategy.

Conclusions relating to going concern

In auditing the parent company financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the parent company financial statements is appropriate.

Our evaluation of the directors' assessment of the parent company's ability to continue to adopt the going concern basis of accounting included:

- Challenging the assumptions used in the detailed budgets and forecasts prepared by management for the financial year ending 2025 and into 2026.
- Considering historical trading performance by comparing recent growth rates of both revenue and operating profit across the group's geographical and market segments;
- Assessing the appropriateness of the assumptions concerning growth rates and other inputs used against the value in use calculations performed as part of the impairment reviews.
- Comparing the forecast results to those actually achieved in the 2025 financial period to date;
- Reviewing bank statements to monitor the cash position of the group post year end, and obtaining an understanding of significant expected cash outflows (such as capital expenditure) in the forthcoming 12-month period;
- Considering the group's funding position and requirements;
- Reviewing and challenging management's calculations suggesting the Group is able to comply with all loan facility covenants in the 12 months from approval of the financial statements; and
- Considering the sensitivity of the assumptions and re-assessing headroom after sensitivity.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report and Accounts 2024, other than the group and parent company financial statements and our auditor's reports thereon. The directors are responsible for the other information contained within the Annual report and Accounts 2024. Our opinion on the parent company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the parent company financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the parent company financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the parent company financial statements are prepared is consistent with the parent company financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT (PARENT COMPANY) CONTINUED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 66, the directors are responsible for the preparation of the parent company financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the parent company financial statements

Our objectives are to obtain reasonable assurance about whether the parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

We obtained a general understanding of the company's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the company's industry and regulation. We corroborated our enquiries through our inspection of board minutes and other information obtained during the course of the audit.

We understand that the company complies with the framework through:

- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary.
- The close involvement of Executive Directors' in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the group's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the group:

- The UK Companies Act 2006
- the relevant taxation regulations in the jurisdictions in which the parent company operates.
- United Kingdom Accounting Standards
- AIM Rules for Companies

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Management's assumptions made as part of the impairment reviews may not be balanced.

These areas were communicated to the other members of the engagement team not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- Gaining an understanding of the controls that management has in place to prevent and detect fraud;
- Journal entry testing, with a focus on journals indicating large or unusual transactions;
- Tested management's impairment calculation by challenging discounted future cash flows and key assumptions, as further described in the Key Audit Matter above; and
- Performing audit procedures to consider the compliance of disclosures in the financial statements with the applicable financial reporting requirements.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:

- Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
- Knowledge of the industry in which the parent company and the group operates; and
- Understanding of the legal and regulatory requirements specific to the parent company and the group.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matter

We have reported separately on the group financial statements of Venture Life Group plc for the year ended 31 December 2024.

Use of our report

This report is made solely to the parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Bishop
Senior Statutory Auditor, for and on behalf of
S&W Partners Audit Limited
Statutory Auditor
Chartered Accountants

45 Gresham Street
London
EC2V 7BG

30 June 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

Company number 05651130

	NOTES	YEAR ENDED 31 DECEMBER 2024 £'000	RE-PRESENTED[1] YEAR ENDED 31 DECEMBER 2023 £'000
Revenue	5	**26,593**	22,365
Cost of sales		**(14,407)**	(13,072)
Gross profit		**12,186**	9,293
Administrative expenses			
Operating expenses		**(6,606)**	(4,821)
Amortisation of intangible assets	13a, 13b	**(2,447)**	(2,471)
Total administrative expenses		**(9,053)**	(7,292)
Other income		**3**	39
Operating profit before exceptional items		**3,136**	2,040
Exceptional costs	6	**(1,621)**	(639)
Operating profit	7	**1,515**	1,401
Finance costs		**(1,496)**	(1,872)
Profit / (loss) before tax		**19**	(471)
Tax	10	**(46)**	469
(Loss) for the year – Continuing operations		**(27)**	(2)
(Loss) / Profit for the year – Discontinued operations		**(287)**	923
(Loss) / Profit for the year		**(314)**	921
Other comprehensive income:			
Items that will be reclassified subsequently to profit or loss			
Foreign exchange loss on translation of subsidiaries		**(868)**	(551)
Total comprehensive profit for the year attributable to equity holders of the parent		**(1,182)**	370
Earnings per share – Continuing operations			
Basic loss per share (pence)	12	**(0.02)**	(0.00)
Diluted loss per share (pence)	12	**(0.02)**	(0.00)
Earnings per share – Total Group			
Basic (loss) / earnings per share (pence)	12	**(0.25)**	0.73
Diluted (loss) / earnings per share (pence)	12	**(0.25)**	0.68

All of the profit and the total comprehensive income for the year is attributable to equity holders of the parent.

Notes

1 The results for the year ended 31 December 2023 have been re-presented to reflect that the results of parts of the business are now reported as discontinued operations. See note 31 'Discontinued operations and assets held for sale' for more information.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

Company number 05651130

	NOTES	AT 31 DECEMBER 2024 £'000	AT 31 DECEMBER 2023 £'000
Assets			
Non-current assets			
Intangible assets	13a, 13b	**48,615**	74,612
Property, plant and equipment	14	**769**	10,194
Deferred tax		**3,287**	2,530
		52,671	87,336
Current assets			
Inventories	15	**5,075**	10,332
Trade and other receivables	16	**10,832**	16,205
Cash and cash equivalents	17	**3,053**	5,622
		18,960	32,159
Assets held for sale	31	**52,856**	-
Total assets		**124,487**	119,495
Equity and liabilities			
Capital and reserves			
Share capital	18	**381**	379
Share premium account	18	**65,960**	65,960
Merger reserve	19	**7,656**	7,656
Foreign currency translation reserve	20	**146**	1,014
Share-based payments reserve	21	**1,225**	1,034
Retained earnings	22	**43**	211
Total equity attributable to equity holders of the parent		**75,411**	76,254
Liabilities			
Current liabilities			
Trade and other payables	23	**5,307**	9,066
Taxation		**330**	269
Interest-bearing borrowings	24	**1,660**	20,342
		7,297	29,677
Liabilities held for sale	31	**11,966**	-
		19,263	29,677
Non-current liabilities			
Interest-bearing borrowings	24	**22,200**	4,050
Statutory employment provision	25	**-**	1,544
Deferred tax liability	11	**7,613**	7,970
		29,813	13,564
Total liabilities		**49,076**	43,241
Total equity and liabilities		**124,487**	119,495

The financial statements on pages 76 to 117 were approved and authorised for issue by the Board on 30 June 2025 and signed on its behalf by:

Jerry Randall, Director
30 June 2025

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	SHARE CAPITAL £'000	SHARE PREMIUM ACCOUNT £'000	MERGER RESERVE £'000	FOREIGN CURRENCY TRANSLATION RESERVE £'000	SHARE-BASED PAYMENTS RESERVE £'000	RETAINED EARNINGS £'000	TOTAL EQUITY £'000
Balance at 1 January 2023	379	65,960	7,656	1,565	812	(713)	75,659
Profit for the year	-	-	-	-	-	921	921
Foreign exchange on translation	-	-	-	(551)	-	-	(551)
Total comprehensive income	-	-	-	(551)	-	921	370
Share-based payments charge	-	-	-	-	225	-	225
Share-based payments charge recycling	-	-	-	-	(3)	3	-
Transactions with Shareholders	-	-	-	-	222	3	225
Balance at 1 January 2024	**379**	**65,960**	**7,656**	**1,014**	**1,034**	**211**	**76,254**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**(314)**	**(314)**
Foreign exchange on translation	**-**	**-**	**-**	**(868)**	**-**	**-**	**(868)**
Total comprehensive income	**-**	**-**	**-**	**(868)**	**-**	**(314)**	**(1,182)**
Share-based payments charge	**-**	**-**	**-**	**-**	**337**	**-**	**337**
Share-based payments charge recycling	**-**	**-**	**-**	**-**	**(146)**	**146**	**-**
Contributions of equity, net of transaction costs	**2**	**-**	**-**	**-**	**-**	**-**	**2**
Transactions with Shareholders	**2**	**-**	**-**	**-**	**191**	**146**	**339**
Balance at 31 December 2024	**381**	**65,960**	**7,656**	**146**	**1,225**	**43**	**75,411**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	NOTES	YEAR ENDED 31 DECEMBER 2024 £'000	YEAR ENDED 31 DECEMBER 2023 £'000
Cash flow from operating activities			
Profit before tax		**19**	(471)
Finance expense		**1,496**	1,872
Operating profit		**1,515**	1,401
Adjustments for:			
– Depreciation of property, plant and equipment	14	**359**	201
– Impairment gains of financial assets		**(7)**	(101)
– Amortisation of intangible assets	13b	**2,447**	2,471
– Loss on disposal of non-current assets	13	**158**	-
– Share-based payment expense		**232**	183
Operating cash flow before movements in working capital		**4,704**	4,155
Decrease / (increase) in inventories		**(355)**	(682)
Decrease / (increase) in trade and other receivables		**(2,465)**	399
(Decrease) / increase in trade and other payables		**2,747**	(790)
Cash generated from operations		**4,631**	3,082
– Tax paid		**(657)**	(336)
– Cashflows from discontinued operations		**4,377**	5,474
Net cash from operating activities		**8,351**	8,220
Cash flow from investing activities:			
Acquisition of subsidiaries, net of cash acquired		**(9,480)**	(2,933)
Purchases of property, plant and equipment	14	**(8)**	(33)
Expenditure in respect of intangible assets	13a, 13b	**(2)**	(201)
Cash outflows from discontinued operations		**(1,804)**	(2,173)
Net cash used in investing activities		**(11,294)**	(5,340)
Cash flow from financing activities:			
Proceeds from issuance of ordinary shares	18	**2**	-
Drawdown of interest-bearing borrowings	24	**9,000**	2,553
Repayment of interest-bearing borrowings	24	**(3,300)**	(3,581)
Leasing obligation repayments	24	**(307)**	(177)
Interest paid		**(2,012)**	(1,259)
Net cash outflows from discontinued operations		**(1,604)**	(342)
Net cash from / (used in) financing activities		**1,779**	(2,806)
Net (decrease) / increase in cash and cash equivalents		**(1,164)**	74
Net foreign exchange difference		**(139)**	(83)
Cash and cash equivalents at beginning of period		**5,622**	5,631
Cash and cash equivalents at end of period	17	**4,319**	5,622

NOTES TO THE CONSOLIDATED STATEMENTS

For the year ended 31 December 2024

1. General information

Venture Life Group plc ("the Company") was incorporated on 12 December 2005 and is domiciled in the UK, with its registered office located at Venture House, 2 Arlington Square, Downshire Way, Bracknell, RG12 1WA. The Company is listed on AIM, part of the London Stock Exchange.

The principal activities of the Company and its subsidiaries (the Group) are the development and commercialisation of healthcare products, including medical devices, food supplements and cosmetics for the ageing population.

2. Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention, in accordance with UK adopted IFRS.

The preparation of the Group's financial statements requires management to exercise its judgements in the process of applying accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.2.1.

3. Summary of significant accounting policies

The principal accounting policies adopted are set out below.

3.1 Going concern

The Group made an operating profit during the year of £2.6 million (including discontinued operations) and generated in excess of £8.2 million net operating cash flow. Business operations are cash generative and significantly exceed financing outflows. At the period end, Group net leverage[1] was c1.83x net debt to Adjusted EBITDA[2] and Group Interest Cover[3] was 6.3x which are well within the Group's banking covenants of not exceeding 2.5x net debt to Adjusted EBITDA[2] and surplus 4.0x interest cover respectively.

The Directors have prepared detailed financial forecasts and cash flows looking beyond twelve months from the date of approving these financial statements and have made assumptions based upon their view of the current and future economic conditions that will prevail over the forecast period. On the basis of the these projections, the Directors believe that the Group is well placed to manage its business risks successfully. As of the date of signing, divestment completion remains subject to final FDI approval and hence as a matter of prudency management have discounted funds and discontinued operations from these forecast and instead maintained the existing Group structure. The impact of divestment has been considered separately and is narratively discussed further below.

Group net leverage[1] is expected to fall in 2025 to c0.8x due to the cash generative nature of the business and working capital improvements achieved throughout 2024 which are expected to continue into 2025. Similarly interest cover is expected to exceed 7.5x by the year end as exceptional 2023 interest rate fluctuations fall out of the last-twelve months covenant assessment period.

Management's evaluation considered the Group's Revolving Credit Facility ("RCF") which provides access to draw up to £30 million plus a further £20 million on accordion facility. The facility was refinanced during 2024 with better terms and is managed and co-ordinated by Santander UK plc ("Santander") with HSBC Innovation Bank Limited ("HSBC") also participating. Under the facility, the Group can draw a maximum of 2.5x the trailing EBITDA[2] for the latest twelve-month period and has not breached any covenants during the financial period. Regular repayments against the RCF were made during the year which facilitated an unrestricted drawdown during Q4 to fund the acquisition of Health & Her Limited. The final drawn position as at 31 December 2024 was £21.8 million.

The Directors have as a prudent exercise evaluated the financial impact of scenarios such as an interruption to supply which could result in a temporary disruption to retail distribution. Management does not expect supply interruption from either it's manufacturing facilities or third party suppliers but acknowledges that there is a risk that unforeseeable events could occur. These scenarios stress test the revenue forecast against a 20% reduction versus budget 2025 plus associated loss of marginal gross profits and assume a limited 10% reduction in operating spend. The key findings of this evaluation showed that the Group would remain within its existing banking covenants with a minimum headroom above the covenants of 1.1x.

Furthermore, the Group expects to complete divestment of manufacturing operations in Q3-2025 for a cash consideration of €62 million. At completion the loan facility is expected to be fully repaid resulting in a net cash position upwards of £33 million and which more than covers expected current liabilities. Post-divestment, the business expects to further improve free cashflow conversion and will seek to reinvest the funds into further accretive business opportunities.

Based upon the financial forecasts and the net debt positive scenario upon divestment completion, the Directors believe that the business has sufficient balance sheet strength to weather even an unrealistically long disruption in operations or fall in consumer demand and that the Group has sufficient resources to continue in operational existence for the foreseeable future.

The Directors therefore conclude that the Going Concern basis remains the appropriate basis upon which to prepare the Group's financial statements.

[1] Group net leverage calculated as net debt (excluding leases) and using proforma Adjusted EBITDA on a trailing twelve-month basis.
[2] Adjusted EBITDA is EBITDA before deduction of exceptional items and share based payments, less IFRS16 leases.
[3] Interest Cover is net interest expense (excluding leases) and using proforma Adjusted EBITDA on a trailing twelve-month basis.

3.2 Basis of consolidation

The Group financial statements consolidate those of the parent Company and its subsidiaries as at 31 December 2024. All subsidiaries have a reporting date of 31 December. All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses between Group companies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group attributes total comprehensive income or loss of subsidiaries between owners of the parent and the controlling interest based on their respective ownership interests.

3.3 Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed including contingent liabilities, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. All subsequent changes in the fair value of contingent consideration classed as an asset or liability are accounted for in accordance with relevant IFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

3.4 Foreign currencies

a) Functional and presentational currency

Items included in the financial information of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial information is presented in UK sterling (£), which is the Group's presentational currency. The functional currency of the Company is also UK sterling (£), which is the currency of the Company's operating expenditure.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the average exchange rate of the month. At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Foreign exchange gains and losses resulting from such transactions are recognised in profit or loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than sterling are translated into sterling upon consolidation. The functional currency of the entities in the Group has remained unchanged during the period.

On consolidation, assets and liabilities have been translated into sterling at the closing rate at the reporting date. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated into sterling at the closing rate. Income and expenses have been translated into sterling at the average rate each month over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are reclassified to profit or loss and are recognised as part of the gain or loss on disposal.

The sterling/euro and sterling/SEK exchange rates used in the Annual Financial Statements and the prior reporting period are as follows:

	YEAR ENDED 31 DECEMBER 2024	YEAR ENDED 31 DECEMBER 2023
Sterling/euro exchange rates		
Average exchange rate for the period	**1.181**	1.150
Exchange rate at the period end	**1.206**	1.153

	YEAR ENDED 31 DECEMBER 2024	YEAR ENDED 31 DECEMBER 2023
Sterling/SEK exchange rates		
Average exchange rate for the period	**13.500**	13.187
Exchange rate at the period end	**13.834**	12.830

3.5 Revenue recognition

Revenue of the Group arises mainly from the sale of goods in both the Venture Life Brands and Customer Brands segments. To determine whether to recognise revenue, the Group follows a five-step process:

- Identifying the contract with a customer;
- Identifying the performance obligations;
- Determining the transaction price;
- Allocating the transaction price to the performance obligations; and
- Recognising revenue when/as performance obligation(s) are satisfied.

The Group typically enters into transactions involving the development and manufacture of the Group's or customer's own products. In each case, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative standalone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

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The Group discounts its selling prices from time to time and these discounts are included when determining the transaction price. The Group's terms of trade with certain customers include discounts and allowances that are dependent upon future selling volumes. Estimates of these sums are included when determining transaction price upon initial recognition and, if required, corrections are made retrospectively based upon the actual selling volumes achieved. The Group's management reviews the expected level of such discounts at the end of each accounting period to ensure appropriate deductions have been recognised within revenue.

Revenue from the sale of goods is recognised at the point in time when ownership has transferred to the customer. For Venture Life Brands supplied directly to retailers, this moment occurs upon delivery to the retailer's warehouse. For supplies of Venture Life Brands to distribution partners as well as supplies of Customer Brands to their relevant partners this takes place at the Group's production facility upon collection by the customer.

Revenue from the performance of development services is recognised over time as the Group satisfies performance obligations.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

The majority of the revenue of the Group arises from the sale of goods and is therefore reflected at a point in time.

3.6 Exceptional items

Items that are material because of their size or nature, and which are non-recurring and whose significance is sufficient to warrant separate disclosure and identification within the consolidated financial statements are referred to as exceptional items, these include costs associated with acquisition and divestment activities. The separate reporting of exceptional items helps to provide an understanding of the Group's underlying performance.

3.7 Property, plant and equipment

Equipment is stated at cost less accumulated depreciation and any provision for impairment.

Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is charged so as to write off the costs of assets over their estimated useful lives, on the following basis:

Office equipment over £500	25%-33% per annum, straight-line
Fixtures and fittings over £500	20%-33% per annum, straight-line
Manufacturing plant equipment	4%-33% per annum, straight-line
Buildings	2%-33% per annum, straight-line

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use. The gain or loss arising on the disposal of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The assets' residual values, useful lives and methods of depreciation are all reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation for the year has been charged to administrative expenses in the Statement of Comprehensive Income.

3.8 Internally generated development intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated development intangible asset arising from the Group's product development is recognised if, and only if, the Group can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- its ability to measure reliably, the expenditure attributable to the intangible asset during its development.

Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

Internally generated development intangible assets are recognised at cost less accumulated amortisation and provisions for impairment. Amortisation is provided on a straight-line basis over the useful lives of the assets, commencing from the point where the final marketable product is completed, at the following rates:

Development costs	20% per annum, straight-line

3.9 Licences and trademarks intangible assets

Patents, trademarks and licences are measured at purchase cost less accumulated amortisation and provision for impairment. Amortisation is provided on a straight-line basis over the estimated useful lives of the assets ranging from 5-10 years.

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Amortisation for the year has been charged to administrative expenses in the Statement of Comprehensive Income.

3.10. Acquired intangible assets

The Group recognises value in respect of acquired intangible assets at cost less accumulated amortisation and impairment. Initial recognition is at fair value and amortisation takes place across their useful economic lives except when such lives are determined to be infinite.

The effective life of each new class of intangible asset acquired is determined as follows:

Brands – expected cash-generating life of the name, term, design, symbol or other feature that identifies the product as distinct from those of other sellers.

Customer relationships – expected cash-generating life of the commercial relationship.

Distribution Agreements – expected cash generating life of the commercial relationship.

Product formulations – expected cash-generating life of the particular product formulation.

The following useful economic lives are applied:

Brands: The application of an indefinite life to certain acquired brands is appropriate due to the stable long-term nature of the business and the enduring nature of the brand. Indefinite life brands are tested at least annually for impairment. A review of the useful economic life of brands is performed annually, to ensure that these lives are still appropriate. The carrying value of a brand that is considered to have a finite life is amortised over that period. In reaching a determination that an asset has an indefinite life in accordance with IAS 38 the Directors consider a number of factors including:

- i) Length of time the brand has been established in the marketplace;
- ii) Stability of the industry in which the brand is traded;
- iii) Potentials for obsolescence and erosion of sales;
- iv) Competitors and barriers to entry;
- v) Availability of marketing and promotional resources; and
- vi) Any dependencies on other assets having finite economic lives.

Many such indefinite life assets have patent protection which have finite lives. It is the opinion of the Directors that these patents do not provide any incremental value and therefore no separate value has been placed on these patents. In reaching their determination, the Directors assess future profitability before and after patent expiry based upon past experience with similar assets.

3.11 Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses. Refer to Note 3.12 for a description of impairment testing.

3.12 Impairment of tangible and intangible assets

At each reporting date, the Group reviews the carrying amounts of its assets, including those acquired in Business Combinations, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset, such as goodwill, with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

The Directors have carried out an impairment review of the Group's tangible and intangible assets as at the reporting date, as is its normal practice. They have assessed the likely cash flows to be generated by those assets and determined that they are stated at fair value and that consequently no impairment is necessary. See Note 13 on intangible assets for further details.

3.13 Inventories

Inventories are stated at the lower of historical cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the average cost method. Net realisable value represents the estimated selling prices less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

3.14 Financial instruments

Financial assets and financial liabilities are recognised in the Group's Statement of Financial Position when the Group becomes party to the contractual provisions of the instrument. Financial assets are de-recognised when the contracted rights to the cash flows from the financial asset expire or when

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

the contracted rights to those assets are transferred. Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired.

Financial assets

a) Trade and other receivables

Trade and other receivables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method less provision for impairment. Appropriate provisions for estimated irrecoverable amounts are recognised in profit or loss based upon an expected credit loss model. The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. Trade and other receivables are classified in the financial instruments Note 27 as "financial assets at amortised cost".

b) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits held on call with banks, and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Cash and cash equivalents are classified in the financial instruments Note 27 as "financial assets at amortised cost".

c) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

The Group's expected credit loss model uses a credit reference agency's sovereign credit default ratings as an indication of the likelihood of default by customers in each territory. Judgements are then applied to translate these ratings into probabilities of default which are then compounded on a sliding scale with aging.

Financial liabilities and equity

a) Trade and other payables

Trade payables are initially measured at their fair value and are subsequently measured at their amortised cost using the effective interest rate method; this method allocates interest expense over the relevant period by applying the "effective interest rate" to the carrying amount of the liability. Trade and other payables are classified in the financial instruments Note 27 as "liabilities".

b) Statutory employment provision

Statutory employment provision includes the liability for severance indemnities related to employees of the Group's Italian subsidiary. The severance indemnity liability arises under Italian law and is calculated with reference to each employee's length of service, employment category and remuneration. There is no vesting period or funding requirement associated with the liability. The liability recorded at the reporting date is based on the aggregate amount that the employees of the Group's Italian subsidiary would be entitled to on termination of employment for whatever reason.

c) Invoice financing

From time to time the Group utilises an invoice financing with recourse facility whereby the Group continues to recognise the receivables, and the amount received under the facility is recorded as a liability, with cash received being classified as a financing cash inflow. When cash is collected from the customer, the liability and the receivables are de-recognised. Further details are provided in Note 24.

3.15 Current and deferred tax

The tax expense represents the sum of the tax currently payable and deferred tax.

a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

b) Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial information and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the Statement of Financial Position date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3.16 Employee benefits

All employee benefit costs, notably holiday pay, bonuses and contributions to personal pension plans are charged to the Consolidated Statement of Comprehensive Income on an accruals basis.

3.17 Pension contributions

The Group contributes to the Group stakeholder pension arrangement or personal pension plans of certain employees.

Contributions are charged to the Consolidated Statement of Comprehensive Income as they become payable.

3.18 Share-based payments

The Company issues equity-settled share-based payments to certain employees and others under which the Group receives services as consideration for those equity instruments in the Company. Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted. The fair value determined at the grant date of equity-settled share-based payments is recognised as an expense in the Group's Statement of Comprehensive Income over the vesting period on a straight-line basis, based on the Group's estimate of the number of instruments that will eventually vest with a corresponding adjustment to equity. The expected life used in the valuation is adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions, and behavioural considerations.

Non-vesting and market vesting conditions are taken into account when estimating the fair value of the awards at grant date. Service and non-market vesting conditions are taken into account by adjusting the number of share options expected to vest at each reporting date.

Options over the Company's shares granted to employees of subsidiaries are recognised as a capital contribution by the Company to the subsidiaries.

When the share options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

In the event where an option owing to an employee has vested but remains unexercised and that employee subsequently leaves the business, the option is then cancelled and the accumulated share based payments reserve remains charged into the profit and loss account as the option achieved its purpose of incentivising the individual to deliver their service across the vesting period. As the element of the share based payments reserve for such employees is no longer required, this charge is recycled through profit and loss reserves.

3.19 Fair value estimation of financial assets and liabilities

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values because of the short-term nature of such assets.

3.20 Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Other components of equity include the following reserves:

- Merger reserve comprising the non-statutory premium arising on shares issued as consideration for acquisition of subsidiaries where merger relief under Section 612 of the Companies Act 2006 applies. Subsequently, when required transfers will be made to the profit and loss account reserve from the merger reserve of an amount equal to the amount that becomes realised by virtue of either:
  (i) the disposal of the related investment for qualifying consideration; or
  (ii) an amount being written off the related investment and charged to profit or loss, for example, as the result of an impairment.
- Share-based payments reserve comprising cumulative amounts charged in respect of employee share-based payment arrangements which have not been settled by means of an award of shares to the employee.
- Foreign currency translation reserve comprising all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the Group's presentation currency.

Retained earnings includes all current and prior period retained profits and losses. All transactions with owners of the parent company are recorded separately within equity. Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

3.21 Critical accounting estimates and judgements

The preparation of these financial statements requires management to make judgements and estimates that affect the reported amounts of assets and liabilities at each Statement of Financial Position date and the reported amounts of revenue during the reporting periods. Actual results could differ from these estimates. Information about such judgements and estimations are contained in individual accounting policies. The key judgements and sources of estimation uncertainty that could cause an adjustment to be required to the carrying amount of assets or liabilities within the next accounting period are outlined below:

a) Judgements

Capitalisation of internally generated development costs

Expenditure on Group product development is reviewed throughout each of the years represented in these financial statements to assess whether it meets the six accounting criteria referenced in Note 3.8. Where the Group can demonstrate that the expenditure meets each of the criteria it is capitalised, with the balance of expenditure expensed to the income statement.

Costs are amortised over five years once the projects are recorded as complete.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which tax loss carry-forwards can be utilised. The Group carries a deferred tax asset in respect of tax losses available in the UK on the basis that its UK entities will achieve sufficient future profitability. The Group reviews its five-year financial projections regularly and is satisfied that these entities will become increasingly profitable, further details are provided in note 11.

b) Estimates

i) Recoverability of internally generated intangible assets

In each of the years represented in these financial statements, there is a considerable balance relating to non-current assets, including development costs, patents and trademarks. The Group's accounting policy covering the potential impairment of intangible assets is covered in Note 3.12 to these financial statements.

In the event that there is an indicator of impairment, an impairment review of the Group's patent and trademark balances is undertaken at each year end. This review involves the generation of estimates of future projected income streams that will result from the ownership of the development costs, patents and trademarks. The expected future cash flows are modelled over the remaining useful life of the respective assets and discounted present value in order to test for impairment. In each of the years ended 31 December 2023 and 2024 no impairment charge was recognised as a result of these reviews of capitalised development costs, patents and trademarks.

ii) Impairment of other non-financial assets

Estimation uncertainties are discussed in Note 13. The Group conducts annual impairment reviews of assets, such as goodwill, when events or changes in circumstances indicate that their carrying amounts may not be recoverable, or in accordance with the relevant accounting standards. An impairment loss is recognised when the carrying amount of an asset is higher than the greater of its net selling price or the value in use. In determining the value in use, management assesses the present value of the estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Estimates and judgements are applied in determining these future cash flows and the discount rate. Details of the estimates and assumptions made in respect of the potential impairment of goodwill are detailed in Note 13 to the financial statements.

In the year ended 31 December 2024, an impairment charge of £nil (2023: £387,000) was recognised in respect of goodwill for the Dentyl CGU and an impairment charge of £nil (2023: £373,000) was recognised in respect of goodwill for the Pharmasource CGU (see note 13 for further details).

iii) Fair values on acquisition

When acquiring a business, the Directors have to make judgements and best estimates about the fair value of the assets, liabilities and contingent liabilities acquired. These are estimated regardless of whether or not they were recognised in the financial statements of the subsidiary prior to acquisition. The valuation of externally acquired assets such as products, data or technologies requires judgements regarding the estimated future cash outflows required to commercialise the asset(s) and the cash inflows expected to arise from such commercialisation, discounted at a suitable rate reflecting the time value of money and the risks inherent in such activities.

iv) Amortisation periods

The Directors exercise judgement when assessing the economic life of intangible assets. This involves making a judgement of the strength and longevity of the asset and the number of years that it is expected to generate revenues and profits and makes reference to the market position, competitors, availability of marketing promotional resources, experience with other intangible assets and other factors.

When acquiring a business, the Directors make best estimates about the future life of acquired assets. These best estimates are based on historic trends and the future of existing commercial relationships to determine a suitable future working life of each asset. Estimation uncertainties in these estimates relate to technical advances in the market place and customer demand, as such the Directors review these estimates annually (see note 13 for further details).

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For the year ended 31 December 2024

v) Reclassification of intangible assets

The Group conducts a review of intangible asset estimates when new information or circumstances affect the carrying amount of an asset or liability. In the year ended 31 December 2024, the BBI Healthcare Limited CGU was separated into two CGUs in order to recognise the newly arisen ability of the manufacturing component to generate its own cashflows and its ability to be separated from the Group as part of divestment activities (see note 13 for further details).

When reclassifying intangible assets, the Directors have to make judgements and best estimates about the fair value of the assets and liabilities related to each CGU. The valuation of these assets and liabilities require judgements regarding the estimated future cash outflows required to commercialise the asset(s) and the cash inflows expected to arise from such commercialisation, discounted at a suitable rate reflecting the time value of money and the risks inherent in such activities.

vi) Discontinued operations

The Group classifies certain of its assets that it expects to dispose as either discontinued operations or as held for sale.

The Group classifies non-current assets and assets and liabilities within disposal groups ('assets') as held for sale if the assets are available immediately for sale in their present condition, management is committed to a plan to sell the assets under usual terms, it is highly probable that their carrying amounts will be recovered principally through a sale transaction rather than through continuing use and the sale is expected to be completed within one year from the date of the initial classification.

Assets and liabilities classified as held for sale are presented separately as current items in the consolidated statement of financial position and are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Where operations constitute a separately reportable segment (see note 5. 'Segmental information') and have been disposed of, or are classified as held for sale, the Group classifies such operations as discontinued.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the Consolidated income statement. Discontinued operations are also excluded from segment reporting. All other notes to the Consolidated financial statements include amounts for continuing operations, unless indicated otherwise.

Transactions between the Group's continuing and discontinued operations are eliminated in full in the Consolidated income statement. To the extent that the Group considers that the commercial relationships with discontinued operations will continue post-disposal, transactions are reflected within continuing operations with an opposite charge or credit reflected within the results of discontinued operations resulting in a net nil impact on the Group's Profit for the financial year for the years presented.

During the year ended 31 December 2024, the group has identified two disposal groups as making up discontinued operations as at the balance sheet date. Management has assessed each disposal group for impairment by comparing the fair value less associated costs to sell each group to the equivalent carrying value of associated CGUs remaining as at the balance sheet date. In determining fair values, the Directors consider the value of non-binding offers and whether these exceed the remaining carrying value of the disposal groups at the balance sheet date (see note 13 & 31 for further details).

4. Accounting developments

a) New standards, amendments and interpretations issued and adopted

The Group has adopted and applied the following standards and amendments in the year, which are relevant to its operations, none of which had a material impact on the financial statements:

- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)
- International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2024 and not adopted early

The Group has not applied the following new or revised standards and interpretations that have been issued but are not yet effective:

- Amendments to IAS 21 'Lack of Exchangeability'.
- Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments
- Annual Improvements to IFRS Accounting Standards – Volume 11

The amendments to IAS 21 is effective for annual periods beginning on or after 1 January 2025, whilst the amendments to IFRS 9 and IFRS 7, and Annual Improvements are effective for annual periods beginning on or after 1 January 2026.

The Directors do not currently expect that the adoption of the amendments to IAS21 will have a material impact on the financial statements of the Group. The Directors are assessing the impact of IFRS 9 and IFRS 7, and Annual Improvements and the Group's financial reporting will be presented in accordance with these standards from 1 January 2026.

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

c) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2025 and not adopted early

The Group has not applied the following new or revised standards and interpretations that have been issued but are not yet effective. These amendments have not been endorsed by the UK Endorsement Board.

- IFRS 18 'Presentation and Disclosure in Financial Statements'
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 18 and IFRS 19 are effective for annual periods beginning on or after 1 January 2027.

The Directors are assessing the impact of IFRS 18 and IFRS 19, and the Group's financial reporting will be presented in accordance with these standards from 1 January 2027 or subsequently as applicable.

5. Segmental information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group Directors.

Management has determined the operating segments based on the reports reviewed by the Group Board of Directors (Chief Operating Decision Maker) that are used to make strategic decisions. The Board considers the business from a line-of-service perspective and uses operating profit/(loss) as its profit measure. The operating profit/(loss) of operating segments is prepared on the same basis as the Group's accounting operating profit.

In previous year's, the operations of the Group were segmented as:

- Venture Life Brands, which includes sales of branded healthcare and cosmetics products, where the brand is owned within Venture Life Group, direct to retailers and under distribution agreement. This segment includes the acquisitions of the acquired Helsinn brands, the acquisition of BBI Healthcare Ltd (subsequently renamed as Venture Life Healthcare Ltd), the acquisition of HL Healthcare Ltd and the acquisition of Health & Her Limited.
- Customer Brands, which includes sales of products and services under contract development and manufacturing agreements, where the brand is not owned by the Venture Life Group. This segment includes the acquisition of Biokosmes SRL.

During 2024 the Customer Brands segment has been reclassified as held for sale and was divested post year end (see note 30 for further details). As a consequence of the divestment, the Group is now entirely focused on the performance of the Venture Life Brands. The performance of the Venture Life Brands reflects the overall performance of continued operations as shown in the financial statements on page 76.

5.1 Segment revenue and results

The following is an analysis of the Group's revenue for the Venture Life Brands segment:

Two customers generated revenue of £7,754k, which accounted for 10% or more of total revenue (2023: two customers generated revenue of £6,449k which accounted for 10% or more of total revenue). These customers are listed below:

	YEAR ENDED 31 DECEMBER 2024 £'000	YEAR ENDED 31 DECEMBER 2023 £'000
Amazon	**4,816**	3,712
Bayer Consumer Care	**2,938**	2,737

The Group's revenue from external customers by geographical location of customer is detailed below. A materiality threshold of £300,000 is applied for disaggregation.

	YEAR ENDED 31 DECEMBER 2024 £'000	YEAR ENDED 31 DECEMBER 2023 £'000
Revenue		
UK	**16,173**	12,770
Germany	**310**	199
Netherlands	**651**	187
France	**465**	359
Sweden	**938**	96
Denmark	**961**	1,442
Lithuania	**523**	506
Rest of Europe	**2,271**	1,807
USA	**554**	344
Canada	**752**	1,186
Brazil	**428**	860
Ireland	**1,278**	1,250
Rest of the World	**1,289**	1,360
Total revenue	**26,593**	22,365

The aggregated amount of transaction prices that relate to the performance obligations from existing contracts that are unsatisfied or partially unsatisfied as at 31 December 2024 is £nil (2023: £nil).

For the year ended 31 December 2024

6. Exceptional items

	YEAR ENDED 31 DECEMBER 2024 £'000	YEAR ENDED 31 DECEMBER 2023 £'000
Costs incurred in the acquisition of Health & Her Limited	**729**	-
Prospective M&A costs	**256**	86
Costs related to Enterprise Resource Planning system implementation	**286**	-
Integration of acquisitions	**99**	277
Restructure	**251**	276
Total exceptional items	**1,621**	639

During the period the Group incurred further integration costs in relation to previous year acquisitions, new costs in relation to the successful Health & Her Limited acquisition, and other prospective M&A associated with divestment activities. The group also incurred the initial expense relating to group wide Enterprise Resource Planning system implementations which is anticipated to continue into the subsequent year. Remaining exceptional items related to restructuring costs.

[1]The results for the year ended 31 December 2023 have been re-presented to reflect that the results of parts of the business are now reported as discontinued operations. See note 31 'Discontinued operations and assets held for sale' for more information.

7. Operating profit

Operating profit for the year has been arrived at after charging:

	YEAR ENDED 31 DECEMBER 2024 £'000	YEAR ENDED 31 DECEMBER 2023 £'000
Depreciation of property, plant and equipment included in operating expenses	**359**	201
Amortisation of intangible assets included in administrative expenses	**2,447**	2,471
Research and development costs included in operating expenses	**176**	5
Share-based payments charge	**232**	183
Staff costs excluding share-based payment charge (Note 8)	**3,402**	3,088
Auditor's remuneration:		
– Fees for the audit of the Company's annual accounts	**160**	141
– Audit of the accounts of the Company's subsidiaries	**30**	28
– Audit related assurance services	**23**	11

8. Employee information

The average number of staff, including Executive Directors, employed by the Group during the year are as shown below:

	CONTINUED YEAR ENDED 31 DECEMBER 2024 NUMBER	DISCONTINUED YEAR ENDED 31 DECEMBER 2024 NUMBER	CONTINUED YEAR ENDED 31 DECEMBER 2023 NUMBER	DISCONTINUED YEAR ENDED 31 DECEMBER 2023 NUMBER
Product development and manufacturing	**9**	**91**	5	91
Sales and marketing	**18**	**12**	16	12
Directors	**2**	**1**	3	1
Administration	**14**	**23**	14	23
Total	**43**	**127**	38	127

Their aggregate remuneration comprises:

	CONTINUED YEAR ENDED 31 DECEMBER 2024 £'000	DISCONTINUED YEAR ENDED 31 DECEMBER 2024 £'000	CONTINUED YEAR ENDED 31 DECEMBER 2023 £'000	DISCONTINUED YEAR ENDED 31 DECEMBER 2023 £'000
Wages and salaries	**2,655**	**3,844**	2,610	3,682
Social security costs	**375**	**1,089**	323	1,046
Pension costs	**306**	**326**	169	285
Other benefits	**66**	**87**	(13)	126
Equity settled share-based payments	**232**	**105**	183	42
Total	**3,634**	**5,452**	3,271	5,181

The aggregate remuneration is charged within the Financial Statements as follows:

	CONTINUED YEAR ENDED 31 DECEMBER 2024 £'000	DISCONTINUED YEAR ENDED 31 DECEMBER 2024 £'000	CONTINUED YEAR ENDED 31 DECEMBER 2023 £'000	DISCONTINUED YEAR ENDED 31 DECEMBER 2023 £'000
Charged into cost of sales and a proportion absorbed into closing inventory	**–**	**2,844**	–	2,393
Charged into research and development costs and a proportion into capitalised development costs	**–**	**667**	–	497
Charged into operating expenses	**3,634**	**1,941**	3,271	2,292
Total	**3,634**	**5,452**	3,271	5,181

For the year ended 31 December 2024

The aggregate remuneration of the key management personnel of the Group (who are all persons with decision making responsibilities) comprises:

	CONTINUED YEAR ENDED 31 DECEMBER 2024 NUMBER £'000	DISCONTINUED YEAR ENDED 31 DECEMBER 2024 NUMBER £'000	CONTINUED YEAR ENDED 31 DECEMBER 2023 NUMBER £'000	DISCONTINUED YEAR ENDED 31 DECEMBER 2023 NUMBER £'000
Wages and salaries	**584**	**218**	923	355
Social security costs	**97**	**23**	129	23
Pension costs	**109**	**43**	106	43
Other benefits	**9**	**5**	8	3
Equity settled share-based payments	**163**	**67**	166	33
Total	**962**	**356**	1,331	458

Further information on Directors' remuneration is included in the Remuneration Report on pages 62-64.

9. Pension costs and other post-retirement benefits

The Group operates a stakeholder pension scheme to which it makes contributions. As an alternative, the Group also makes contributions into the personal pension schemes of certain employees. For the Group's Italian subsidiary, a severance indemnity liability is created as required under Italian law (see Note 25). The pension charge represents contributions payable by the Group including the Italian severance indemnity liability and amounted to £629,000 (2023: £454,000). At year end, an amount of £56,000 (2023: £56,000) was payable in respect of pension contributions charged during the year. Amounts relating to the Italian severance indemnity liability are paid when they fall due.

10. Income tax expense

	TOTAL YEAR ENDED 31 DECEMBER 2024 £'000	CONTINUED YEAR ENDED 31 DECEMBER 2024 £'000	DISCONTINUED YEAR ENDED 31 DECEMBER 2024 £'000	TOTAL YEAR ENDED 31 DECEMBER 2023 £'000	CONTINUED YEAR ENDED 31 DECEMBER 2023 £'000	DISCONTINUED YEAR ENDED 31 DECEMBER 2023 £'000
Current tax:						
Current tax on profits for the year	**1,548**	**669**	**879**	1,038	141	897
Adjustments in respect of earlier years	**51**	**51**	**-**	(25)	(13)	(12)
Total current tax expense	**1,599**	**720**	**879**	1,013	128	885
Deferred tax:						
Origination and reversal of temporary differences	**(848)**	**(674)**	**(174)**	(811)	(597)	(214)
Total deferred tax credit	**(848)**	**(674)**	**(174)**	(811)	(597)	(214)
Total income tax charge / (credit)	**751**	**46**	**705**	202	(469)	671

Tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits and losses of the consolidated entities as follows:

	CONTINUED YEAR ENDED 31 DECEMBER 2024 £'000	CONTINUED YEAR ENDED 31 DECEMBER 2023 £'000
Profit before tax	**19**	(471)
Profit before taxation multiplied by the local tax rate of 25.00% (2023: 23.52%)	**5**	(118)
Net (tax allowances not recognised in financial statements) / expenses not deductible for tax purposes	**335**	166
Patent box relief	**(194)**	(187)
Current year losses for which no deferred tax asset has been recognised	**-**	-
Utilised losses	**(4)**	-
Other adjustments	**(96)**	(267)
Re-measurement of deferred tax balances	**3**	(43)
Higher / (lower) rate on foreign taxes	**(3)**	(3)
Adjustments for current tax of prior periods	**-**	(13)
Income tax charge	**46**	(469)

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

With effect from 1 April 2023, the UK corporation tax rate rose from 19% to 25% on all profits in excess of £250,000. The standard corporation tax rate in Italy is 24% and there is in addition a regional production tax of 3.9%. Corporation tax rates in the Netherlands are 25.8% on profits in excess of €395,000 and 15% on profits below this threshold. Corporation tax rates in Sweden are 20.6%. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

As at the reporting date, the Group has unused tax losses of £13,119,786 (2023: £9,469,282) available for offset against future profits generated in the UK. A deferred tax asset has been recognised on the losses which the company considers will be utilised against future profits in the UK however, there remain further losses of £435,000 which a deferred tax asset has not been recognised on due to the uncertainty of their recoverability.

The tax charge of the Group is mainly driven by tax paid on the profits of Biokosmes S.r.l and PharmaSource BV as profits from the UK entities are Group relieved against current year and prior year losses within the UK Group. The Group recognises a deferred tax asset in relation to losses carried forward in the UK entities as the performance of these entities is expected to become more profitable in future due to the introduction of new customers and products from recent acquisitions and business development activities, as well as cost rationalisation and strategic tax planning activities. The deferred tax liabilities generated on previous years acquisitions are released to the income statement over time.

11. Deferred tax

Deferred taxes arising from temporary differences are summarised as follows:

DEFERRED TAX LIABILITIES/ (ASSETS)	AT 1 JANUARY 2024 £'000	RECOGNISED IN PROFIT AND LOSS £'000	ARISING UPON ACQUISITIONS IN THE YEAR £'000	TRANSFER TO ASSETS / LIABILITIES HELD FOR SALE £'000	MOVEMENTS ATTRIBUTED TO FOREIGN EXCHANGE £'000	AT 31 DECEMBER 2024 £'000
Purchased goodwill	(34)	-	-	33	1	-
Other intangibles	7,764	(570)	1,832	(1,425)	(28)	7,573
Inventories	55	(9)	57	(52)	(3)	48
Fixed asset timing differences	130	5	(2)	(142)	-	(9)
Losses carried forward	(2,367)	(98)	(815)	-	-	(3,280)
Other	(108)	(2)	(1)	103	2	(6)
Deferred tax liability/(asset)	5,440	(674)	1,071	(1,483)	(28)	4,326
Assets	(2,530)					(3,287)
Liabilities	7,970					7,613
Net deferred tax balance	5,440					4,326

The Group has recognised a deferred tax asset of £3,280,000 (2023: £2,367,000) in respect of tax losses on the basis it is probable that taxable profits will be available against which the tax losses can be utilised. The losses can be carried forward indefinitely and have no expiry date.

12. Earnings per share

A reconciliation of the weighted average number of ordinary shares used in the measures is given below:

	YEAR ENDED 31 DECEMBER 2024 NUMBER	YEAR ENDED 31 DECEMBER 2023 NUMBER
For basic EPS calculation	126,720,281	126,498,197
For diluted EPS calculation	137,296,327	133,635,025

The dilution reflects the inclusion of the options and LTIPs that have been issued, amounting to 10,294,015 (2023: 10,194,015) stock options and Nil (2023: 554,115) LTIPs per Note 21.

A reconciliation of the earnings used in the different measures is given below:

Total Group	2024 £'000	2023 £'000
For basic and diluted EPS calculation	(314)	921
Add back: Amortisation of acquired intangibles*	3,368	4,407
Add back: Exceptional costs	1,621	639
Add back: Share based payments	337	225
For adjusted EPS calculation	5,012	6,192

* Prior year restated to restrict amortisation addback to acquired intangibles only due to these expenses being considered as non-cash, this adjustment is more useful for users of the accounts as it focuses the Adjusted EPS metric on core operational performance by removing these non-recurring or non-cash items.

The resulting EPS measures are:

Total Group	PENCE	PENCE
Basic EPS	(0.25)	0.73
Diluted EPS	(0.25)	0.68
Adjusted EPS*	3.96	4.89
Adjusted diluted EPS	3.65	4.63

* Prior year restated to restrict amortisation addback to acquired intangibles only due to these expenses being considered as non-cash, this adjustment is more useful for users of the accounts as it focuses the Adjusted EPS metric on core operational performance by removing these non-recurring or non-cash items.

For the year ended 31 December 2024

Continuing Operations	2024 £'000	2023 £'000
For basic and diluted EPS calculation	**(27)**	(2)
Add back: Amortisation of acquired intangibles	**2,446**	2,471
Add back: Exceptional costs	**1,621**	639
Add back: Share based payments	**232**	183
For adjusted EPS calculation	**4,272**	3,291

The resulting EPS measures are:

Continuing Operations	PENCE	PENCE
Basic EPS	**(0.02)**	(0.00)
Diluted EPS	**(0.02)**	(0.00)
Adjusted EPS	**3.37**	2.60
Adjusted diluted EPS	**3.11**	2.46

13. Business Combinations

13a. Business Combinations

On 8 November 2024, the Company completed the acquisition of 100% of the equity of Health and Her Ltd, a UK based specialist female health business for an upfront cash consideration of £7.5m, plus a further £0.7m in cash payable twelve months post completion, with an additional £1.8m of consideration payable in cash contingent upon H&H achieving expected trading results for the twelve months post completion.

The price paid reflects the future value that the Company can unlock from this business acquisition through: a) the trading of these acquired products into its network of existing Venture Life Brand customers; b) value creation through the application of the Group's internal R&D resources to broaden the product range; and c) operating synergies across Venture Life's infrastructure.

The acquisition of Health and Her Ltd introduces additional strong brands and products into the Group and customers in the areas of female and male hormonal health. The Company acquired the business to further strengthen the product portfolio and pursue opportunities within existing and new global markets. The inclusion of this additional business into its portfolio increases the leverage of its trading infrastructure. The acquisition has been accounted for as a business combination in the Consolidated Financial Statements of the Group to December 2024 which include the results of the Health and Her Ltd business for the period from 9 November 2024 to 31 December 2024.

The fair values of the identifiable assets and liabilities of the Health and Her Ltd business as at the date of acquisition were:

Acquisition of Health and Her Ltd on 8 November 2024	BOOK VALUE £'000S	FAIR VALUE ADJUSTMENTS £'000S	FAIR VALUE £'000S
Assets			
Non-current assets			
Brands	-	7,328	7,328
Tangible Fixed assets	12	-	12
Deferred tax	818	-	818
	830	**7,328**	**8,158**
Current assets			
Inventories	263	228	491
Trade Receivables	1,052	-	1,052
Other Receivables	23	-	23
Cash	265	-	265
	1,603	**228**	**1,831**
Total assets	**2,433**	**7,556**	**9,989**
Current liabilities			
Trade payables	552	-	552
Other payables	586	-	586
	1,138	**-**	**1,138**
Non-current liabilities			
Borrowings	945		945
Deferred tax	-	1,889	1,889
	945	**1,889**	**2,834**
Total net assets	**350**	**5,667**	**6,017**
Net assets acquired			**6,017**
Goodwill			**2,318**
Total consideration			**8,335**

Health and Her was acquired on 8 November 2024. It generated revenues of £0.8 million and Adjusted EBITDA of £0.1 million in the period from acquisition to 31 December 2024. Health and Her generated revenues of £5.9 million and Adjusted EBITDA of £nil for the twelve months ended 31 December 2024.

For the year ended 31 December 2024

13b. Intangible assets

	DEVELOPMENT COSTS £'000	BRANDS £'000	PATENTS AND TRADEMARKS £'000	GOODWILL £'000	OTHER INTANGIBLE ASSETS £'000	TOTAL £'000
Cost or valuation:						
At 1 January 2023	5,119	29,375	1,059	39,652	13,523	88,728
Additions	1,377	-	210	-	-	1,587
Disposals	(22)	-	-	-	-	(22)
Foreign exchange movements	(84)	-	(15)	(305)	(68)	(472)
At 31 December 2023	**6,390**	**29,375**	**1,254**	**39,347**	**13,455**	**89,821**
Acquired through business combinations	-	7,328	-	2,318	-	9,646
Additions	1,136	-	50	-	-	1,186
Disposals	(29)	-	-	-	-	(29)
Transfer to Assets held for sale	(7,179)	(2,030)	(884)	(25,729)	(7,263)	(43,085)
Foreign exchange movements	(318)	-	(29)	(549)	(119)	(1,015)
At 31 December 2024	**-**	**34,673**	**391**	**15,387**	**6,073**	**56,524**
Amortisation:						
At 1 January 2023	2,780	2,344	693	-	4,217	10,034
Charge for the year[1]	869	1,917	144	-	1,586	4,516
Impairment charge[2]	-	-	-	760	-	760
Foreign exchange movements	(45)	-	(9)	2	(49)	(101)
At 31 December 2023	**3,604**	**4,261**	**828**	**762**	**5,754**	**15,209**
Charge for the year[1]	1,103	1,836	171	-	1,361	4,471
Transfer to Assets held for sale	(4,461)	(428)	(784)	(748)	(4,967)	(11,388)
Foreign exchange movements	(246)	1	(22)	(14)	(102)	(383)
At 31 December 2024	**-**	**5,670**	**193**	**-**	**2,046**	**7,909**
Carrying amount:						
At 31 December 2023	2,786	25,114	426	38,585	7,701	74,612
At 31 December 2024	**-**	**29,003**	**198**	**15,387**	**4,027**	**48,615**

Notes

[1] Included in the charge for the year ended 31 December 2024 is £2,024,000 (2023: £2,045,000) in respect of parts of the business now reported as discontinued operations. See note 31 'Discontinued operations and assets held for sale' for more information.

[2] Included in the impairment charge for the year ended 31 December 2024 is £nil (2023: £760,000) in respect of parts of the business now reported as discontinued operations. See note 31 'Discontinued operations and assets held for sale' for more information.

All capitalised development costs are amortised over their estimated useful lives, which is five years. All amortisation has been charged to administrative expenses in the Statement of Comprehensive Income.

All trademark, licence and patent renewals are amortised over their estimated useful lives, which is between five and ten years. All amortisation has been charged to administrative expenses in the Statement of Comprehensive Income.

Other intangible assets currently comprise customer relationships and product formulations acquired through the acquisition of Biokosmes SRL and customer relationships acquired through the acquisitions of Periproducts, the Dentyl brand, the Pharmasource group, BBI Healthcare Ltd, the Helsinn Brands and HL Healthcare Ltd. These assets were recognised at their fair value at the date of acquisition and were being amortised over a period of between five and ten years. The weighted average remaining amortisation period for other intangible assets is 5.8 years (2023: 5.4 years).

Assets with indefinite economic lives as well as associated assets with finite economic lives are tested for impairment at least annually or more frequently if there are indicators that amounts might be impaired. The impairment review involves determining the recoverable amount of the relevant cash-generating unit, which corresponds to the higher of the fair value less costs to sell or its value in use.

The key assumptions used in relation to Biokosmes (Customer Brands comprising one CGU), Periproducts, the Dentyl brand, Pharmasource group, BBI Healthcare Ltd, the Helsinn brands and HL Healthcare Ltd (part of the Venture Life Brands comprising six CGU's) impairment review are outlined below:

Discontinued Business – assessed under IFRS 5:

The group has identified two disposal groups as making up discontinued operations as at the balance sheet date. The first disposal group is Oral Care, which was previously disclosed in this note as the CGU's of Periproducts Ltd and Dentyl Brand. The second disposal group is CDMO activities and Peripheral brands, which was previously disclosed in this note as the CGUs of Biokosmes SRL, and Pharmasource BV. Management has assessed each disposal group for impairment by comparing the fair value less associated costs to sell each group to the equivalent carrying value of associated CGUs remaining as at the balance sheet date.

Oral Care

Management has received a non-binding offer ("NBO") for the whole share capital of Periproducts Ltd, including all Oral Care brand sales within the group. The total value of this NBO more than materially exceeds the remaining carrying value of both Dentyl and Periproducts CGUs which was £5.3 million in aggregate at the balance sheet date.

CDMO activities and Peripheral brands

On 11 May 2025 Venture Life Group Plc agreed and fully executed a Share and Purchase agreement ("SPA") for the disposal of the whole share capital of Biokosmes S.r.l, whole share capital of Venture Life Manufacturing (Sweden) AB and subsidiaries, and certain peripheral brands including the Footcare brand. The value of proceeds from this SPA more than materially exceeds the remaining carrying value of both Biokosmes SRL and Pharmasource BV CGUs which was £35.9 million in aggregate at the balance sheet date.

Further details relating to discontinued operations can be found within Note 31.

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Continuing Business – assessed under IAS 36:

BBI Healthcare Ltd

- In 2024, BBI Healthcare Ltd achieved revenue growth of 28.8% versus the previous year which is primarily driven by growth in the Lift brand across UK Online and Pharmaceutical channels. Management have forecasted future revenue growths for the five-year period ending 2028 of CAGR 11.8%, which is significantly benefitted by a new contract agreement with a leading European consumer healthcare distributor for Balance Activ products.
- The group has valued BBI Healthcare Ltd by discounting the associated future cash flows across a five year period, and with a terminal value to reflect future years. The discount rate is based upon the group pre-tax WACC of 14.0% and is adjusted for specific segment, country and currency risk plus local tax rates to derive a post-tax rate of 10.5%. These assumptions generate a headroom over the assets current carrying value equivalent to £54.6 million. An increase in the post-tax WACC rate by 16.5ppt would have resulted in no headroom over the assets of the business held at the balance sheet date.
- Sensitivity analysis has been performed to reduce anticipated revenue growths by 10% as a prudent scenario and shows that the future cashflows still generate a significant headroom of £53.9 million over the assets of the business held at the balance sheet date.

Helsinn Brands

- In 2024, Helsinn Brands revenues contracted 20.2% versus the previous year primarily owing to less than expected International sales in Pomi-T and exceptional comparatives, with prior year growth in Gelclair of 51.9%. Significant growth is expected during 2025 following a post-year end listing of Pomi-T products at a major UK retailer. Management have forecasted future revenue growths for the five-year period ending 2029 of CAGR 12.9%.
- The group has valued Helsinn Brands by discounting the associated future cash flows across a five year period, and with a terminal value to reflect future years. The discount rate is based upon the group pre-tax WACC of 14.0% and is adjusted for specific segment, country and currency risk plus local tax rates to derive a post-tax rate of 10.5%. These assumptions generate a headroom over the assets current carrying value equivalent to £6.1 million.
- An increase in the post-tax WACC rate by 18.0ppt would have resulted in no headroom over the assets of the business held at the balance sheet date.
- Sensitivity analysis has been performed to restrict forecasted revenues on Pomi-T to those from pre-existing customer relationships only as a prudent scenario and shows that the future cashflows still generate a significant headroom of £3.3 million over the assets of the business held at the balance sheet date.

HL Healthcare Ltd

- In 2024, HL Healthcare Ltd achieved revenue growth of 14.1% versus the previous year, with core Earol brands growing 10.0% in the UK market and supplemented by high growth NPD launches. Management have forecasted future revenue growth for the five-year period ending 2029 of CAGR 11.8%.
- The group has valued HL Healthcare Ltd by discounting the associated future cash flows across a five year period, and with a terminal value to reflect future years. The discount rate is based upon the group pre-tax WACC of 14.0% and is adjusted for specific segment, country and currency risk plus local tax rates to derive a post-tax rate of 10.5%. These assumptions generate a headroom over the assets current carrying value equivalent to £12.5 million.
- An increase in the post-tax WACC rate by 10.7ppt would have resulted in no headroom over the assets of the business held at the balance sheet date.
- Sensitivity analysis has been performed to reduce anticipated revenue growths by 10% as a prudent scenario and shows that the future cashflows still generate a significant headroom of £12.3 million over the assets of the business held at the balance sheet date.

Health and Her Limited

- In November 2024, the group acquired the whole shareholding of Health and Her Limited. To maintain comfort over the valuation of intangible assets as at year end and to properly consider ongoing integration efforts, the group has performed an impairment assessment of the assets of the business held at the balance sheet date.
- On a like-for-like basis Health and Her revenues contracted by 3.6% versus the previous year primarily due to discontinuation of clinic revenue streams. Across the same period Retail revenues grew 11.4% part driven by high uptake of new product launches in Q3. Management have prudently forecasted future revenue growth for the four-year period ending 2029 of CAGR 5.8% with intention to accelerate to double digit growth following integration efforts.
- The group has valued Health and Her Limited by discounting the associated future cash flows across a five year period, and with a terminal value to reflect future years. The discount rate is based upon the group pre-tax WACC of 14.0% and is adjusted for specific segment, country and currency risk plus local tax rates to derive a post-tax rate of 10.5%. These assumptions generate a headroom over the assets current carrying value equivalent to £1.7 million.
- An increase in the post-tax WACC rate by 1.3ppt would have resulted in no headroom over the assets of the business held at the balance sheet date.

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

The above impairment assessments of BBI Healthcare Ltd, the Helsinn brands, HL Healthcare Ltd and Health and Her Limited have included assessment of all elements of intangible value regardless of whether their economic lives are finite or indefinite, and include Customer Relationships, acquired formulations, acquired Trademarks and Goodwill.

Intangible assets with indefinite useful lives allocated to operating segments

		YEAR ENDED 31 DECEMBER 2024 £'000	YEAR ENDED 31 DECEMBER 2023 £'000
Goodwill	PeriProducts Ltd	**-**	3,337
	Dentyl	**-**	2,711
	Pharmasource BV	**-**	3,819
	BBI Healthcare Ltd	**7,737**	13,252
	The Helsinn brands	**1,925**	1,925
	HL Healthcare Ltd	**3,407**	3,406
	Health and Her	**2,318**	-
	Venture Life Brands Total	**15,387**	28,450
	Biokosmes SRL	**-**	10,135
	Customer Brands Total	**-**	10,135
	Total	**15,387**	38,585
Brands	The Helsinn brands	**2,010**	2,010
	Venture Life Brands Total	**2,010**	2,010
	Customer Brands Total	**-**	-
	Total	**2,010**	2,010

The recoverable amount of each segment was determined based on value-in-use calculations, covering a detailed five-year forecast and terminal value. The present value of the expected cash flows of each segment is determined by applying a suitable discount rate reflecting current market assessments of the time value of money and risks specific to the segment.

Recoverable amount of each operating segment

	YEAR ENDED 31 DECEMBER 2024 £'000	YEAR ENDED 31 DECEMBER 2023 £'000
PeriProducts Ltd	**-**	12,173
Dentyl	**-**	4,935
Pharmasource BV	**-**	4,980
BBI Healthcare Ltd	**81,573**	62,540
The Helsinn brands	**13,051**	21,485
HL Healthcare Ltd	**28,631**	21,961
Health & Her Ltd	**12,365**	-
Venture Life Brands Total	**135,620**	128,074
Biokosmes SRL	**-**	34,556
Customer Brands	**-**	34,556

These assumptions are subjective and provide key sources of estimation uncertainty, specifically in relation to growth assumptions, future cashflows and the determination of discount rates. The actual results may vary and accordingly may cause adjustments to the Group's valuation in future financial years.

Sensitivity analysis has been performed on the impairment review of all other operating segments and indicate sufficient headroom in the event of reasonably possible changes in key assumptions and these are unlikely to result in an impairment.

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

14. Property, plant and equipment

	PLANT AND EQUIPMENT £'000	OTHER EQUIPMENT £'000	LAND AND BUILDINGS	RIGHT-OF-USE ASSETS £'000	TOTAL £'000
Cost or valuation:					
At 1 January 2023	6,639	279	1,430	7,839	16,187
Acquired through business combination	-	-	-	-	-
Additions	765	40	15	1,602	2,422
Disposals	(211)	(4)	-	-	(215)
Foreign exchange movements	(170)	(5)	(23)	(148)	(346)
At 31 December 2023	7,023	310	1,422	9,293	18,048
Acquired through business combination	-	12	-	-	12
Additions	594	34	-	836	1,464
Disposals	(122)	(42)	-	(481)	(645)
Transfer to Assets held for sale	(6,914)	(200)	(1,334)	(8,192)	(16,640)
Foreign exchange movements	(536)	(10)	(88)	(375)	(1,009)
At 31 December 2024	**45**	**104**	**-**	**1,081**	**1,230**
Depreciation:					
At 1 January 2023	2,565	175	132	3,225	6,097
Charge for the year[1]	866	37	97	1,128	2,128
Disposals	(210)	(4)	-	-	(214)
Foreign exchange movements	(80)	(3)	(7)	(67)	(157)
At 31 December 2023	3,141	205	222	4,286	7,854
Charge for the year[1]	850	49	93	1,205	2,197
Disposals	(71)	(28)	-	(323)	(422)
Transfer to Assets held for sale	(3,533)	(165)	(273)	(4,612)	(8,583)
Foreign exchange movements	(342)	(9)	(42)	(192)	(585)
At 31 December 2024	**45**	**52**	**-**	**364**	**461**
Carrying amount:					
At 31 December 2023	3,882	105	1,200	5,007	10,194
At 31 December 2024	**-**	**52**	**-**	**717**	**769**

Notes

[1] Included in the charge for the year ended 31 December 2024 is £1,838,000 (2023: £1,927,000) in respect of parts of the business now reported as discontinued operations. See note 31 'Discontinued operations and assets held for sale' for more information.

All depreciation in respect of continuing operations has been charged to administrative expenses in the Statement of Comprehensive Income.

Additions to right-of-use asset category reflect the recognition of the Group's leasing obligations under IFRS 16. Further details are included in Note 26.

15. Inventories

	AT 31 DECEMBER 2024 £'000	AT 31 DECEMBER 2023 £'000
Raw materials	**-**	5,375
Finished goods	**5,075**	4,957
Total	**5,075**	10,332

	AT 31 DECEMBER 2024 £'000	AT 31 DECEMBER 2023 £'000
At 1 January inventory provision	**271**	641
Increase in inventory provision	**433**	515
Utilisation in inventory provision	**(14)**	(876)
Transfer to held for sale	**(56)**	-
Foreign exchange movements	**(10)**	(9)
At 31 December inventory provision	**633**	271

16. Trade and other receivables

	AT 31 DECEMBER 2024 £'000	AT 31 DECEMBER 2023 £'000
Trade receivables	**10,193**	14,578
Prepayments and accrued income	**244**	590
Other receivables	**395**	1,037
Total	**10,832**	16,205

Contractual payment terms with the Group's customers are typically 60-90 days.

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

The aging analysis of trade receivables that are past due is as follows:

	AT 31 DECEMBER 2024 £'000	AT 31 DECEMBER 2023 £'000
31 to 60 days past due	**465**	190
60 to 90 days past due	**5**	144
90 to 120 days past due	**-**	-
>120 days past due	**286**	415
Overdue trade receivables gross	**755**	749
Allowance for credit losses	**(43)**	(110)
Trade receivables – net	**712**	639

The Directors consider that the carrying value of trade and other receivables represents their fair value.

In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the receivable from the date credit was granted up to the reporting date. For details on the Group's credit risk management policies, refer to Note 27(d). The Group has adopted IFRS9 to trade receivables and considered the recoverability of amounts owing from its customers by applying the simplified model for expected credit losses to trade receivables to measure the loss allowance at an amount equal to lifetime expected credit losses.

The Group's expected credit loss model uses the Standard & Poors sovereign credit default ratings as an indication of the likelihood of default by customers in each territory. Judgements are then applied to translate these ratings into probabilities of default which are then compounded on a sliding scale with aging.

The Group does not hold any collateral as security for its trade and other receivables. The amounts of trade and other receivables denominated in currencies other than pounds sterling are shown in Note 27(c).

Allowances for credit losses:

	AT 31 DECEMBER 2024 £'000	AT 31 DECEMBER 2023 £'000
At 1 January	**110**	210
Transferred to held for sale	**(27)**	
Decrease in credit loss provision	**(40)**	(101)
Foreign exchange	**-**	1
At 31 December	**43**	110

17. Cash and cash equivalents

	AT 31 DECEMBER 2024 £'000	AT 31 DECEMBER 2023 £'000
Available cash and cash equivalents as presented in the consolidated statement of financial position	**3,053**	5,622
Cash and cash equivalents of discontinued operations	**1,266**	-
Available cash and cash equivalents as presented in the consolidated statement of cash flows	**4,319**	5,622

The Group holds sterling, Chinese renminbi and euro denominated balances in the UK. The Group's subsidiaries hold US dollar, yen and euro accounts in Italy, euro accounts in the Netherlands, a Swiss franc account in Switzerland and Swedish Krona account in Sweden.

The Directors consider that the carrying value of cash and cash equivalents approximates their fair value. For details on the Group's credit risk management policies, refer to Note 27(d).

The amounts of cash and cash equivalents denominated in currencies other than pounds sterling are shown in Note 27(c).

18. Share capital and share premium

Share capital

All shares are authorised, issued and fully paid. The Group has one class of ordinary shares which have full voting rights, no preferences and no restrictions attached.

	ORDINARY SHARES OF 0.3P EACH NUMBER	ORDINARY SHARES OF 0.3P EACH £	SHARE PREMIUM £'000	MERGER RESERVE £'000
At 31 December 2024	**127,052,312**	**381,157**	**65,960**	**7,656**
At 31 December 2023	126,498,197	379,495	65,960	7,656

The Company issued 554,115 new shares during 2024 (no new shares were issued during 2023).

The Group operates a Long-Term Incentive Plan. Up to the balance sheet date, there have been four awards under this plan, in which Executive Directors and senior management of the Group participate. Further details are included in the Directors' Remuneration Report set out on pages 62 to 64.

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

19. Merger reserve

In 2010 the Company acquired 100% of the issued share capital of Venture Life Limited from shareholders of the Company. This combination gave rise to a merger reserve in the Consolidated Statement of Financial Position, being the difference between the nominal value of new shares issued by the Company for the acquisition of the shares of the subsidiary and the subsidiary's own share capital and share premium account.

The merger reserve is also used where more than 90% of the shares in a subsidiary are acquired and the consideration includes the issue of new shares by the Company, thereby attracting merger relief under the Companies Act 2006. The balance on the reserve of £7,656,000 (2023: £7,656,000) has arisen through the acquisition of Venture Life Limited in 2010 (£50,000), and Biokosmes in March 2014 (£7,606,000).

20. Foreign currency translation reserve

The foreign currency reserve represents unrealised cumulative net gains and losses arising on the translation and consolidation of the Group's Italian and Netherlands subsidiaries.

21. Share-based payments and share-based payments reserve

21.1 Share options

Share options are held by option holders in either the Venture Life Group plc Enterprise Management Incentive Share Option Plan ("EMI Plan") or under the Venture Life Group plc Unapproved Share Option Plan ("Unapproved Plan"). All options in both plans are settled in equity when the options are exercised.

Options under both Plans vest according to time employed at Venture Life. Additionally, some options granted under the EMI Plan vest according to achievement of certain non-market performance targets.

The maximum term of options granted under both Plans is ten years.

The share option charge for the year was £338,000 (2023: £225,000) and is included in administrative expenditure in the Statement of Comprehensive Income.

The share option provision recycling for the year was £nil (2023: £3,000).

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movements in, share options during the year:

	2024 NUMBER	2024 WAEP (P)	2023 NUMBER	2023 WAEP (P)
Total outstanding at beginning of the year	10,194,015	37.7	6,582,713	38.2
Granted during the year	473,000	35.0	4,250,000	38.1
Exercised	-	-	-	-
Forfeited	(373,000)	37.4	(638,698)	45.6
Total outstanding at 31 December	10,294,015	38.0	10,194,015	37.7
Exercisable at 31 December	5,213,515	38.7	5,113,166	36.2

The following table summarises information about the range of exercise prices for share options outstanding at 31 December:

	2024 NUMBER	2023 NUMBER
Range of exercise prices 0p–49p	9,818,666	9,823,666
50p–99p	475,349	370,439
Total	10,294,015	10,194,015

At 31 December 2024, the weighted average remaining contractual life of options is 6.28 years (2023: 7.05 years). The weighted average exercise price of options granted in the year was 35.0 pence (2023: 32.4 pence).

The non-market performance conditions for all share options outstanding at 31 December 2024 and which are exercisable at 31 December 2024 or before have been achieved.

The share-based payment charge has been calculated using the Black-Scholes model to calculate the fair value of the share options that vest according to non-market performance conditions. An appropriate valuation model has been used to calculate the fair value of share options with market performance-related vesting. Disclosure of those valuation assumptions is not made on the basis that the related charge is immaterial. The scheme is equity settled.

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

The inputs into the Black-Scholes model for issuance of stock options were as follows for 2024 and 2023:

	2024	2023
Weighted average share price (p)	**37.5**	38.1
Weighted average exercise price (p)	**35.0**	38.1
Weighted average expected volatility (%)	**44.0**	59.6
Weighted average expected life (years)	**5**	5
Weighted average risk free rate (%)	**3.761**	4.787
Expected dividends (%)	**0.400**	0.600

a) The risk-free rate is based on the UK gilt rate as at the grant date with a period to maturity commensurate with the expected term of the relevant option tranche.

b) The fair value charge is spread evenly over the period between the grant of the option and the earliest exercise date.

c) The expected volatility is based on the historical volatility of the company's share price over the previous five years. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The range of comparable companies has been reviewed for grants in the current year resulting in the decrease in expected volatility.

21.2 Long-Term Incentive Plan

The Group operates a Long-Term Incentive Plan. Up to the balance sheet date, there have been four awards under this plan, in which Executive Directors and senior management of the Group participate.

Awards under the Plan are granted in the form of nominal cost share options, and are to be satisfied either using market-purchased shares or by the issuing of new shares. The awards vest in full or in part dependent on the satisfaction of specified performance targets at the end of the vesting period applying to each plan. The number of awards that vest is dependent upon either the earnings per share ("EPS") achieved for the relevant year and the Group's Total Shareholder Return ("TSR") during the vesting period within a comparator group. Details of the awards made in previous years that vested during 2021 are set out below:

	AWARD FOUR
Grant date of awards	23 March 2018
Grant date fair value of award (pence per award)	46.5
Vesting date of awards	23 March 2021
Maximum number of awards	554,115
Vesting condition based on	TSR
Relevant date for determination of vesting conditions	23 March 2021 for TSR

Further details of vesting conditions are set out in the Directors' Remuneration Report on pages 62 - 64. Award four includes vesting conditions that are market based, and allowance for these are included within the fair value at grant date. The weighted average fair value of options granted in prior years was determined using the Monte-Carlo valuation model and was 46.5 pence per option. The significant inputs into the model were:

- weighted average share price of 46.5 pence at the grant date
- exercise price shown above
- dividend yield assumed nil for the basis of the calculation
- options are assumed to be exercised at point of vesting
- an annual risk-free interest rate of 0.939%

The volatility measured as the standard deviation of continuously compounded share returns is based on statistical analysis of daily share prices over the last three years.

The 554,115 awards which vested during 2021 were all exercised during 2024.

Please refer to Note 7 for disclosure of the charge to the Consolidated Statement of Comprehensive Income arising from share-based payments.

The share-based payment reserve represents cumulative charges made to the Consolidated Statement of Comprehensive income in respect of share-based payments under the Group's share option schemes. Where vesting conditions are not met, the associated element of share-based payment reserve is released and recycled into retained earnings.

22. Retained earnings

Retained earnings represents all other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

For the year ended 31 December 2024

23. Trade and other payables

	AT 31 DECEMBER 2024 £'000	AT 31 DECEMBER 2023 £'000
Trade payables	**2,730**	5,796
Accruals and deferred income	**1,793**	1,961
Social security and other taxes	**699**	1,092
Other payables	**85**	217
Total	**5,307**	9,066

Trade payables principally comprise amounts outstanding for trade purchases and ongoing costs. They are non-interest-bearing and are normally settled on 30-90 day terms.

The Directors consider that the carrying value of trade and other payables approximates their fair value.

The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe and no interest has been charged by any suppliers as a result of late payment of invoices during the year.

The amount of trade and other payables denominated in currencies other than pounds sterling are shown in Note 27(c).

24. Interest-bearing borrowings

	AT 31 DECEMBER 2024 £'000	AT 31 DECEMBER 2023 £'000
Current		
Invoice financing	**-**	616
Leasing obligations	**315**	1,044
Deferred contingent consideration	**599**	-
Secured bank loans due within one year	**-**	16,467
Deferred consideration	**746**	2,215
Total	**1,660**	20,342
Non-current		
Leasing obligations	**418**	4,050
Secured bank loans due after one year	**21,782**	-
Total	**22,200**	4,050

All bank loans are held jointly by Santander Bank and HSBC Innovation Bank and comprise the Group's revolving credit facility, secured against the assets and profits of most subsidiaries within the Group and with expiry in June 2028. This facility was originally established during 2021 in the committed sum of £30.0 million of which £22.0 million has been drawn at 31st December 2024 (31st December 2023: £16.5 million). Invoice financing includes the Italian RiBa (or "Ricevuta Bancaria") facility which is a short-term facility. The balance shown above of £nil (2023: £0.6 million) reflects the amount that had been settled in Biokosmes' account under RiBa and drawn against invoices in the UK as at the reporting date.

The revolving credit facility bears interest at a fixed rate of 2.5% plus SONIA on drawn funds as well as commitment interest at the rate of 1.0% on the balance of undrawn funds up to the facility limit. The RiBa invoice financing balance bears interest at variable rates.

A summary showing the utilisation of the revolving credit facility shown below:

	2024 GBP £'000	2024 EUR £'000	2024 ALL £'000	2023 GBP £'000	2023 EUR £'000	2023 ALL £'000
Opening balance at 1 January	**11,100**	**5,421**	**16,521**	11,900	5,757	17,657
Drawdown	**9,000**	**-**	**9,000**	2,250	303	2,553
Repayments	**(3,300)**	**-**	**(3,300)**	(3,050)	(531)	(3,581)
Impact of foreign exchange	**-**	**(239)**	**(239)**	-	(108)	(108)
Closing balance at 31 December	**16,800**	**5,182**	**21,982**	11,100	5,421	16,521

A summary showing the utilisation of the invoice financing is shown below:

	2024 £'000	2023 £'000
Opening balance at 1 January	**616**	-
Drawdown	**-**	612
Repayment	**(616)**	-
Impact of foreign exchange	**-**	4
Closing balance at 31 December	**-**	616

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

A summary showing the contractual repayment of interest-bearing borrowings is shown below:

	AT 31 DECEMBER 2024			AT 31 DECEMBER 2023		
	LEASING OBLIGATIONS £'000	OTHER £'000	2024 £'000	LEASING OBLIGATIONS £'000	OTHER £'000	2023 £'000
Amounts and timing of debt repayable:						
Within 1 year	**370**	**7,775**	**8,145**	1,187	20,181	21,368
1-2 years	**370**	**10,952**	**11,322**	1,097	-	1,097
2-3 years	**74**	**7,113**	**7,187**	979	-	979
3-4 years	**-**	**-**	**-**	460	-	460
4-5 years	**-**	**-**	**-**	435	-	435
After more than 5 years	**-**	**-**	**-**	1,271	-	1,271
Total	**814**	**25,840**	**26,654**	5,429	20,181	25,610

The above amounts reflect the contractual undiscounted cash flows, which may differ to the carrying values of the liabilities at the reporting date.

Net debt reconciliation

	LIABILITIES FROM FINANCING ACTIVITIES			OTHER ASSETS	
	BORROWINGS	LEASES	SUB-TOTAL	CASH	NET CASH / (NET DEBT)
Net cash / (debt) at 1 January 2023	22,275	4,571	26,846	5,631	(21,215)
Net cashflow	-	-	-	74	74
Lease repayments	-	(999)	(999)	-	999
Fees and Interest	478	-	478	-	(478)
Drawdown	3,165	1,602	4,767	-	(4,767)
(Repayments)	(3,581)	-	(3,581)	-	3,581
Deferred consideration arising on business combination	(2,933)	-	(2,933)	-	2,933
Foreign exchange movements	(106)	(80)	(186)	(83)	103
Net cash / (debt) at 31 December 2023	19,298	5,094	24,392	5,622	(18,770)
Net cashflow	-	-	-	(1,164)	(1,164)
Lease repayments	-	(1,153)	(1,153)	-	1,153
Fees and interest	(343)	-	(343)	-	343
Drawdown	9,000	671	9,671	-	(9,671)
(Repayments)	(5,926)	-	(5,926)	-	5,926
Contingent deferred consideration arising on business combination	594	-	594	-	(594)
Deferred consideration arising on business combination	741	-	741	-	(741)
Transfer to assets / liabilities held for sale	-	(3,689)	(3,689)	(1,266)	2,423
Foreign exchange movements	(237)	(190)	(427)	(139)	288
Net cash / (debt) at 31 December 2024	**23,127**	**733**	**23,860**	**3,053**	**(20,807)**

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

25. Statutory employment provision

The statutory employment provision includes the liability for severance indemnities related to employees of the Group's Italian subsidiary. The severance indemnity liability arises under Italian law and is calculated with reference to each employee's length of service, employment category and remuneration. There is no vesting period or funding requirement associated with the liability. The liability recorded at the reporting date is based on the aggregate amount that the employees of the Group's Italian subsidiary would be entitled to on termination of employment for whatever reason. The timing of utilisation of this provision is uncertain. The amounts below relate entirely to discontinued operations.

	AT 31 DECEMBER 2024 £'000	AT 31 DECEMBER 2023 £'000
At 1 January	**1,544**	1,461
Additional provisions	**197**	186
Amount utilised	**(80)**	(72)
Foreign exchange movements	**(71)**	(31)
At 31 December	**1,590**	1,544

26. Leases

IFRS 16 requires the Group, with the exception of short-term and low value leases, to value all leasing obligations disclosing right-for-use assets and corresponding lease liabilities.

Right-of-use assets

	EQUIPMENT £'000	MOTOR VEHICLES £'000	PROPERTY £'000	TOTAL £'000
Carrying value 1 January 2023	39	4	4,571	4,614
Additions	85	1	1,516	1,602
Depreciation charge in the year	(53)	(5)	(1,070)	(1,128)
Foreign exchange movements	(2)	-	(79)	(81)
Carrying value 31 December 2023	69	-	4,938	5,007
Interest charge in the year	8	-	64	72
Cash outflow for leases in the year	51	5	943	999
Carrying value 1 January 2024	**69**	**-**	**4,938**	**5,007**
Additions	**27**	**17**	**792**	**836**
Depreciation charge in the year	**(55)**	**(5)**	**(1,145)**	**(1,205)**
Transfer to Assets held for sale	**(38)**	**(12)**	**(3,530)**	**(3,580)**
Foreign exchange movements	**(1)**	**-**	**(340)**	**(341)**
Carrying value 31 December 2024	**2**	**-**	**715**	**717**
Interest charge in the year	**5**	**1**	**189**	**195**
Cash outflow for leases in the year	**62**	**5**	**1,086**	**1,153**

Lease liabilities were calculated as the present value of the future lease obligations of the Group amounting to £0.73 million (31 December 2023: £5.09 million). The future leasing obligations were discounted using the relevant Italian and UK local borrowing rates of between 1% and 11.5%. The contractual maturity and closing lease liabilities are shown in Note 24.

The lease categories of the Group are made up of:

Office equipment

- Photocopiers and laboratory equipment leased by the Group are rented under contract with lease terms extending between 2023 and 2026. Each contract comes with a three-month break clause and management are reasonably certain the break clauses will not be exercised.

Motor vehicles

- A company car was provided during 2024 for use by a senior member of staff whose responsibilities require a high degree of national and international road travel.

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

Property

- The Group's Italian subsidiary has one operating location and one logistics facility in Lecco, near to Milan. The operating location has 2 long-term rental agreements. The main agreement was renewed in November 2019 for a period of six years and has an option to extend the lease for a further six years. During the year these leases have been transferred to assets held for sale (see notes 30 & 31 for further details).
- The Group's current UK operation is headquartered in a leased premises in Bracknell. The lease contract commenced in July 2022 and expires in June 2027.
- The Group holds leases associated with UK warehousing facilities, these leases commenced in April 2023 and expire in March 2026.

If IFRS 16 was not required, operating profit of the Group for the year would be decreased by £56,000 (2023: decreased by £19,000) and profit before tax would be increased by £15,000 (2023: increased by £7,000).

27. Financial instruments

The Group is exposed to the risks that arise from its use of financial instruments. This note describes the objectives, policies and processes of the Group for managing those risks and the methods used to measure them.

a) Principal financial instruments

The principal financial instruments used by the Group from which financial instrument risk arises are as follows:

- Trade and other receivables (excluding prepayments)
- Cash and cash equivalents
- Trade and other payables (excluding deferred revenue)
- Interest-bearing debt
- Leasing obligations
- Invoice financing

Set out below are details of financial instruments held by the Group as at:

	31 DECEMBER 2024 FINANCIAL ASSETS AT AMORTISED COST £'000	TOTAL FINANCIAL ASSETS £'000	31 DECEMBER 2023 FINANCIAL ASSETS AT AMORTISED COST £'000	TOTAL FINANCIAL ASSETS £'000
Financial assets:				
Trade and other receivables[1]	**10,588**	**10,588**	15,615	15,615
Cash and cash equivalents	**3,053**	**3,053**	5,622	5,622
Total	**13,641**	**13,641**	21,237	21,237

	31 DECEMBER 2024 FINANCIAL LIABILITIES AT AMORTISED COST £'000	TOTAL FINANCIAL LIABILITIES £'000	31 DECEMBER 2023 FINANCIAL LIABILITIES AT AMORTISED COST £'000	TOTAL FINANCIAL LIABILITIES £'000
Financial liabilities:				
Trade and other payables[2]	**5,307**	**5,307**	9,066	9,066
Leasing obligations	**733**	**733**	5,094	5,094
Interest-bearing debt	**23,127**	**23,127**	19,298	19,298
Total	**27,822**	**27,822**	33,458	33,458

[1]Trade and other receivables excludes prepayments
[2]Trade and other payables excludes deferred revenue

During 2017 the Group adopted the lease accounting standard IFRS 16. The standard requires the recognition of leasing obligations which are included above. See Note 26 for further details.

b) Financial risk management

The Group's activities expose it to a variety of financial risks: market risk of foreign exchange fluctuations, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group's policies for financial risk management are outlined in the section on Principal Risks and Uncertainties in the Strategic Report on pages 40 to 43.

For the year ended 31 December 2024

c) Market risk

Foreign exchange risk

The Group is exposed to foreign exchange risk on sales, purchases, and translation of assets and liabilities that are in a currency other than the functional currency of its operating units.

The carrying amount of the Group's foreign currency denominated monetary assets and liabilities in SEK, euros, US dollars, Chinese renminbi and Swiss francs are shown below in the Group's presentational currency (£).

	SEK £'000	US$ £'000	RMB £'000	CHF £'000	EURO £'000	TOTAL £'000
At 31 December 2024						
Assets						
Trade and other receivables	-	73	-	-	3,718	3,791
Cash and cash equivalents	-	26	-	4	1,795	1,825
		99	-	4	5,513	5,616
Liabilities						
Trade and other payables	-	1	-	4	707	712
Interest-bearing debt	-	-	-	-	5,183	5,183
		1	-	4	6,595	5,895

	SEK £'000	US$ £'000	RMB £'000	CHF £'000	EURO £'000	TOTAL £'000
At 31 December 2023						
Assets						
Trade and other receivables	29	17	-	1	10,325	10,372
Cash and cash equivalents	78	12	-	5	3,653	3,748
	107	29	-	6	13,978	14,120
Liabilities						
Trade and other payables	404	10		5	3,992	4,411
Interest-bearing debt	-	-	-	-	6,036	6,036
	404	10	-	5	10,028	10,447

The following table details the Group's sensitivity to a 10% increase and decrease in the foreign currencies used by the Group against sterling. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonable possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% weakening or strengthening of the foreign currencies against sterling.

	£ CURRENCY IMPACT STRENGTHENING £'000	£ CURRENCY IMPACT WEAKENING £'000
At 31 December 2024		
Assets	562	(562)
Liabilities	(589)	589
At 31 December 2023		
Assets	1,412	(1,412)
Liabilities	(1,045)	1,045

d) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and deposits with financial institutions. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group has an established credit policy under which each new customer is analysed for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, and in some cases bank references.

The Group applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due and also according to the geographical location of customers. The Group gives careful consideration to which organisations it uses for its banking services in order to minimise credit risk and considers this risk by counterparty and geography.

At 31 December 2024, the Group was also owed £981,508 (2023: £4,118,726) from three (2023: three) of its major customers, the balance being shown under trade receivables.

A provision of £43,000 (2023: £110,000) was made against trade receivables and included in the Group's bad debt provision.

No collateral is held by the Group in relation to any of its financial assets.

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Interest rate risk

The Group's principal interest-bearing assets are its cash balances.

The main principles governing the Group's investment criteria are the security and liquidity of its investments before yield, although the yield (or return) is also a consideration. The Group will also ensure:

i) That it has sufficient liquidity in its investments. For this purpose it will use its cash flow forecasts for determining the maximum periods for which funds may prudently be committed; and

ii) That it maintains a policy covering both the categories of investment types in which it will invest, and the criteria for choosing investment counterparties.

The interest rate risk profile of the Group's financial assets, excluding trade and other receivables, as at 31 December was:

	FIXED RATE 2024 £'000	FIXED RATE 2023 £'000	FLOATING RATE 2024 £'000	FLOATING RATE 2023 £'000	TOTAL 2024 £'000	TOTAL 2023 £'000
Sterling	-	-	942	1,874	942	1,874
Euro	-	-	2,997	3,653	2,997	3,653
RMB	-	-	-	-	-	-
USD	-	-	26	12	26	12
Swiss franc	-	-	4	5	4	5
SEK	-	-	64	78	64	78
Total	-	-	4,033	5,622	4,033	5,622

Floating rate deposits in all currencies earn interest at prevailing bank rates.

The interest rate risk profile of the Group's interest-bearing borrowings, as at 31 December was:

	FIXED RATE 2024 £'000	FIXED RATE 2023 £'000	FLOATING RATE 2024 £'000	FLOATING RATE 2023 £'000	TOTAL 2024 £'000	TOTAL 2023 £'000
Sterling	-	-	16,599	11,047	16,599	11,047
Euro	-	-	5,183	6,036	5,183	6,036
Total	-	-	21,782	17,083	21,782	17,083

e) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or damage to the Group's reputation.

The Directors manage liquidity risk by regularly reviewing the Group's cash requirements by reference to short-term cash flow forecasts and medium-term working capital projections prepared by management.

f) Maturity of financial assets and liabilities

All of the Group's financial assets and financial liabilities at each reporting date are either payable or receivable within one year, with the exception of the non-current interest-bearing borrowings as detailed in Note 24.

g) Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders. The Group is funded by equity, comprising issued capital and retained profits. The capital structure of the Group consists of cash and cash equivalents and equity, comprising issued capital and retained profits. The Group has no externally imposed capital requirements, but maintains an efficient overall financing structure while avoiding excessive leverage.

The amounts managed as capital by the Group for the reporting periods under review are summarised as follows:

	AT 31 DECEMBER 2024 £'000	AT 31 DECEMBER 2023 £'000
Total equity	75,411	76,254
Cash and cash equivalents	(3,053)	(5,622)
Capital	72,358	70,632
Total equity	75,411	76,254
Secured borrowings	21,782	16,467
Unsecured borrowings	1,345	2,831
Leasing obligations	733	5,094
Overall financing	99,271	100,646
Capital to overall financing ratio	0.73	0.70

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

28. Related party transactions

The following transactions were carried out with related parties:

a) Transactions with Directors

Total dividends paid to Directors in the year ending 31 December 2024 were £nil (2023: £nil).

b) Transactions with other related parties

Braguti's real estate SRL (formerly known as Biokosmes Immobiliare SRL), a company 2% owned by Gianluca Braguti, a Director and shareholder of the Group, provided property lease services to Biokosmes SRL, the Group's Italian subsidiary, totalling £425,642 in the year to 31 December 2024 (2023: £431,345). At 31 December 2024, the Group owed Braguti's real estate SRL £nil (£nil at 31 December 2023).

Services provided to Braguti's real estate SRL totalled £81 (2023: £345). At 31st December 2023, Biokosmes Immobiliare SRL owed to the Group £nil (2023: £nil).

Services purchased from McGreevy Consulting Ltd, a company 100% controlled by Paul McGreevy, a Non-Executive Director of the Group, totalled £nil (2023: £16,000). At 31 December 2024, the Group owed McGreevy Consulting Ltd £nil (2023: £nil).

29. Alternative Performance Measures (APM's)

The Group uses certain financial measures that are not defined or recognised under IFRS. The Directors believe that these non-GAAP measures supplement GAAP measures to help in providing a further understanding of the results of the Group and are used as key performance indicators within the business to aid in evaluating its current business performance. The measures can also aid in comparability with other companies who use similar metrics. However as the measures are not defined by IFRS, other companies may calculate them differently or may use such measures for different purposes to the Group.

The measures used are Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) and Adjusted EBITDA which is defined as EBITDA excluding share-based payment charges and exceptional items.

EBITDA and Adjusted EBITDA – Total Group

	YEAR ENDED 31 DECEMBER 2024 £'000	YEAR ENDED 31 DECEMBER 2023 £'000
Operating profit	**1,515**	1,401
Add back:		
Operating profit – CDMO activities and peripheral brands	**978**	2,454
Operating profit / (loss) – Oral care	**154**	(566)
Operating profit – Total Group	**2,647**	3,289
Add back:		
Depreciation	**2,197**	2,128
Amortisation	**4,471**	4,516
Impairment of Intangible assets	**-**	760
EBITDA	**9,315**	10,693
Add back:		
Share-based payments charge	**337**	225
Exceptional costs	**1,713**	639
Adjusted EBITDA	**11,365**	11,557

EBITDA and Adjusted EBITDA – Continuing Operations

	YEAR ENDED 31 DECEMBER 2024 £'000	YEAR ENDED 31 DECEMBER 2023 £'000
Operating profit	**1,515**	1,401
Add back:		
Depreciation	**359**	201
Amortisation	**2,447**	2,471
Impairment of Intangible assets	**-**	-
EBITDA	**4,321**	4,073
Add back:		
Share-based payments charge	**232**	183
Exceptional costs	**1,621**	639
Adjusted EBITDA	**6,174**	4,895

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

Net debt / (cash)

	YEAR ENDED 31 DECEMBER 2024 £'000	YEAR ENDED 31 DECEMBER 2023 £'000
Cash and cash equivalents	**(3,053)**	(5,622)
Interest bearing borrowings - Deferred contingent consideration - current	**599**	-
Interest bearing borrowings - Bank Loans - current	**-**	16,467
Interest bearing borrowings - Bank Loans - non-current	**21,782**	-
Interest bearing borrowings - Deferred consideration - current	**746**	2,215
Invoice financing	**-**	616
Net debt (excl leases)	**20,074**	13,676
Interest bearing borrowings - Leasing obligations - current	**315**	1,044
Interest bearing borrowings - Leasing obligations - non-current	**418**	4,050
Net debt (incl leases)	**20,807**	18,770

Net Leverage

	YEAR ENDED 31 DECEMBER 2024 £'000	YEAR ENDED 31 DECEMBER 2023 £'000
Net debt (excl leases)	**20,074**	13,676
Uncrystallised deferred consideration	**(1,345)**	-
Net debt (excl leases and uncrystallised deferred consideration)	**18,729**	13,676
Adjusted EBITDA	**11,365**	11,557
Adjustment to include mid year acquisition on trailing 12 month basis	**6**	-
12 month trailing Adjusted EBITDA	**11,371**	11,557
deduct:		
Lease payments for 12 month period	**(1,153)**	(999)
Adjusted EBITDA for net leverage	**10,218**	10,558
Net leverage	**1.83x**	1.30x

30. Post balance sheet events

Post period end (12 May 2025) Venture Life Group plc ("VLG") announced that it had entered into a binding agreement with BioDue S.p.A ("Biodue"), a contract development and manufacturing organisation ("CDMO") based in Italy and a portfolio company of The Riverside Group, for the sale of:

- 100 percent of the issued share capital of Biokosmes SRL ("Biokosmes") and of Venture Life Manufacturing AB, the holding company of Kullgren Holdings AB and Rolf Kullgren AB ("Gnesta") (collectively the "CDMO Business"); and
- some of the Group's peripheral products (collectively the" Non-Core Products" and associated commercial agreements (together with the CDMO Business, the "Target Assets"))

for a consideration of €62.0 million (c.£53.0 million) (the "Sale") on a cash free, debt free basis.

Completion of the Sale is conditional on the satisfaction of certain conditions, including the approval under the applicable foreign direct investment regimes in Italy and Sweden.

The consideration will be payable in cash and in full to the Company on completion (the "Proceeds"). The Proceeds will provide Venture Life and its subsidiaries (the "Group") with significant financial resources to invest further behind its existing brands, and to seek and select further complementary acquisitions of products and assets across the UK, US and Europe enabling the Group to capitalise on the opportunities available and continue scaling the business to deliver growth for shareholders. The Proceeds will also be utilised to pay down the Group's drawn balance ("Debt") on its Revolving Credit Facility ("RCF"), although the facility will remain in place.

The Sale presents the opportunity for the Board to streamline the Company's operations through the disposal of the Non-Core Products whilst simultaneously being able to move the business away from capital intensive manufacturing operations. This will enable the Group to direct increased cashflow into the commercialisation, growth and development of the Group's higher margin core brands namely Balance Activ, Health & Her/Him, Lift, Earol, Pomi T and Gelclair (collectively the "Power Brands").

The Group will retain all its key strategic customer relationships pertaining to the Power Brands, including the partnership with Bayer Consumer Care AG, and will continue to expand its franchise in women's health which remains a strong area of focus going forward.

The Board believes that the Sale represents an opportunity for the Company to realise cash at an attractive multiple on lower margin capital intensive assets which it can redeploy, post repayment of the Debt, in the growth of its existing Power Brands as well as in the acquisition of carefully selected, margin accretive, fast growth assets, at lower multiples, in key geographic markets (UK/US/EU), where the Board believes there is a significant opportunity to create strong commercial synergies across the Group's core categories of interest.

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

As a consequence, and following the Sale, the Group will become a pure play consumer healthcare brand platform focusing on "Proactive Healthy Longevity" for the consumer, providing both preventative and treatment solutions to support a longer healthier life. This will involve investment in data driven insight and integrated digital capabilities to help drive growth from our existing brands, simultaneously leveraging an omnichannel go to market strategy in key markets to be where the shopper shops and seeking selective acquisitions in complementary high growth categories which have a clear road to profitable growth.

On completion, the Group will enter into a long-term development and manufacturing agreement for an initial term of ten years whereby Biokosmes and Gnesta will continue to provide development and manufacturing services to the Company as part of BioDue's larger CDMO business. After the Sale, the Group will retain offices in the United Kingdom, Spain and its newly established infrastructure in the US.

The CDMO Business will take on ownership, management and maintenance of some of the requisite technical files relevant to the manufacturing of some of the Power Brands, with Venture Life retaining perpetual, exclusive and royalty free global rights over these. Following the Sale, the Group will be the largest customer to the CDMO Business and this continued strategic partnership will enable Venture Life to continue building on its product innovation and development pipeline. BioDue holds strong expertise in food supplements which is an area of interest to the Group and thus expected to be of significant benefit to the Group going forward.

As part of the Sale, the CDMO Business and the Company will enter into a two-way transitional services agreement until 31 December 2026 to ensure a smooth transition. Along with other customary conditions, completion of the Sale is conditional on the approval being received under the foreign direct investment regimes in Italy and Sweden. It is expected that completion will take place in Q3 2025.

Gianluca Braguti, who joined the VLG's Board in 2014 when Biokosmes became part of the Group, will remain a Director of Biokosmes and accordingly will step down as a member of the Company's Board on completion of the Sale.

31. Discontinued operations and assets held for sale

The Group classifies certain of its assets that it expects to dispose as either discontinued operations or as held for sale.

The Group classifies non-current assets and assets and liabilities within disposal groups ('assets') as held for sale if the assets are available immediately for sale in their present condition. Management is committed to a plan to sell the assets under usual terms. It is highly probable that their carrying amounts will be recovered principally through a sale transaction rather than through continuing use and the sale is expected to be completed within one year from the date of the initial classification.

Assets and liabilities classified as held for sale are presented separately as current items in the consolidated statement of financial position and are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Where operations constitute a separately reportable segment (see note 5. 'Segmental information') and have been disposed of, or are classified as held for sale, the Group classifies such operations as discontinued.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the Consolidated income statement. Discontinued operations are also excluded from segment reporting. All other notes to the Consolidated financial statements include amounts for continuing operations, unless indicated otherwise.

Transactions between the Group's continuing and discontinued operations are eliminated in full in the Consolidated income statement. To the extent that the Group considers that the commercial relationships with discontinued operations will continue post-disposal, transactions are reflected within continuing operations with an opposite charge or credit reflected within the results of discontinued operations resulting in a net nil impact on the Group's profit for the financial year for the years presented.

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

Discontinued operations

Segment analysis of discontinued operations

CDMO activities and peripheral brands

The results of discontinued operations are detailed below.

See post balance sheet events note for further details.

Table of income statement required with comparative:

	31 DECEMBER 2024 £'000	31 DECEMBER 2023 £'000
Revenue	20,607	24,374
Cost of sales	(12,043)	(14,316)
Gross profit	8,564	10,058
Administrative expenses		
Operating expenses	(5,973)	(5,509)
Amortisation of intangible assets	(1,832)	(2,198)
Total administrative expenses	(7,805)	(7,707)
Other income	311	103
Operating profit before exceptional items	1,070	2,454
Exceptional costs	(92)	-
Operating profit	978	2,454
Finance costs	(713)	(294)
Profit before tax	265	2,160
Tax	(686)	(669)
(Loss) / Profit for the year – Discontinued operations	(421)	1,491

Oral care distribution and marketing activities

The results of discontinued operations are detailed below.

The Group is actively marketing its oral care brands and expects a transaction to be completed within twelve months of the year end.

Table of income statement required with comparative:

	31 DECEMBER 2024 £'000	31 DECEMBER 2023 £'000
Revenue	4,280	4,671
Cost of sales	(3,341)	(3,872)
Gross profit	939	799
Administrative expenses		
Operating expenses	(593)	(758)
Amortisation of intangible assets	(192)	(607)
Total administrative expenses	(785)	(1,365)
Other income	-	-
Operating profit / (loss) before exceptional items	154	(566)
Exceptional costs	-	-
Operating profit / (loss)	154	(566)
Finance costs	-	-
Profit before tax	154	(566)
Tax	(20)	(2)
Profit / (Loss) for the year – Discontinued operations	134	(568)

Assets held for sale

Assets and liabilities relating to CDMO activities and peripheral brands, and oral care have been classified as held for sale in the consolidated statement of financial position at 31 December 2024. The relevant assets and liabilities are detailed in the table below.

NOTES TO THE CONSOLIDATED STATEMENTS CONTINUED

For the year ended 31 December 2024

Table of analysis of assets / liabilities held for sale required:

	CDMO activities and peripheral brands £'000	Oral care £'000	Total £'000
Assets			
Non-current assets			
Intangible assets	24,528	7,024	31,552
Property, plant and equipment	8,060	-	8,060
Deferred tax	141	-	141
	32,729	**7,024**	**39,753**
Current assets			
Inventories	5,410	-	5,410
Trade and other receivables	6,427	-	6,427
Cash and cash equivalents	1,266	-	1,266
	13,103	**-**	**13,103**
Assets held for sale	45,832	7,024	52,856
Liabilities			
Current liabilities			
Trade and other payables	5,237	-	5,237
Taxation	-	-	-
Interest-bearing borrowings	822	-	822
	6,059	**-**	**6,059**
Non-current liabilities			
Interest-bearing borrowings	2,867	-	2,867
Statutory employment provision	1,590	-	1,590
Deferred tax liability	1,430	20	1,450
	5,887	**20**	**5,907**
Liabilities held for sale	**11,946**	**20**	**11,966**

PARENT COMPANY BALANCE SHEET

For the year ended 31 December 2024

Company number 05651130

	NOTE	AT 31 DECEMBER 2024 £'000	AT 31 DECEMBER 2023 £'000
Fixed assets			
Investments	5	**75,885**	66,642
Intangible assets	6	**7,470**	8,052
Tangible assets		**7**	2
		83,362	74,696
Current assets			
Inventory		**131**	121
Debtors – amounts falling due within one year	8	**1,640**	545
– amounts falling due after more than one year	8	**13,632**	13,986
Cash at bank		**1,478**	1,102
		16,881	15,754
Creditors			
Amounts falling due within one year	9	**(15,337)**	(26,708)
Net current assets / (liabilities)		**1,544**	(10,954)
Total assets less current liabilities		**84,906**	63,742
Creditors			
Amounts falling due after one year	10	**(21,782)**	-
Net assets		**63,124**	63,742
Capital and reserves			
Called up share capital	11	**381**	379
Share premium account		**65,960**	65,960
Merger reserve		**7,656**	7,656
Foreign currency translation reserve		**(42)**	(11)
Share-based payments reserve		**1,225**	1,034
Profit and loss account*		**(12,056)**	(11,276)
Shareholders' funds		**63,124**	63,742

* As permitted by Section 408(3) of the Companies Act 2006, no profit and loss account of the Company is presented. The loss for the financial year dealt with in the financial statements of the Company is £926,000 (2023: loss £2,608,000).

The financial statements on pages 76 to 117 were approved and authorised for issue by the Board on 30 June 2025 and signed on its behalf by:

Jerry Randall, Director
30 June 2025

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	SHARE CAPITAL £'000	SHARE PREMIUM ACCOUNT £'000	MERGER RESERVE £'000	FOREIGN CURRENCY TRANSLATION RESERVE £'000	SHARE-BASED PAYMENTS RESERVE £'000	PROFIT AND LOSS ACCOUNT £'000	TOTAL EQUITY £'000
Balance at 1 January 2023	379	65,960	7,656	-	812	(8,671)	66,136
Loss for the year	-	-	-	-	-	(2,608)	(2,608)
Foreign exchange on translation	-	-	-	(11)	-	-	(11)
Total comprehensive income / (expenses)	-	-	-	(11)	-	(2,608)	(2,619)
Share-based payments charge	-	-	-	-	225	-	225
Share-based payments charge recycling	-	-	-	-	(3)	3	-
Transactions with shareholders	-	-	-	-	222	3	225
Balance at 31 December 2023	379	65,960	7,656	(11)	1,034	(11,276)	63,742
Loss for the year	**-**	**-**	**-**	**-**	**-**	**(926)**	**(926)**
Foreign exchange on translation	**-**	**-**	**-**	**(31)**	**-**	**-**	**(31)**
Total comprehensive income / (expenses)	**-**	**-**	**-**	**(31)**	**-**	**(926)**	**(957)**
Share-based payments charge	**-**	**-**	**-**	**-**	**337**	**-**	**337**
Share-based payments charge recycling	**-**	**-**	**-**	**-**	**(146)**	**146**	**-**
Contributions of equity, net of transaction costs	**2**	**-**	**-**	**-**	**-**	**-**	**2**
Transactions with shareholders	**2**	**-**	**-**	**-**	**191**	**146**	**339**
Balance at 31 December 2024	**381**	**65,960**	**7,656**	**(42)**	**1,225**	**(12,056)**	**63,124**

NOTES TO THE PARENT COMPANY BALANCE SHEET

For the year ended 31 December 2024

1. Company information

Venture Life Group plc is a publicly traded company on the UK AIM, incorporated in the United Kingdom whose registered office is at: Venture House, 2 Arlington Square, Downshire Way, Bracknell, Berkshire RG12 1WA. The Company's principal place of business is at: 12 The Courtyard, Eastern Road, Bracknell, Berkshire RG12 2XB.

The principal activity of the company is the holding of the Group's share capital and provision of management services to the Group.

2. Accounting convention

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102"), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

Financial Reporting Standard 102 – reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

Going concern

On the basis of the strength of the balance sheet and performance of the business, the Directors are confident that the Company and its Group are well placed to manage business risks successfully. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements. A summary of how the Directors have considered going concern at a Group level and the various scenarios that have been examined is included in Note 3.1 of the Group Financial Statements.

Investment in subsidiary undertakings and impairment review

Investments in subsidiary undertakings where the Company has control are stated at cost less any provision for impairment. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairments are calculated such that the carrying value of the investment is the lower of its cost or recoverable amount. Recoverable amount is the higher of its net realisable value and its value in use.

Share-based payments

The Company issues equity-settled share-based payments to certain employees and others under which the Group receives services as consideration for those equity instruments in the Company. Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted. The fair value determined at the grant date of equity-settled share-based payments is recognised as an expense in the Group's Statement of Comprehensive Income over the vesting period on a straight-line basis, based on the Group's estimate of the number of instruments that will eventually vest with a corresponding adjustment to equity. The expected life used in the valuation is adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions, and behavioural considerations.

Non-vesting and market vesting conditions are taken into account when estimating the fair value of the awards at grant date. Service and non-market vesting conditions are taken into account by adjusting the number of share options expected to vest at each reporting date.

When the share options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

When the Company grants options over equity instruments directly to the employees of a subsidiary undertaking, the effect of the share-based payment, as calculated, is capitalised as part of the investment in the subsidiary as a capital contribution, with a corresponding increase in equity.

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

NOTES TO THE PARENT COMPANY BALANCE SHEET CONTINUED

For the year ended 31 December 2024

Deferred tax is measured at the rates that are expected to apply in the period when the timing differences are expected to reverse, based on the tax rates and law enacted or substantively enacted at the balance sheet date.

Foreign currency

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are charged/credited to the profit and loss account.

The Company conducts trade in Italy by means of a permanent establishment. This foreign operation operates in a functional currency of euros which results in a foreign currency translation reserve recognised in the Statement of Changes in Equity.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes party to the contractual provisions of the instrument. Financial assets are de-recognised when the contracted rights to the cash flows from the financial asset expire or when the contracted rights to those assets are transferred.

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired.

Financial assets

Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. Appropriate provisions for estimated irrecoverable amounts are recognised in the profit or loss when there is objective evidence that the assets are impaired. The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits held on call with banks, and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Key sources of estimation uncertainty and judgements

Estimates: Impairment of other non-financial assets

The Company conducts annual impairment reviews of assets, such as goodwill, when events or changes in circumstances indicate that their carrying amounts may not be recoverable, or in accordance with the relevant accounting standards. An impairment loss is recognised when the carrying amount of an asset is higher than the greater of its fair value less costs to sell or the value in use. In determining the value in use, management assesses the present value of the estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Estimates and judgements are applied in determining these future cash flows and the discount rate. These assumptions relate to future events and circumstances. The actual results may vary and may cause adjustments to the Parent's assets in future financial years.

The Directors considered that no impairment was necessary in respect of goodwill recognised in the years ended 31 December 2023 and 31 December 2024.

Estimates: Fair values on acquisition

When acquiring a business, the Directors have to make judgements and best estimates about the fair value of the assets, liabilities and contingent liabilities acquired. These are estimated regardless of whether or not they were recognised in the financial statements of the subsidiary prior to acquisition. The valuation of externally acquired assets such as products, data or technologies requires judgements regarding the estimated future cash outflows required to commercialise the asset(s) and the cash inflows expected to arise from such commercialisation, discounted at a suitable rate reflecting the time value of money and the risks inherent in such activities.

Estimates: Amortisation periods

The Directors exercise judgement when assessing the economic life of intangible assets. This involves making a judgement of the strength and longevity of the asset and the number of years that it is expected to generate revenues and profits and makes reference to the market position, competitors, availability of marketing promotional resources, experience with other intangible assets and other factors.

When acquiring a business, the Directors make best estimates about the future life of acquired assets. These best estimates are based on historic trends and the future of existing commercial relationships to determine a suitable future working life of each asset. Estimation uncertainties in these estimates relate to technical advances in the market place and customer demand, as such the Directors review these estimates annually.

Judgements

There are no key judgements other than those mentioned above.

NOTES TO THE PARENT COMPANY BALANCE SHEET CONTINUED

For the year ended 31 December 2024

Intangible assets

Goodwill

Goodwill represents the difference between the cost of a business combination and the Company's interest in the fair value of the identifiable assets and liabilities of the acquiree at the acquisition date. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses (which are not reversed).

Goodwill can be subsequently adjusted for changes to estimates of contingent considerations given in a business combination.

Goodwill is amortised on a straight-line basis over its useful economic life. This is assessed individually for each acquisition taking into account the period over which the Company expects to realise the synergies from the combination. In the rare situation that a reliable estimate cannot be made, the useful life would be set to ten years but this does not apply at present.

Other intangible assets

Intangible assets are initially recognised at cost. Subsequent to initial recognition intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. In the rare situation that a reliable estimate cannot be made, the useful life would be limited to ten years but this does not apply to the Company at present.

Intangible assets are amortised over their useful economic lives using a straight-line method as follows:

Goodwill	5%-10% per annum, straight-line
Brands	5%-10% per annum, straight-line
Other intangible assets	10%-20% per annum, straight-line

If there is an indication that there has been a significant change in amortisation rate or residual value of an asset, the amortisation of that asset is revised prospectively to reflect the new expectations.

The Company assesses at each reporting date whether there is any indication that the intangible asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the intangible asset and recognises an impairment loss for any shortfall below carrying amount.

Business combinations

Business combinations are accounted for using the purchase method. The cost of the business combination is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill.

For the purpose of impairment testing, the goodwill acquired in a business combination is allocated, on acquisition date, to the cash generating units that are expected to benefit from the synergies of the combination.

Contingent consideration is included in the cost of the combination at the acquisition date if additional payment is probable and can be measured reliably. The liability is measured at the present value of the estimated future payment, using a discount rate reflecting conditions at the acquisition date. If the additional payment becomes probable and/or reliably measurable only after the acquisition date, it is recognised as an adjustment to the cost of the combination and goodwill at that time. Similarly, if estimated future payments are revised, for example due to the non-occurrence of future events that had been expected to occur, the resulting adjustment is recorded against goodwill. However, changes resulting from the unwinding of the discount are recognised in profit or loss. The Company has not recognised any contingent consideration at present.

Financial liabilities and equity

Trade and other payables

Trade payables are initially measured at their fair value and are subsequently measured at their amortised cost using the effective interest rate method; this method allocates interest expense over the relevant period by applying the "effective interest rate" to the carrying amount of the liability.

3. Profit attributable to members of the parent Company

As permitted by s408 of the Companies Act 2006, the Company's profit and loss account has not been included in these financial statements. The loss dealt with in the financial statements of the parent Company was £926,000 (2023: loss £2,608,000).

The current auditors' remuneration in respect of audit services provided to the Company is disclosed in Note 7 of the consolidated financial statements.

NOTES TO THE PARENT COMPANY BALANCE SHEET CONTINUED

For the year ended 31 December 2024

4. Employee information

The average number of staff, including Executive Directors, employed by the Company during the year are as shown below:

	YEAR ENDED 31 DECEMBER 2024 NUMBER	YEAR ENDED 31 DECEMBER 2023 NUMBER
Directors	3	3
Total	3	3

Their aggregate remuneration comprises:

	YEAR ENDED 31 DECEMBER 2024 £'000	YEAR ENDED 31 DECEMBER 2023 £'000
Wages and salaries	439	913
Social security costs	81	114
Pension costs	109	106
Other benefits	9	8
Equity settled share-based payments	163	165
Total	801	1,306

The aggregate remuneration is charged within the Financial Statements as follows:

	YEAR ENDED 31 DECEMBER 2024 £'000	YEAR ENDED 31 DECEMBER 2023 £'000
Charged into operating expenses	801	1,306
Total	801	1,306

The aggregate remuneration of the key management personnel of the Company (who are all persons with decision making responsibilities (PDMRs) comprises:

	YEAR ENDED 31 DECEMBER 2024 £'000	YEAR ENDED 31 DECEMBER 2023 £'000
Wages and salaries	584	1,043
Social security costs	97	129
Pension costs	109	106
Other benefits	9	8
Equity settled share-based payments	163	165
Total	962	1,451

Further information on Directors remuneration is included in the Remuneration Report on page 62.

5. Investments

	INVESTMENTS IN SUBSIDIARY UNDERTAKINGS SHARES £'000	CAPITAL CONTRIBUTIONS FROM SHARE-BASED PAYMENTS £'000	OTHER INVESTMENTS £'000	TOTAL £'000
Cost				
At 1 January 2024	66,765	762	31	67,558
Additions	9,064	179	-	9,243
At 31 December 2024	75,829	941	31	76,801
Accumulated impairment				
At 1 January 2024	(885)	-	(31)	(916)
Charge for the year	-	-	-	-
At 31 December 2024	(885)	-	(31)	(916)
Net book value				
At 31 December 2023	65,880	762	-	66,642
At 31 December 2024	74,944	941	-	75,885

NOTES TO THE PARENT COMPANY BALANCE SHEET CONTINUED

For the year ended 31 December 2024

Venture Life Group plc has six UK subsidiary undertakings: Venture Life Limited (Company number 07186207), Lubatti Limited (Company number 06704099), Periproducts Limited (Company number 02864374), HL Healthcare Ltd (Company number 05234145), Health & Her Limited (Company number 10781348) and Venture Life Healthcare Ltd (Company number 05623945) which are all Incorporated in England and registered with the same address as the Company. Venture Life Healthcare Ltd (formerly named BBI Healthcare Ltd until 18 June 2021) has three wholly owned subsidiaries (Rolf Kullgren AB, Kullgren Holdings AB, Venture Life Manufacturing (Sweden) AB which are all Incorporated in Sweden). Venture Life Group plc also has one Italian subsidiary (Biokosmes SRL, registered address 20122 Milano – Via Besana, 10), one Swiss subsidiary (PermaPharm AG, registered address Oberallmendstrasse 24, 6304 Zug), one Irish subsidiary (Venture Life Europe Ltd, registered address Corrig Road, Dublin 18, Ireland) and one Netherlands group, Nelie BV (registered address Hescheweg 94, 5342 CL in Oss, NL) (which wholly-owns Pharmasource BV and MD Manufacturing BV).

The impairment charge is in respect of Pharmasource BV. See Group note 13 for a discussion of the Pharmasource business and value in use.

Name of subsidiary	CLASS OF HOLDING	PROPORTION HELD DIRECTLY	LOCATION
Venture Life Limited	Ordinary	100%	UK
Lubatti Limited	Ordinary	100%	UK
Periproducts Limited	Ordinary	100%	UK
HL Healthcare Limited	Ordinary	100%	UK
Venture Life Healthcare Ltd (including three subsidiaries – Rolf Kullgren AB, Kullgren Holdings AB, Venture Life Manufacturing (Sweden) AB)	Ordinary	100%	UK
Health & Her Limited	Ordinary	100%	UK
PermaPharm AG	Ordinary	100%	Switzerland
Biokosmes SRL	Ordinary	100%	Italy
Venture Life Europe Ltd	Ordinary	100%	Ireland
Nelie BV (including two subsidiaries – Pharmasource BV and MD Manufacturing BV)	Ordinary	100%	Netherlands

6. Intangible assets

	BRANDS £'000	GOODWILL £'000	OTHER INTANGIBLE ASSETS £'000	TOTAL £'000
Cost or valuation:				
At 1 January 2024	3,099	5,830	1,271	10,200
Addition	-	-	25	25
At 31 December 2024	3,099	5,830	1,296	10,225
Amortisation:				
At 1 January 2024	586	1,197	365	2,148
Charge for the year	188	292	127	607
At 31 December 2023	774	1,489	492	2,755
Carrying amount:				
At 1 January 2024	2,513	4,633	906	8,052
At 31 December 2024	2,325	4,341	804	7,470

Other intangible assets are amortised over their estimated useful lives, which is between five and ten years. Goodwill and Brands are amortised over 20 years.

All amortisation has been charged to administrative expenses in the Statement of Comprehensive Income.

Please refer to the impairment review within Note 13 of the Group Financial Statements for more information.

7. Acquisition

On 8 November 2024, the Company completed the acquisition of 100% of the equity of Health and Her Ltd, a UK based specialist female health business for an upfront cash consideration of £7.5m, plus a further £0.7m in cash payable twelve months post completion, with an additional £1.8m of consideration payable in cash contingent upon H&H achieving expected trading results for the twelve months post completion.

The price paid reflects the future value that the Company can unlock from this business acquisition through a) the trading of these acquired products into its network of existing Venture Life Brand customers, b) value creation through the application of the Group's internal R&D resources to broaden the product range and c) operating synergies across Venture Life's infrastructure.

The acquisition of Health and Her Ltd introduces additional strong brands and products into the Group and customers in the areas female and male hormonal health. The Company acquired the business

NOTES TO THE PARENT COMPANY BALANCE SHEET CONTINUED

For the year ended 31 December 2024

to further strengthen the product portfolio and pursue opportunities within existing and new global markets. The inclusion of this additional business into its portfolio increases the leverage of its trading infrastructure. The acquisition has been accounted for as a business combination in the Consolidated Financial Statements of the Group to December 2024 which include the results of the Health and Her Ltd business for the period from 9 November 2024 to 31 December 2024.

The fair values of the identifiable assets and liabilities of the Health & Her Ltd business as at the date of acquisition were:

	FAIR VALUE OF CONSIDERATION £'000
Initial consideration	6,800
Additional consideration	200
Deferred consideration	741
Fair value of contingent deferred consideration	594
Transaction costs	729
Total cost of investment	9,064

8. Debtors

	AT 31 DECEMBER 2024 £'000	AT 31 DECEMBER 2023 £'000
Amounts falling due within one year:		
Trade debtors	**1,255**	398
Other debtors	**43**	1
Other taxation	**258**	108
Prepayments and accrued income	**84**	38
	1,640	545
Amounts falling due after more than one year:		
Amounts owed by Group undertakings	**13,632**	13,986
Aggregate amounts	**15,272**	14,531

Amounts owed by Group undertakings

As part of annual impairment review procedures the Directors assessed the recoverability of its loans to Group undertakings based upon estimates of likely sales and profits from each subsidiary in turn. A Group loan to Venture Life Limited in the amount of £16.0 million (2023: £14.1 million) was re-assessed at 31 December 2024 and its impairment was unchanged at £5.5 million resulting in an impairment charge of £nil (2023: £nil) recognised in the Income Statement in respect of this. A Group loan to Lubatti Limited in the amount of £0.9 million (2023: £0.9 million) was re-assessed at 31 December 2024 and its impairment was unchanged at £0.5 million resulting in an impairment charge of £nil (2023: £nil) recognised in the Income Statement in respect of this.

9. Creditors: amounts falling due within one year

	AT 31 DECEMBER 2024 £'000	AT 31 DECEMBER 2023 £'000
Trade creditors	**1,154**	565
Other taxation and social security costs	**216**	14
Accruals and deferred income	**585**	179
Bank loan - secured	**-**	16,467
Amounts owed to Group undertakings	**12,001**	7,267
Deferred contingent consideration	**599**	-
Deferred consideration	**746**	2,215
Other payables	**36**	1
Total	**15,337**	26,708

10. Creditors: amounts falling due after more than one year

	AT 31 DECEMBER 2024 £'000	AT 31 DECEMBER 2023 £'000
Bank loan - secured	**21,782**	-
Total	**21,782**	-

As at 31 December 2024, there were no unsecured bank loans outstanding (31 December 2023, none).

11. Share capital

	AT 31 DECEMBER 2024 £'000	AT 31 DECEMBER 2023 £'000
Allotted, issued and fully paid:		
At the balance sheet date there were 127,052,312 (2023: 126,498,197) ordinary shares of 0.3 pence each	**381**	379

During the year there were 554,115 ordinary shares issued (2023: no ordinary shares were issued). The Company has removed the Authorised Share capital from its Memorandum and Articles of Association as allowed by the Companies Act 2006.

NOTES TO THE PARENT COMPANY BALANCE SHEET CONTINUED

For the year ended 31 December 2024

12. Post balance sheet events

Post period end (12 May 2025) Venture Life Group plc ("VLG") announced that it had entered into a binding agreement with BioDue S.p.A ("Biodue"), a contract development and manufacturing organisation ("CDMO") based in Italy and a portfolio company of The Riverside Group, for the sale of:

- 100 percent of the issued share capital of Biokosmes SRL ("Biokosmes") and of Venture Life Manufacturing AB, the holding company of Kullgren Holdings AB and Rolf Kullgren AB ("Gnesta") (collectively the "CDMO Business"); and
- some of the Group's peripheral products (collectively the" Non-Core Products" and associated commercial agreements (together with the CDMO Business, the "Target Assets")

for a consideration of €62.0 million (c.£53.0 million) (the "Sale") on a cash free, debt free basis.

Completion of the Sale is conditional on the satisfaction of certain conditions, including the approval under the applicable foreign direct investment regimes in Italy and Sweden.

The consideration will be payable in cash and in full to the Company on completion (the "Proceeds"). The Proceeds will provide Venture Life and its subsidiaries (the "Group") with significant financial resources to invest further behind its existing brands, and to seek and select further complementary acquisitions of products and assets across the UK, US and Europe enabling the Group to capitalise on the opportunities available and continue scaling the business to deliver growth for shareholders. The Proceeds will also be utilised to pay down the Group's drawn balance ("Debt") on its Revolving Credit Facility ("RCF"), although the facility will remain in place.

The Sale presents the opportunity for the Board to streamline the Company's operations through the disposal of the Non-Core Products whilst simultaneously being able to move the business away from capital intensive manufacturing operations. This will enable the Group to direct increased cashflow into the commercialisation, growth and development of the Group's higher margin core brands namely Balance Activ, Health & Her/Him, Lift, Earol, Pomi T and Gelclair (collectively the "Power Brands").

The Group will retain all its key strategic customer relationships pertaining to the Power Brands, including the partnership with Bayer Consumer Care AG, and will continue to expand its franchise in women's health which remains a strong area of focus going forward.

The Board believes that the Sale represents an opportunity for the Company to realise cash at an attractive multiple on lower margin capital intensive assets which it can redeploy, post repayment of the Debt, in the growth of its existing Power Brands as well as in the acquisition of carefully selected, margin accretive, fast growth assets, at lower multiples, in key geographic markets (UK/US/EU), where the Board believes there is a significant opportunity to create strong commercial synergies across the Group's core categories of interest.

As a consequence, and following the Sale, the Group will become a pure play consumer healthcare brand platform focusing on "Proactive Healthy Longevity" for the consumer, providing both preventative and treatment solutions to support a longer healthier life. This will involve investment in data driven insight and integrated digital capabilities to help drive growth from our existing brands, simultaneously leveraging an omnichannel go to market strategy in key markets to be where the shopper shops and seeking selective acquisitions in complementary high growth categories which have a clear road to profitable growth.

On completion, the Group will enter into a long-term development and manufacturing agreement for an initial term of ten years whereby Biokosmes and Gnesta will continue to provide development and manufacturing services to the Company as part of BioDue's larger CDMO business. After the Sale, the Group will retain offices in the United Kingdom, Spain and its newly established infrastructure in the US.

The CDMO Business will take on ownership, management and maintenance of some of the requisite technical files relevant to the manufacturing of some of the Power Brands, with Venture Life retaining perpetual, exclusive and royalty free global rights over these. Following the Sale, the Group will be the largest customer to the CDMO Business and this continued strategic partnership will enable Venture Life to continue building on its product innovation and development pipeline. BioDue holds strong expertise in food supplements which is an area of interest to the Group and thus expected to be of significant benefit to the Group going forward.

As part of the Sale, the CDMO Business and the Company will enter into a two-way transitional services agreement until 31 December 2026 to ensure a smooth transition. Along with other customary conditions, completion of the Sale is conditional on the approval being received under the foreign direct investment regimes in Italy and Sweden. It is expected that completion will take place in Q3 2025.

Gianluca Braguti, who joined the VLG's Board in 2014 when Biokosmes became part of the Group, will remain a Director of Biokosmes and accordingly will step down as a member of the Company's Board on completion of the Sale.

COMPANY INFORMATION

Share Register Enquiries

The register for the Ordinary Shares is maintained by MUFG Corporate Markets. In the event of queries regarding your holding, please contact the Registrar on +44 (0) 371 664 0300 or email: shareholderenquiries@cm.mpms.mufg.com or email: co.sec@venture-life.com

Changes of name and/or address must be notified in writing to the Registrar, at MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds, LS1 4DL. You can check your shareholding and find practical help on transferring shares or updating your details at www.signalshares.com. Shareholders eligible to receive dividend payments gross of tax may also download declaration forms from that website.

Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Opening hours are between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales.

Share Information

Total Voting Rights	128,052,312
SEDOL Number	BFPM890
ISIN Number	GB00BFPM8908

Share Price

The latest Venture Life share price can be obtained via a number of financial information websites.

Venture Life's London Stock Exchange code is VLG.

Annual and Half-Yearly Reports

Copies of the Annual and Half-Yearly Reports are available from the Company's website.

Financial Calendar

30 June 2025	AGM
30 June 2025	Half-Year end
30 September 2025	Announcement of half-yearly results
31 December 2025	Year-End
27 April 2026	Announcement of annual results

Directors

Paul McGreevy (Non-Executive Director and Chair)
Jerry Randall (Chief Executive Officer)
Daniel Wells (Chief Financial Officer)
Mark Adams (Non-Executive Director)
Carl Dempsey (Non-Executive Director)

Company Secretary

MUFG Corporate Governance Limited
Central Square
29 Wellington Street
Leeds LS1 4DL

Registered Office

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Bracknell
Berkshire RG12 1WA
Incorporated and registered in England and Wales with No. 05651130

Registrar

MUFG Corporate Markets
Central Square
29 Wellington Street
Leeds LS1 4DL

Auditor

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45 Gresham Street
London
EC2V 7BG

Solicitors

Simmons & Simmons LLP
CityPoint
One Ropemaker Street
London EC2Y 9SS

Company Website

www.venture-life.com

Investor relations

Any shareholders with enquiries regarding the Group are welcome to contact Jerry Randall or Daniel Wells on +44 (0)1344 578 004. Alternatively, they can e-mail their enquiry to Investor Relations ir@venture-life.com

Copies of Annual Report and Financial Statements

Copies are available at the registered office of the Company, Venture House, 2 Arlington Square, Downshire Way, Bracknell, Berkshire RG12 1WA.

National Storage Mechanism

A copy of the Annual Report and Financial Statements will be submitted shortly to the National Storage Mechanism ("NSM") and will be available for inspection at https://data.fca.org.uk/#/nsm/nationalstoragemechanism

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