

13th March 2023

VENTURE LIFE GROUP PLC

("Venture Life" "VLG" or the "Company")

Update regarding Revolving Credit Facility

Venture Life (AIM: VLG), a leader in developing, manufacturing and commercialising products for the self-care market, announces an update regarding its Revolving Credit Facility ("RCF"), in the light of the recent events at Silicon Valley Bank.

The RCF, which provides VLG with available borrowings of up to £30 million is co-ordinated and managed by VLG's main relationship bank, Santander UK plc ("Santander"), and Silicon Valley Bank UK also participates in the RCF.

In light of the recent events at Silicon Valley Bank, the Group wants to clarify the nature of its relationship with Silicon Valley Bank UK ("SVB"):

- Neither VLG nor its subsidiaries (the "Group") has any deposits with SVB either in the UK or the USA. The Group is therefore not dependent on SVB to make payments to third parties and there are no funds of the Group at risk as a result of any insolvency of SVB.
- SVB is a lender under the RCF, and provides 50% of the funds drawn under the facility.
- The anticipated insolvency of SVB will have no impact on the term of the RCF which is not due for renewal until June 2024; and will not result in any acceleration of the repayments due by VLG under the RCF.

The RCF contains a mechanic under which Santander may take over the SVB portion of the RCF (and also allows for another lender to participate in the RCF). The Group has commenced discussions with Santander in relation to Santander doing this, and those initial discussions have been positive. Santander have indicated they remain fully supportive of VLG and of VLG's plans to commence a refinance of the RCF given the expiry in June 2024. Those plans will now be accelerated.

As set out in the Group's trading update on 31st January 2023, Group leverage² at 31st December 2022 was in the region of 1.4x net debt to Adjusted EBITDA¹ (31st December 2021: 0.4x) reflecting the impact of the recent acquisition of HL Healthcare Limited (including the Earol brand).

Group leverage is expected to fall in 2023 to 1.0x or lower by the end of 2023, due to the cash generative nature of the business, now including the highly cash generative Earol brand.

The Group's audited results for the year ended 31st December 2022 are expected to be published around the end of the first quarter of 2023 and the Group expects that these will be at least in line with market expectations. Trading momentum has continued in the first two months of the current year and the Group has seen strong cash generation as expected which has reduced Group leverage to 1.3x net debt to Adjusted EBITDA. Liquidity is sufficient and stable, and the Board do not envisage any impact or risk to the business arising from events at SVB.

Jerry Randall, Chief Executive Officer, commented: "The Group has had a strong start to 2023 and seen very good cash generation off the back of strong trading in Q4 2022, and is trading in line with our expectations. The acquisition of HL Healthcare Limited is integrating well into the Group and contributing positively to EBITDA and cashflow. As stated the Group has no deposits with Silicon Valley Bank, and so is not exposed to any deposit risk. With the strong results in 2022, low Group leverage and strong start to 2023, the Board is confident that it could comfortably refinance the Silicon Valley Bank portion of its RCF either at the renewal in June 2024 or before."

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

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

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About Venture Life (www.venture-life.com)

Venture Life is an international consumer self-care company focused on developing, manufacturing and commercialising products for the global self-care market. With operations in the UK, Italy, The Netherlands and Sweden, the Group's product portfolio includes some key products such as the UltraDEX and Dentyl oral care product ranges, the Balance Active range in the area of women's intimate healthcare, the Lift and Glucogel product ranges for hypoglycaemia, products for fungal infections and proctology, and dermo-cosmetics for addressing the signs of ageing. Its products are sold in over 90 countries worldwide.

The products, which are typically recommended by pharmacists or healthcare practitioners, are available primarily through pharmacies and grocery multiples. In the UK and The Netherlands these are supplied direct by the company to retailers, elsewhere they are supplied by the Group's international distribution partners.

Through its two Development & Manufacturing operations in Italy and Sweden, the Group also provides development and manufacturing services to companies in the medical devices and cosmetic sectors.

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