30 June 2025

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VENTURE LIFE GROUP PLC

("Venture Life", "VLG" or the "Group")

Final Results for year ended 31 December 2024

Core business delivered strong growth at higher margins and Group benefits from €62m divestment

Venture Life (AIM: VLG), a leader in product innovation, development and commercialisation within the global consumer healthcare sector, announces its audited results for the year ended 31 December 2024.

In May 2025, the Company announced that it had entered into a binding agreement with BioDue S.p.A ("Biodue") for the sale of contract development and manufacturing operations ("CDMO") and certain non-core products ("Non-Core Products") for €62 million in cash on a cash free, debt free basis.

Furthermore, the Group is actively marketing its oral care brands, which now sit outside of the key strategic objectives of the Group as well as being dilutive to overall margins, for sale (together with CDMO and certain non-core products, the "Discontinued Operations"). The Board expects that a transaction will be completed before the end of 2025.

The 2024 financial results separate the Discontinued Operations from the ongoing core business ("Continuing Operations") and report the performance of these as a single amount in the statement of comprehensive income. Assets and liabilities relating to the Discontinued Operations have been classified as held for sale in the consolidated statement of financial position at 31 December 2024.

Financial Headlines - Continuing Operations

- Group revenue increased 18.9% to £26.6 million (2023: £22.4 million) and underlying growth of 14.9% excluding acquisitions
- Gross profit increased 31.1% to £12.2 million (2023: £9.3 million) and gross margin improvement to 45.8% (2023: 41.6%)
- Marketing costs as % of revenue increased to 6.1% (2023: 3.9%)
- Adjusted EBITDA[2] increased 26.1% to £6.2 million (2023: £4.9 million) and adjusted EBITDA margin improvement to 23.2% (2023: 21.9%)
- Adjusted profit before tax[3] increased to £4.3 million (2023: £2.8 million) and profit before tax increased to £nil (2023: loss £0.5 million)
- Adjusted EPS[4] increased 29.6% to 3.37p (2023: 2.60p) and Basic EPS decreased to loss of (0.02)p (2023: 0.00p)
- Free cash flow increased to £4.3 million (2023: £2.7 million) and free cash flow conversion improvement to 69.9% (2023: 54.6%)
- Group net leverage[5] increased to 1.83x (2023: 1.30x) and Group net debt increased to £18.7 million (2023: £13.7 million) following the acquisition of Health and Her Ltd ("H&H") on 8 November 2024

Financial Headlines - Discontinued Operations

- Revenue from discontinued operations declined 14.3% to £24.9 million (2023: £29.0 million)
- Gross margin improvement to 38.2% (2023: 37.4%)
- Adjusted EBITDA[4] declined 22.1% to £5.2 million (2023: £6.7 million) and adjusted EBITDA margin declined to 20.9% (2023: 22.9%)

Operational Highlights - Continuing Operations

- 58 new listings achieved across UK retail
- 14.6% increase in UK distribution points for the continuing business
- Online revenue grew 49% to £5.0 million (2023: £3.3 million) and represented 18.7% of group revenue (2023: 14.7%)
- 6.1% of group revenue derived from new products (2023: 2.0%)
- Acquisition of H&H on 8 November 2024 delivered £0.8 million revenue and £0.1 million adjusted EBITDA for the period post-completion

Post period end

- Binding agreement for the sale of the CDMO activities and non-core products to Biodue SPA announced on 12 May 2025. This is on-track for completion in July 2025 following Foreign Direct Investments (FDI) approval in Italy. FDI approval has already been received in Sweden
- First orders delivered to Cooper Consumer Healthcare under new women's health supply agreement
- H&H brands listed into CVS Pharmacy in the US
- Group net leverage[5] reduced to 1.60x at 31 May 2025, with debt facility to be paid down in full on completion of the sale of the CDMO activities and non-core products
- Actively marketing oral care brands that now sit outside key strategic objectives of the Group for sale

[1] *Proforma basis i.e. if the acquisitions had been in place for the whole of the prior year. This term is applied throughout the document.*

[2] *Adjusted EBITDA is EBITDA before deduction of share based payments and exceptional items (i.e. M&A, restructure and integration costs - see note 3 for breakdown of exceptional items). This term is applied throughout the document (see note 11 for reconciliation of Adjusted EBITDA)*

[3] *Adjusted profit before tax is profit before tax excluding amortisation and exceptional items (i.e. M&A, restructure and integration costs - see note 3 for breakdown of exceptional items)*

[4] *Adjusted EPS (earnings per share) is profit after tax excluding amortisation, share-based payments and exceptional items (i.e. M&A, restructure and integration costs - see note 3 for breakdown of exceptional items)*

[5] *Group net leverage calculated as net debt (excluding finance leases) and using proforma Adjusted EBITDA on a trailing 12-month basis (see note 11 for reconciliation)*

[6] *Net debt calculated as gross debt excl. leases and uncrystallised deferred contingent consideration, less cash & cash equivalents (see note 11 for reconciliation)*

Jerry Randall, CEO, commented: *"2024 saw an excellent year of growth for the Venture Life Brands, reflecting the increasing investment in A&P, operational efficiencies impacting margin, and the high quality acquisition of Health & Her in Q4 2024, which significantly increased our footprint into Women's Health and added an exceptional team to our business. 2025 has continued apace with a good start to the year and the divestment of the CDMO activities and Non-Core Products have simplified the business and will precipitate on completion a significant amount of cash to invest in business growth.*

Now positioned as a pure brands consumer healthcare platform, focusing on products with higher margins and pricing power, we have the resources and strategic direction to drive significant growth in the near term. Our renewed vision to be a leader in Proactive Healthy Longevity for all our consumers and shoppers, will be delivered through a number 1 brand mindset, best in class digital capabilities, omnichannel approach where the shopper shops and retaining our core entrepreneurial capabilities to drive organic and acquired growth. We have a fantastic team and I thank every member for their incredible diligence and hard work in 2024, and their confidence and energy for the future. We will miss the team from Biokosmes and Gnesta not being in our business, but we look forward to a continued excellent relationship with them as we drive our business going forward together. The future for VLG is very bright."

Investor Meets Presentation

Jerry Randall (CEO) and Daniel Wells (CFO) will provide a presentation via Investor Meet Company at a date and time to be announced shortly. The presentation will be open to all existing and potential shareholders. Investors can sign up to Investor

Meet Company for free and add to meet Venture Life Group plc via: https://www.investormeetcompany.com/venture-life-group-plc/register-investor Investors who already follow Venture Life Group plc on the Investor Meet Company platform will automatically be invited.

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

Venture Life is an international consumer self-care company focused on commercialising products for the global self-care market. Headquartered in the UK, the Group's product portfolio includes Balance Activ in the area of women's intimate healthcare, Earol® supporting ENT care, Lift and Glucogel product ranges for energy and glucose management and hypoglycaemia, plus the Health & Her product range supporting the hormonal lifecycle.

The products, which are typically recommended by pharmacists or healthcare practitioners, are available primarily through health & beauty stores, pharmacies, grocery multiples and e-commerce channels and are sold globally. In the UK, Ireland and the USA these are supplied direct by the company to retailers, elsewhere they are supplied by the Group's international distribution partners.

Chairman's Statement

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 4.2 ppts to 45.8%. This reflects the ongoing business following the decision to divest the CDMO activities and Non-Core Products.

We have been particularly pleased to be able to re-commence our M&A buy and build strategy and welcome the Health & Her ("H&H") team into the Group at the end of October 2024. This very talented, innovative, data driven business focuses on the 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, together with 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, excluding the employees leaving the Group through the divestment.

Despite the equity markets continuing to limit our ability to raise equity finance for acquisitive growth, the Group has continued to generate cash, and also utilised its RCF sensibly to fund the H&H acquisition. We are hopeful that initiatives by the UK government in 2025 will help small cap equity markets to recover.

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 in July 2025, subject to the approval under the FDI in Italy, which is currently in process. Pleasingly FDI approval has already been received in Sweden. This divestment significantly streamlines the business, will allow us to focus on being a pure branded consumer healthcare business with higher margin branded products and pricing power, and will realise significant cash resources for future growth, both organically and acquisitively. 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 which 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.

The 2024 results and the developments in the business so far in 2025 has given us a strong platform for growth 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
30 June 2025

Chief Executive Officer's Statement

2024 was a year in which the Group invested more in the development of its branded business, 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 H&H acquisition of £0.8 million (2023: £nil) since acquisition. On a proforma basis including the H&H 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.

This investment in the VLG Brands included the acquisition of Health and Her Ltd ("**H&H**") 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. An additional £1.8 million of consideration is payable in cash subject to H&H achieving expected trading results for the twelve months post completion. 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 31 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 adjusted 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, although it also sells through 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. Until now VLG did not have a presence in Holland & Barrett, but through H&H we now have an agreement in place 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, CVS, and we expect this relationship to grow with more H&H products but also with existing VLG Brands. The business is in discussion with this and other key USA retailers.

We have delivered an 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 achieved a significantly higher gross margin compared to the Group average.

The increase in gross profit of £2.9 million has been largely 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.

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Overall, cash generated from operations of £8.4 million was marginally higher than the previous year (2023: £8.2 million), and this cash generation throughout the year had a very positive effect on de-leveraging the Group. Prior to the acquisition of H&H, net debt leverage was c.1.0x, having been c.1.3x at the start of the year, demonstrating the ability of the Group to quickly de-lever. By end of the year net leverage had increased to c.1.8x, reflecting the impact of the H&H acquisition and pleasingly this has already fallen to c.1.6x at end of May 2025.

VLG brands revenue by therapy for the 12 months ended 31 December 2024 from continuing operations:

	Revenue (£m)				***Revenue change (%)***	
	2024		**2023**			
	Actual	**Proforma[1]**	**Actual**	**Proforma[1]**	**Actual**	**Proforma[1]**
Women's Health	7.5	7.5	6.5	6.5	15.5%	15.5%
Energy Management	9.4	9.4	7.3	7.3	27.5%	27.5%
ENT	6.0	6.0	5.3	5.3	12.4%	12.4%
Oncology	2.8	2.8	3.3	3.3	(14.0)%	(14.0)%
Sub-Total	25.7	25.7	22.4	22.4	14.9%	14.9%
Hormone Health	0.8	5.9	-	6.1	n.a.	(3.0)%
VLG brands revenue	**26.6**	**31.6**	**22.4**	**28.5**	**18.9%**	**11.1%**
Discontinued Operations	24.9	24.9	29.0	29.0	(14.3)%	(14.3)%

VLG Brands performance overview by therapeutical areas

1) Energy Management (Lift, Glucogel - Revenue £9.4 million, +27.5%)

Energy has continued to be the biggest contributor to the Group growth for the second consecutive year, with Lift revenues showing a further increase of +38%. This growth has been driven by performance in the online channel where Lift shots continued performing strongly. The Pharmacy channel has also performed well, influenced by a mix of CPI annualisation from mid-2023 and 18 new listings across wholesalers. 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 the Lift's offering in the diabetes segment, by introducing two new shot flavours, Strawberry & Lime and Fruity Tropical, which are already proving popular with diabetic patients. Both products generated £0.3 million of revenue for the Group, affirming Lift's dominance and in the Diabetes Community. A more focused advertising spend has also helped the brand establish its presence both online and in store, with awareness up 59% over the year as tracked through periodic consumer engagement using prompted and un-prompted focus group studies.

Lift aims to empower people, including those with diabetes and individuals seeking to revitalise their mental and physical wellbeing. 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.

2) Women's Health (Balance Activ - Revenue £7.5 million, +15.5%)

Balance Activ saw revenue growth of approximately +15% 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) continues to exceed expectations, launching in Grocery, High Street and Pharmacy channels. We have experienced particularly strong growth in Pharmacy (+83% YoY) where we made ten new listings across major UK wholesalers. This achievement underscores our capability to meet consumer demands 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 in 2023. Women told us that, although somewhat embarrassing, they wanted to feel empowered to make

Big Vagina Report in 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. We hope that this multifaceted approach emboldens 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) market is valued at approximately £112 million 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, Hervitality, that is 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).

3) ENT (Earol, Earol Swim, Baby Earol - Revenue £6.0 million, +12.4%)

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 has been underpinned by a strong performance online, up +213% YoY, where multipacks drive the numbers. Pharmacy is another big growth contributor (+70% YoY) where performance mostly stemmed from a mix of CPI and ten new listing 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% throughout 2024. This highlights the significant impact of targeted brand awareness campaigns on both sales and market positioning.

4) Oncology Support (Gelclair, Pomi-T - Revenue £2.8 million, +25.4% LFL)

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, therefore we expect ordering trends to normalise in 2025 as the underlying demand for the product remains strong and is supported by expanded reach into new markets, strengthened relationships with healthcare providers, and investment in clinical research to further validate Gelclair's unique benefits. These initiatives are expected to deliver 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 significnat 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 Ltd.

5) Women's Hormone Health (Health & Her - Revenue £5.9 million, -3.0% LFL)

H&H, 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 will shortly be launching new products in the female hormonal health area 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 financing 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. Additionally, H&H's US e-commerce sales saw significant growth in 2024, 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 H&H's market presence but also reinforce its commitment to delivering data driven and efficacious solutions for all women.

The 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.

6) Men's Hormone Health (Health & Him £0.1 million, new launch late 2024)

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 H&H. Our 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 is driving a shift in awareness.

Health & Him 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. 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 12 May 2025, 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 and of Venture Life Manufacturing AB, the holding company of Kullgren Holdings AB and Rolf Kullgren AB; and
- some of the Group's peripheral products[1]

for a consideration of €62.0 million (c.£53.0 million) (the "**Divestment**") 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. Similar approval has already been received in Sweden, and it is expected that completion will take place in July 2025.

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The net proceeds from the Divestment will provide Venture Life 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. It will also enable the Group to fully pay down the drawn balance on its debt facility, although the facility will remain in place.

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.

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. 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.

The Divestment 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**").

Going forward, the Group will be 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.

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

Disposal of the oral care brands

Further to the Divestment, the Board also believes the time is right to also dispose of its oral care brands, specifically Dentyl and Ultradex. The Group has begun actively marketing the brands for sale, and non-binding offers ("NBO") have been received for the acquisition of Periproducts Ltd, including all Oral Care brand sales within the group. The Board expects 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 as well as being dilutive to overall margins. 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.

2025 Outlook

The first half of the year has already seen strong revenue growth delivered from the recently acquired H&H Brands. The integration has progressed well and is quickly realising commercial synergies with inroads already gained with a number of 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 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 positive start to the year and the H&H integration progressing well, the Board looks forward with confidence.

Jerry Randall
Chief Executive Officer
30 June 2025

Financial Review

Introduction

During the year, the Group has identified two disposal groups as making up discontinued operations as at the balance sheet date, the first being the Contract Development Manufacturing Operations (CDMO) activities and peripheral brands, and the second being the oral care brands (the "Discontinued Operations"). The 2024 financial results separate the Discontinued Operations from the ongoing core business (the "Continuing Operations") and report the performance of these as a single amount in the Statement of Comprehensive Income. Assets and liabilities relating to the Discontinued Operations have been classified as held for sale in the consolidated Statement of Financial Position as at 31 December 2024.

Group revenue
2024 revenues from the Continuing Operations were £26.6 million, an increase of 18.9% over the £22.4 million generated in 2023. These figures include H&H revenues generated after the acquisition was completed on 8 November 2024.

Underlying revenues excluding H&H grew by 14.9% and on a proforma 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 Operations revenue was 11.1% ahead of the prior year.

Revenues associated with the 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 in the previous period.

Gross profit
Gross profit of the Continuing Operations 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 dilutive impact the Discontinued Operations were having.

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 H&H 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 margin levels going forward as the Group leverages its simplified operations, reduced working and fixed capital constraints and scaling logistics relationships against future acquisitions, as well as annualising on the acquisition of Health and Her Ltd.

During 2024, the Discontinued Operations contributed gross profit of £9.5 million (2023: £10.9 million), being a 12.5% decline due to volume reductions in the Customer Brands segment. The Discontinued Operations did fulfil a planned margin improvement of 0.8 ppts to 38.2%, as a result of cost initiatives on internally manufactured product lines.

Operating expenses
Operating expenses of the Continuing Operations 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 H&H acquisition. The remaining increase of £1.4 million reflects increases in investment into marketing and advertising and also team capability through headcount and upskilling.

Marketing and advertising grew by almost 80% to £1.6 million as part of the Group's strategic investment in product placement and enhanced market awareness part contributing to the strong topline growth in VLG Brands. Branding and marketing is key to organic growth; we are pleased to report that these initiatives are delivering impactful results and the Group is committed to continuing investment in effective marketing activities as a key product driver.

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. Overall headcount in the Continuing Operations increased by five during the year. The existing workforce within the business saw an average 3% 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 of the Continuing Operations increased slightly from the previous year to £2.4 million and £0.4 million respectively (2023: £2.5 million and £0.2 million), with the small increase to amortisation reflecting just two months of amortisation on acquired H&H assets. The increase in depreciation was 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 and was primarily attributable to M&A activity. The Group treats costs associated with acquisition and divestment activities as exceptional so as to help provide a better understanding of the Group's underlying performance. Costs incurred in the acquisition of Health and Her Ltd totalled £0.7 million, and a further £0.3 million on divestment and prospective merger activities.

The 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 Group has a revolving credit facility that was refinanced during 2024 in the committed sum of £30.0 million. £22.0 million was drawn down as at 31 December 2024. 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 in the year 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, and 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 for the Continuing Operations 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 Operations 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 Ltd
On 8 November 2024 the Group completed the acquisition of 100% of the equity of Health and 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 8 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 the accounting treatment for Discontinued Operation, intangible assets increased by £5.1 million, primarily due to the acquisition of H&H, with the balance from a £0.9 million increase in deferred tax assets. The 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 the accounting treatment, 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 £4.3 million (2023: £5.6 million), the reduction primarily due to the November 2024 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. Excluding the accounting treatment, payables increased slightly by £1.5 million reflecting liabilities related to exceptional and professional fees as well as acquired liabilities from H&H of £0.8 million.

Interest bearing borrowings includes current Finance Lease Obligations of £1.1 million which was flat between periods for the continuing Group. £0.8 million of warehousing space leases in Italy 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 12 months.

Deferred Contingent Consideration of £0.7 million has been recognised in relation to the acquisition of H&H, which is payable in November 2025. The comparative period also included deferred consideration carrying value of £2.2 million 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 Finance 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: £7.3 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). This 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 H&H 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 £0.3 million to £0.6 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 H&H.

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 continued 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 finance 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 net debt leverage limit of 2.5x, the Continuing Group retains access to meaningful funding.

Daniel Wells

Chief Financial Officer

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	2	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	6	(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	3	(1,621)	(639)
Operating profit		1,515	1,401
Finance costs		(1,496)	(1,872)
Profit / (loss) before tax		19	(471)
Tax	4	(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

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

		Year ended 31 December 2024	Year ended 31 December 2023
Earnings per share - Continuing operations			
Basic earnings per share (pence)	5	(0.02)	(0.00)
Diluted earnings per share (pence)	5	(0.02)	(0.00)
Earnings per share - Total Group			
Basic earnings per share (pence)	5	(0.25)	0.73
Diluted earnings per share (pence)	5	(0.25)	0.68

Consolidated Statement of Financial Position

at 31 December 2024

Company number 05651130

	Notes	At 31 December 2024 £'000	At 31 December 2023 £'000

	Notes	£'000	£'000
Assets			
Non-current assets			
Intangible assets	6	48,615	74,612
Property, plant and equipment		769	10,194
Deferred tax		3,287	2,530
		52,671	**87,336**
Current assets			
Inventories		5,075	10,332
Trade and other receivables		10,832	16,205
Cash and cash equivalents	7	3,053	5,622
		18,960	**32,159**
Assets held for sale	12	52,856	**-**
Total assets		**124,487**	**119,495**
Equity and liabilities			
Capital and reserves			
Share capital	8	381	379
Share premium account		65,960	65,960
Merger reserve		7,656	7,656
Foreign currency translation reserve		146	1,014
Share-based payments reserve		1,225	1,034
Retained earnings		43	211
Total equity attributable to equity holders of the parent		**75,411**	**76,254**
Liabilities			
Current liabilities			
Trade and other payables		5,307	9,066
Taxation		330	269
Interest-bearing borrowings	9	1,660	20,342
		7,297	**29,677**
Liabilities held for sale	12	11,966	-
		19,263	**29,677**
Non-current liabilities			
Interest-bearing borrowings	9	22,200	4,050
Statutory employment provision		-	1,544
Deferred tax liability		7,613	7,970
		29,813	**13,564**
Total liabilities		**49,076**	**43,241**
Total equity and liabilities		**124,487**	**119,495**

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	2	-	-	-	-	-	2

transaction costs							
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		359	201
- Impairment gains of financial assets		(7)	(101)
- Amortisation of intangible assets	6	2,447	2,471
- Loss on disposal of non-current assets		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		(8)	(33)
Expenditure in respect of intangible assets	6	(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		2	-
Drawdown of interest-bearing borrowings	9	9,000	2,553
Repayment of interest-bearing borrowings	9	(3,300)	(3,581)
Leasing obligation repayments	9	(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	7	4,319	5,622

Notes to the Consolidated Statements

for the year ended 31 December 2024

Company number 05651130

1. Basis of the announcement

The financial information of the Group set out above does not constitute statutory accounts for the purposes of Section 435 of the Companies Act 2006. The financial information for the year ended 31 December 2023 has been extracted from the Group's audited financial statements which were approved by the Board of directors on 8 April 2024 and delivered to the Registrar of Companies for England and Wales following the Company's 2024 Annual General Meeting.

The financial information for the year ended 31 December 2024 has been extracted from the Group's financial statements for that period. The report of the auditor on the 2024 financial statements was unmodified and did not draw attention to any matters by way of emphasis.

Whilst the financial information included in this preliminary announcement has been prepared in accordance with UK adopted international accounting standards, that are relevant to companies that report under these standards, this announcement does not itself contain sufficient information to comply with those standards. This financial information has been prepared in accordance with the accounting policies set out in the 2024 Report and Accounts.

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 Company is a public limited company incorporated and domiciled in England & Wales and whose shares are quoted on AIM, a market operated by The London Stock Exchange.

The principal activity of Venture Life Group plc and its subsidiaries is the development and commercialisation of healthcare products, including food supplements, medical devices and dermo-cosmetics for the self management of Proactive Healthy Longevity.

2. 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 and 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 12 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.

2.1 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	Year ended 31 December 2023
	£'000	£'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
[illegible]	[illegible]	[illegible]

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**

3. 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 and 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.

4. Income tax expense

	Total	Continued	Discontinued	Total	Continued	Discontinued
	Year ended 31 December 2024 £'000	Year ended 31 December 2024 £'000	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000	Year ended 31 December 2023 £'000	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)**

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 the 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 be 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 B.V. 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.

5. 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

*the prior year has been restated to restrict the add back to amortisation of acquired intangibles only given their non-cash nature.

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

*the prior year has been restated to restrict the add back to amortisation of acquired intangibles only given their non-cash nature.

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

6. Business Combinations

6a. 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 £7.5 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 12 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 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**	**Fair Value Adjustments**	**Fair Value**
	£'000s	**£'000s**	**£'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

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.

6b. 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 the 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 CGU's 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.

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 5-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 2024 following a post-year end listing of Pomi-T product at a major UK retailer. Management have forecasted future revenue growths for the 5-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

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 5-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 4-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.

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

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.

7. 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.

8. 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).

9. Interest-bearing borrowings

	At 31 December 2024 £'000	At 31 December 2023 £'000
Current		
Invoice financing	-	616
Leasing obligations	315	1,044

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**

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
Finance 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

(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)
Finance 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)

10. 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.

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).

11. 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

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 - noncurrent	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

12. 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.

Discontinued operations

Segment analysis of discontinued operations

CDMO activities and peripheral brands

The results of discontinued operations are detailed below.

Income Statement

	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.

Income Statement

	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.

	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			

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**

END

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