TOORU PLC

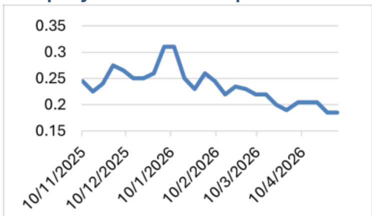
Consumer

For FCA purposes, this is a marketing communication

7th May 2026

Ticker:	TOO
Price:	0.2p
Mkt Cap:	£4m
Listing:	AIM
Sector:	Consumer
Country:	UK

Company Share Price Graph



Summary

Tooru operates in the health and wellness sector, owning established brands from” segment of including Juvela, OAF, Pulsin and Purely. It aims to grow through new product development and selective acquisitions.

Directors

Scott Livingston	CEO
Nicholas Lee	Non-exec Chair
Stephen Argent	CFO
Philip Haydn-Slater	NED
Alex Phillips	NED

Shareholders

S-Ventures PLC	24.0%
Sherwood Intl	7.3%
Premier Miton	5.6%
Scott Livingston etc.	8.4%
Canaccord Genuity	2.4%

Analyst
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Tooru is developing a portfolio of high-quality brands in the health and wellness sector. It is growing through new brand development and acquisition. It has recently announced the proposed acquisition of Mylky, an e-consumer business selling plant-based milk making machines for the home.

Tooru owns the Juvela and OAF brands in the gluten-free market; Pulsin in the plant-based protein segment and the plantain crisp brand, Purely.

- **Tooru's strategy is to build and buy b** in the healthy food segment and look to sell them on to larger food manufacturers once they have established a foothold in the market place.

- **As with the pharmaceutical sector** the dominant food manufacturers tend to leave the development of new challenger brands to small entrepreneurial companies. They are then happy to pay a substantial premium for a successful brand which they can put through their manufacturing and distribution system, multiplying the revenues several times over.

- **Juvela is a long-established brand** selling either direct to customers or on NHS prescriptions. The prescription business has faced some headwinds in recent years and Tooru has responded by using the Juvela technology and knowhow and launching a young, fresh gluten free brand – OAF – to be sold primarily through supermarkets. It launched in 2025 and already has substantial distribution through Tesco and ASDA.

- **The gluten-free market is expected to grow at 8-11% pa** over the next five years or so, driven by lifestyle choice rather than strict medical need. This trend massively expands the potential market place and mainstream retailers are continually expanding the amount of shelf space they dedicate to health “free-from” offereds. It is unsurprising

- **In April, the company announced the proposed acquisition of Mylky**, a Swedish based business selling machines into the domestic market to make plant-based milks. In its short life, it has grown rapidly and Tooro management estimate a current run rate Tooru has agreed in principle to acquire it for £12m, with consideration comprising a combination of cash and Tooru shares. The deal is expected to take approximately three months to close.

In this report we have not published forecasts but we show how just the Juvela and OAF brands between them could be worth £20m compared with the current enterprise value of approximately £8m. Investors will naturally want to see confirmation of the continuing sales growth of OAF before according the shares full value, in our view. Meanwhile the Mylky deal will transform the scale of the business when it completes.

CONTENTS

Tooru PLC

Description

Tooru plc (AIM: TOO) is a UK-listed health and wellness brand group whose mission is to build challenger brands in the health and wellness space. The company was formed through the reverse takeover of S-Ventures plc, the Aquis-listed health food holding company, by RiverFort Global Opportunities plc in May 2025, with the enlarged group admitted to AIM on 29 May 2025 under its new name.

The group currently owns three consumer food brands and a digital marketing agency. The food brands are Juvela, the UK's leading gluten-free and free-from bakery business; OAF, the new retail-facing gluten-free brand created from Juvela's manufacturing expertise; Pulsin, an established award-winning protein bar and plant-based nutrition brand; and Purely, a small but premium plantain crisp brand. The digital marketing agency, Market Rocket, is considered non-core by management, which has stated its intention to divest it in order to focus entirely on brand development and scaling.

Strategy: Build Brands for the Market to Acquire

The central investment thesis for Tooru rests on a dynamic that is well established in the food and consumer goods industry: large multinational food manufacturers —such as Mondelez, Nestlé and Danone —are structurally incentivised to outsource the development of new consumer brands to smaller, more agile operators.

The reason is straightforward. Big food companies' manufacturing bases, distribution networks and marketing budgets are optimised for scale. They excel at making and selling established products at high volume. They are structurally poor at the risky, capital-light, consumer-insight-driven work of creating new brands from scratch. The failure rate in food product launches is high, and the culture and cost base of a £50bn company is ill-suited to absorbing those failures efficiently. Ferrero has made eight acquisitions in the past six years half of them in the healthy foods space.

What large companies can do very well is take a brand that has already established genuine consumer demand, retailer credibility and a clear value proposition, and then apply their procurement scale to reduce input costs, their logistics networks to dramatically widen distribution, and their marketing firepower to accelerate growth. A brand turning over £5-10m per year can be transformed into a £50-100m business once it sits inside a Mondelez or a Lotus Bakeries.

This dynamic explains why trade sale multiples for successful challenger food brands can appear high when benchmarked against the vendors' current earnings. The buyer is not paying for today's earnings; it is paying for its own ability to re-rate those earnings by an order of magnitude. The brand, at the point of sale, is essentially an option on much larger revenues that the acquirer's scale makes achievable. Some recent examples are instructive:

Table 1: illustrative transactions

Transaction	Buyer	Year	Deal Value	Multiple
Grenade (Carb Killa)	Mondelez International	2021	c.£200m	c.4x Sales / c.40x Profits
Nakd/TREK (Natural Balance Foods)	Lotus Bakeries	2015/2020	Undisclosed	c.1.7x Sales (2020 stake)
Eat Natural	Ferrero	2020	Undisclosed	Undisclosed
Perfect Bar	Mondelez (majority)	2019	~$400m	Significant premium
Huel	Danone	2026	c.€1,000m	c. 4x sales

In each case, the acquirer paid a material premium to prevailing sales multiples because the strategic value of bringing a proven brand's growth curve inside a scaled manufacturing and distribution platform was worth significantly more than a simple capitalisation of existing earnings. Tooru's management team has a clear understanding of this dynamic, and we believe the group's brand portfolio —and its ability to build and scale free-from and wellness brands —positions it as precisely the kind of operation that could attract strategic interest over the medium term.

The Brand Portfolio

Juvela: The Anchor Brand

Juvela is the core of Tooru's business and the group's most important asset by both revenue and earnings. It is a 30-year-old business that has established itself as the UK's leading provider of gluten-free and free-from bakery products for the coeliac community, and it is now being used as a platform to launch OAF, a retail-facing brand targeting the much broader free-from consumer market.

Juvela manufactures its products from a purpose-built factory in Pontypool, South Wales. All products are certified by Coeliac UK, and the brand has a 4.8-star Trustpilot rating from nearly 2,000 reviews – a testament to the loyalty it commands from its core NHS prescription customer base. The business was acquired by S-Ventures in December 2022 for £8.85m (approximately 1.1x EV/Sales), representing an attractive entry price for an asset that generates EBITDA margins of over 25%. Juvela also carries substantial cash balances.

Juvela is estimated to hold approximately 55% of the UK NHS gluten-free prescription market by value. Its products – which include bread, rolls, pizza bases, pasta, flour mixes and cereals – are available on NHS prescription to patients diagnosed with coeliac disease, as well as direct to consumers via its online shop and in selected supermarkets. In FY24, generated approximately £7.7m in revenues, making it comfortably the largest business in the Tooru group.

The NHS Prescription Headwind – and the Retail Opportunity

The long-term structural challenge for Juvela's NHS prescription business is well documented. NHS England spending on gluten-free prescriptions has fallen from £25.1m in 2012 to approximately £7.7m by the mid-2020s, as successive guidance from NICE and individual Integrated Care Boards (ICBs) has restricted or eliminated funding. It is estimated that only around 36% of the estimated 1 in 100 people affected by coeliac disease in the UK are formally diagnosed, and many ICBs no longer routinely reimburse even diagnosed patients for most categories of gluten-free staple food.

This is precisely why the launch of OAF is so important. Rather than defending a shrinking prescription base, management has used Juvela's 30-year manufacturing expertise – including its unique use of de-glutened wheat starch, which delivers taste and texture far superior to the rice-flour alternatives favoured by most retail competitors – to create an entirely new retail brand targeting the much larger and growing addressable market of health-conscious consumers who avoid gluten for lifestyle reasons as well as diagnosed coeliacs.

The UK gluten-free market is worth somewhere between £200m and £750m depending on your source (see below), and Grand View Research estimates the UK healthy snacks market more broadly at $5.7bn (growing at 5.1% CAGR to 2030). The retail free-from aisle is a significant prize, and OAF's technical differentiation — genuine bread texture from a process previously reserved for prescription products — gives it a meaningful reason-to-believe in a category where most brands struggle to convince consumers they are eating something they actually enjoy.

OAF: The Growth Engine

OAF is Tooru's principal growth vehicle and the brand where meaningful value creation will be determined over the next two to three years in our view. It was formally launched in June 2025 — shortly after Tooru's AIM admission — into Tesco, with an initial four-product range, expanding to eight products within months. The initial Tesco listing attracted an unprecedented national ranging decision from a leading supermarket, confirming the retail trade's confidence in the brand's proposition.

In February 2026, Tooru announced that OAF had secured a listing with ASDA, with products to be stocked from April 2026. Discussions with other major supermarket chains are described as at an advanced stage. This pace of retail distribution build — from launch to two of the UK's three largest grocers within nine months — is encouraging and materially de-risks the brand's medium-term revenue trajectory, in our view.

OAF's brand identity is deliberately distinct from Juvela. Where Juvela is a medically-oriented, trusted prescription brand with a serious, quality-first positioning, OAF has a vibrant, characterful brand personality designed to resonate with younger, health-conscious shoppers in the free-from aisle. The combination of Juvela's technical excellence in gluten-free baking with OAF's contemporary branding creates a powerful proposition that management believes can compete with — and ultimately displace — incumbent free-from brands which rely on inferior rice-flour formulations.

To support OAF's launch, the group invested approximately £1.5m in a new 14-allergen-free manufacturing facility adjacent to Juvela's existing Pontypool operation. This new factory – free from all 14 major allergens including gluten, nuts, milk and eggs – opens up a substantially larger consumer audience than coeliac-only products can reach, and positions OAF to compete across the growing allergen-aware consumer segment.

OAF's Technical Differentiation

Most gluten-free bread products use rice flour as their primary flour substitute, which produces a significantly inferior texture and flavour compared with conventional wheat bread. This is a well-known consumer pain point in the category.

OAF (and Juvela) products use a specialist wheat starch from which the gluten has been removed. This process preserves the protein structure that gives wheat bread its characteristic texture, producing a product that is both genuinely gluten-free and far closer in eating quality to conventional bread. Juvela developed this technology for the prescription market over 30 years; OAF brings it to shops for the first time.

This formulation is Tooru's key competitive moat in the retail free-from category and the foundation of OAF's go-to-market proposition.

Pulsin: Restructured and Repositioned

Pulsin is a 20-year-old plant-based nutrition brand based in Gloucestershire. Its range includes protein and keto bars, protein powders, and high-fibre brownie bars. The products are typically vegan, gluten-free and high in plant-based protein, and they are distributed through Amazon, Holland & Barrett, Ocado, Tesco, Boots and other retailers. Following a period of significant restructuring – which involved exiting an unprofitable £2m-plus contract manufacturing arrangement and closing a second warehouse – Pulsin is now a smaller but structurally profitable business.

Pulsin was acquired by S-Ventures in July 2021 for £6.6m (approximately 1.0x EV/Sales at the time). Its revenues have moderated from over £7m in a period when it was co-manufacturing for third parties, to a more sustainable own-brand run-rate of approximately £3.6m in FY24. This transition has been hard but the business is now generating positive EBITDA at modest single-digit margins, with a clear path to higher margins as the full benefit of the restructuring comes through.

A significant operational development announced by the company in early 2026 was that Pulsin will transition to contract manufacturing and co-locate with Juvela at the Pontypool facility in Wales. This move is expected to materially improve Pulsin's gross margins by eliminating its standalone manufacturing overheads and will give the brand access to Juvela's operational infrastructure. It also simplifies the group's cost base and makes the overall manufacturing platform more scalable. We view this as an important step in demonstrating operating leverage across the group. In the interim it is being manufactured more cheaply abroad by a third party on more efficient equipment which has improved the gross margin.

The distribution expansion of Pulsin into 1,000 Co-op stores – up from approximately 80 stores previously – is a significant step-change in the brand's retail footprint and, now the supply chain disruptions that temporarily affected production in H2 2025 are resolved, it should begin to contribute meaningfully to revenues from early 2026.

Purely: A Premium Plantain Brand

Purely (formally We Love Purely) is a small, premium plantain crisp brand, acquired for £295k in January 2021. Made from just three ingredients (Ecuadorian plantains, sunflower oil and sea salt), the product is vegan, kosher, gluten-free, dairy-free and free from preservatives and additives. It retails at £2 for a 75g bag.

At revenues of approximately £400k per annum, Purely is the smallest brand in the group. It has been constrained by a lack of investment capital. We view it as an option on a higher-value outcome – either as a standalone brand that benefits from incremental investment once the group has greater financial flexibility, or as a bolt-on that could add value to a larger acquirer of the group's portfolio.

Market Rocket: Non-Core Digital Agency

Market Rocket is a specialist digital commerce agency that helps brands sell more effectively through Amazon and other online platforms. Founded in 2019 and acquired by S-Ventures in April 2022, it has partnerships and accreditations with Amazon, TikTok, Meta, Google and SEMrush. We believe Market Rocket is non-core to Tooru's strategy and management has confirmed its intention to divest the business. We do not ascribe any strategic value to it within the Tooru investment case.

Market Context

The UK Gluten-Free Market

The UK gluten-free food market is one of the fastest-growing segments within the broader food and grocery industry. Multiple research houses place the market value in the range of $235–600m in 2025, with variations in scope accounting for the spread (some sources include beverages, prepared foods and dairy alternatives; others are confined to bakery and snacks). Across all credible estimates, the consensus growth rate is a compound annual rate of 8–11%, with the market on a trajectory to reach $400–900m by the early 2030s.

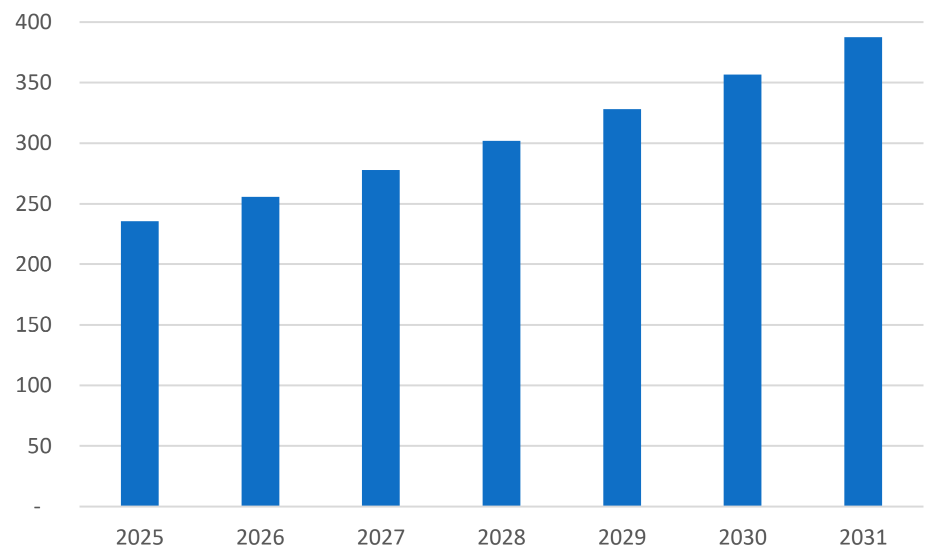
Table 2: Market forecasts for gluten free products

Source	UK Market 2025E	Forecast	CAGR
Grand View Research	$397m	$914m by 2033	11%
Fortune Business Insights	$600m	$650m by 2026	~9.7% (global)
Future Market Insights	$589m	$1,045m by 2036	5.9%
Mordor Intelligence	$235m	$388m by 2031	8.7%
Technavio / Research & Markets	—	+$289m vs base by 2029	8.9%
Market Report Analytics	~£750m	—	8.7%

Sources: Grand View Research, Fortune Business Insights, Future Market Insights, Mordor Intelligence, Technavio, Market Report Analytics. Note: scope differences explain the wide range of absolute values; all sources agree on a mid-to-high single-digit CAGR.

Mordor Intelligence's dedicated UK gluten-free foods and beverages study emphasises that growing health awareness, higher disposable incomes and changing processed-food consumption patterns are key drivers of this 8–11% CAGR.

Chart 1: UK Gluten-free food and beverage market (USDm)



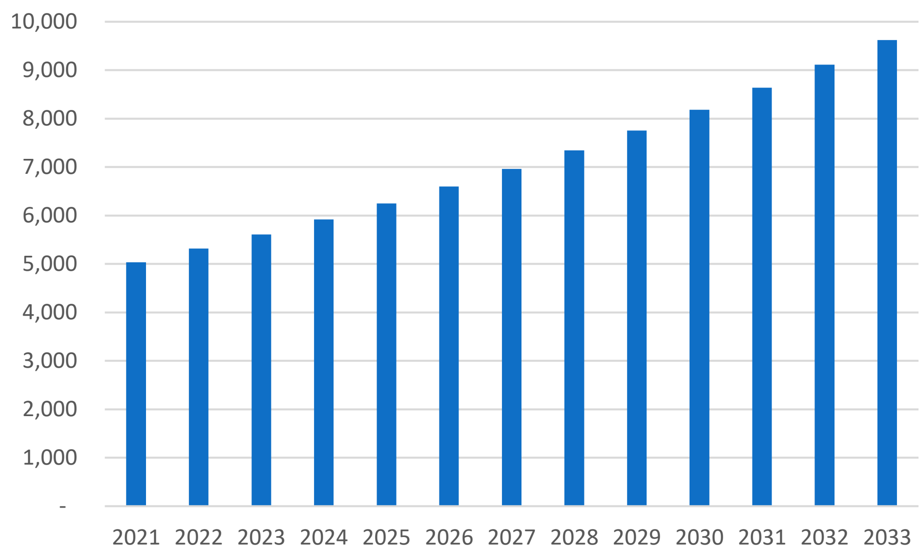
Source: Mordor Intelligence

Consumer Base: Coeliac Need and Lifestyle Demand

Demand for gluten-free products is underpinned by two distinct and mutually reinforcing consumer groups. The first is the medically diagnosed coeliac population, for whom strict adherence to a gluten-free diet is a clinical requirement rather than a choice. Coeliac disease affects approximately 1 in 100 people in the UK, equating to roughly 700,000 individuals. However, according to Coeliac UK, approximately 500,000 of these remain undiagnosed as at early 2025, meaning that only around 37% of the coeliac population has a formal diagnosis. As NHS screening protocols improve and awareness campaigns reach more patients, this represents a durable structural tailwind: each newly diagnosed individual becomes a committed, lifelong buyer of gluten-free staples.

The second, and larger, consumer group consists of lifestyle adopters – individuals who choose to reduce or eliminate gluten for perceived digestive health, clean-label or general wellness reasons rather than clinical necessity. This group is estimated at approximately three to five times the size of the diagnosed coeliac population and is considerably less price-sensitive. Their participation has transformed the UK gluten-free market from a narrow specialist category into a mainstream dietary segment, accessible in virtually every major supermarket and increasingly present in foodservice. The Mordor Intelligence study similarly notes a 'trend towards gluten-free product consumption' in the UK, reflec
clinical need.

Chart 2: UK healthy snacks market (USDm)



Source: Grand View Horizon

The growth of lifestyle demand has been particularly beneficial to snack and protein brands such as Pulsin, where the free-from positioning aligns naturally with a broader health and wellness narrative that resonates with health-conscious millennials and older consumers alike. For bakery-focused brands, the category expansion has widened the addressable market well beyond the 300,000 or so formally diagnosed coeliacs.

NHS Prescriptions: A Structural Headwind That Is Well Advanced

For Juvela specifically, the evolution of NHS gluten-free prescribing policy represents the most important structural dynamic in its market. Historically, NHS England prescribed gluten-free staple foods – bread, flour mixes, pasta – to patients with a formal coeliac diagnosis. In 2015, NHS net ingredient cost for gluten-free prescriptions was £25.7m annually. From 2016 onwards, successive guidance from NHS England, CCGs and later Integrated Care Boards (ICBs) progressively restricted availability, initially removing non-staple items such as biscuits and cakes, then curtailing prescribing of bread and flour in areas where ICBs judged the cost-benefit case insufficient.

By June 2024, Coeliac UK estimated that only approximately 50% of people in England lived in an area that still prescribed gluten-free products, compared with approximately 80% a decade earlier – a reduction of around 70% in the funded prescription base over eight years. The process has continued in 2025–26: South Yorkshire ICB ended all gluten-free prescriptions in December 2025, saving approximately £444,000 annually; and from April 2026, several further ICBs have restricted prescriptions to patients aged under 25. Scotland, Wales and Northern Ireland continue to prescribe, and Wales introduced a supermarket-based gluten-free subsidy card in autumn 2025 as an alternative mechanism.

It is important to set this headwind in context. The prescription market has contracted by approximately 70% from its peak, meaning that most of the structural change has already occurred. The remaining prescription base is concentrated in areas and patient groups (predominantly children and clinically vulnerable adults) where the cost-benefit case for prescribing remains strongest; any further cuts from here are likely to be incremental rather than step-change. For Juvela, whose NHS prescription revenues provide approximately £7m per annum and are estimated to represent c.55% of the UK NHS gluten-free prescription market by value, the policy trend is a headwind but not a cliff: the business has managed a decade of restriction and remained structurally profitable, supported by its dominant market position.

The second, and strategically important, point is that the withdrawal of NHS prescriptions does not destroy gluten-free demand – it transfers it. Coeliac patients who can no longer obtain bread on prescription must purchase it at retail. This substitution effect is one of the drivers of the strong structural growth in the UK retail gluten-free market documented above, and is a direct tailwind for OAF, which is positioned precisely to capture that transferred spend in the supermarket aisle.

Market Segmentation

Within the UK gluten-free category, bakery products are the dominant segment by value, reflecting the centrality of bread and baked staples to the gluten-free diet. The category structure is summarised below.

Table 3: Scale of each market segment

Segment	Est. Share of Market (2025)	Growth Trend	Key Drivers
Bakery (bread, rolls, flour, cakes)	~38%	High	Staple need; NHS-to-retail transfer
Cereals & Snacks	~20%	High	Lifestyle demand; protein nutrition
Dairy / dairy alternatives	~15%	Medium	Cross-category free-from adoption
Pasta & rice	~10%	Medium	Commoditising; private label pressure
Prepared & other	~17%	Medium	Convenience; foodservice expansion

Source: Mordor Intelligence UK Gluten-Free Foods and Beverages Market Report (2026).

As Mordor Intelligence observes, the UK's strong cul
discovering gluten intolerance are channelling processed food spend into gluten-free bakery and snack formats.

Distribution remains dominated by supermarkets, which account for approximately 49–55% of category value, reflecting consumers' preference for one-stop grocery shopping. The online channel is growing fastest and is estimated to account for 15–20% of sales, with specialist health food retailers representing a further 15%. Mainstream grocers have expanded their private-label gluten-free ranges materially in recent years, improving consumer access and driving category trial –though creating pricing pressure for branded players. OAF's early listings in Tesco (the UK's largest grocer) and ASDA (the second-largest) place it in the highest-footfall part of the market at the optimal stage of brand development. Mordor explicitly highlights the easy availability of gluten-free products in 'almost all grocery stores', reinforcing the strategic impo.rtance of OAF's Tesco a

Competitive Landscape

The UK gluten-free market is moderately concentrated. Dr. Schär leads with a pan-European portfolio of over 200 SKUs and UK production in Glasgow. Warburtons, the UK's largest bread brand, has invested significantly in its "No Gluten" sub-brand, leveraging its mainstream distribution relationships to secure shelf space in all major multiples. Genius Foods occupies a strong position in specialist free-from bakery. Kellogg's (now Kellanova), Nestlé and Kraft Heinz hold significant positions in cereals, confectionery and condiments respectively.

Mordor Intelligence characterises the UK gluten-free foods and beverages market as highly competitive, with global players expanding geographically and local brands relying on innovation to attract brand-conscious millennials, a description that aligns closely with Tooru's challenger-brand positioning

Private label is growing as a category force: Tesco, M&S, Sainsbury's, Waitrose and ASDA have all invested in expanding own-brand free-from ranges, which puts pressure on mid-tier branded players but creates an opportunity for genuinely differentiated brands. OAF's technical differentiation –using de-glutened wheat starch rather than rice or corn flour, which produces a closer texture to conventional bread –positions it well against the dominant private-label and Dr. Schär offering. Juvela's 30-year NHS heritage and Coeliac UK certification provide a trust and credentials platform that no private-label range can replicate.

Financial Overview

Historical Performance

The underlying businesses that now comprise Tooru were assembled by S-Ventures plc between 2021 and 2022 and transferred to the enlarged Tooru group on AIM admission on 29 May 2025. The first full period to review the consolidated performance of these businesses is therefore the year ended 31 December 2024 (FY24), being the most recent audited period for the portfolio prior to Tooru's listing.

In the first half of 2024 (1H24), the combined portfolio generated net sales of £7.2m and adjusted EBITDA of £0.8m, an EBITDA margin of 11.3%. This marked the portfolio's first period of meaningful EBITDA positivity and demonstrated that the underlying brands, following the restructuring of Pulsin and the exit of low-margin contract manufacturing, had achieved structural profitability. For the full year FY24, the portfolio is estimated to have generated approximately £14m in net revenues and adjusted EBITDA of approximately £1m, with a gross margin of approximately 55%.

Table 4: Historic performance of Tooru's brands

£'000	FY22	FY23*	FY24
Juvela	8,722	8,722	7,670
Pulsin & Purely	7,254	7,968	3,661
Market Rocket	439	3,739	2,589
Total Net Sales	7,801	20,429	13,920
Gross Margin (%)	34%	45%	57%
Adj. EBITDA	(2,730)	(592)	739

Source: Tooru plc

H1 2025 –First Reported Period Under Tooru

The first period reported under the Tooru banner covers the six months to 30 June 2025 (H1 2025). These results reflect a transitional period: the subsidiary businesses were transferred to Tooru on 28 May 2025, meaning the H1 2025 Tooru accounts consolidate only thirty-three days of trading for the operating companies. The primary reference for the portfolio's H1 2025 financial performance is therefore the S-Ventures interim results, which cover the first five months of 2025 for the disposing businesses.

S-Ventures reported gross revenues of £6.7m and EBITDA of £1.9m for the six months to 30 June 2025 –of which the first five months relate to the businesses now held by Tooru. The EBITDA improvement to £1.9m from £0.8m in H1 2024 primarily reflected the disposal gain, but operational trading was described by management as in line with expectations, with sales broadly consistent with the H1 2024 run-rate.

Juvela contributed net sales of £3.1m, Pulsin and Purely £1.3m (plant-based nutrition) and Market Rocket £0.8m for the period. Operating profit before tax for the core brand businesses (Juvela and plant-based nutrition) was positive at £0.1m and £(0.1)m respectively.

H2 2025 Disruption and Current Trading

The December 2025 trading update noted that Pulsin experienced a temporary disruption to product production in September and October 2025, affecting recognised revenue in that period. However, management confirmed that orders had continued at historic levels and that this revenue shortfall was expected to be recovered, with positive EBITDA still anticipated for the year. The Shawbrook Bank refinancing

– completed in H2 2025 and extending the facility to end-2030 at £3.9m with an additional £500k drawdown for OAF support – was a further positive.

For OAF specifically, the December 2025 update confirmed that Tesco sales remained strong with week-on-week growth, and that the brand was in advanced discussions with other major supermarket chains. The subsequent announcement of the ASDA listing (February 2026) confirmed that those discussions had borne fruit. CEO Scott Livingston, separately, purchased shares in the open market in March 2026 – a further signal of management's confidence in the group's near-term prospects.

In February 2026 the company raised £980,000 gross in a share placing and converted a further £300,000 of debt to equity. The new shares were priced at 0.25p.

Proposed acquisition of Mylky

On 16 April 2026, Tooru announced it had agreed in principle to acquire 100% of the share capital of Mylky B.V. for a total consideration of £12 million comprising: £6 million in cash, a £3 million loan note carrying a 10% annual coupon over a three-year bullet term, and £3 million in newly issued Tooru shares anticipated to represent 10-15% of the enlarged group – implying a pro-forma market capitalisation for Tooru of approximately £17 million. The transaction remains subject to due diligence, financing, definitive documentation and shareholder approval, though the company has been advised it would not constitute a Reverse Transaction under AIM Rules.

Mylky is a European e-commerce business, founded in early 2024, that sells small home plant-based milk making machines and associated consumables. Its proposition centres on enabling consumers to produce additive-free, plant-based milks at home at materially lower cost than ready-made alternatives, with a reduced packaging and carbon footprint – credentials that resonate strongly with the "free from" consumer. The business has scaled rapidly: management expects €2.5 i
million in EBITDA for FY2025, with strong cash conversion. More recently, trading for the twelve months to 31 March 2026 is expected to show revenue of €9 milli
2026 already running ahead of budget. Mylky has established a presence across eight European markets – led by Germany, France and Switzerland – and has built a customer base of over 70,000 active accounts. The company has no debt and is primarily a smart marketing business with all manufacturing carried out in China. Its impressive, profitable growth from a standing start two years ago is, in our view, very impressive.

Strategically, the acquisition is consistent with Tooru's stated buy-and-build approach and its focus on branded health and wellness. Mylky would sit alongside the existing portfolio of Juvela, OAF and Pulsin, and management has already identified co-branding and synergy opportunities across the group. There is clear potential for subscription-based ingredient offerings and broader "home free-from production" concepts as avenues for further product innovation. The Mylky management team, led by founder Martin Sundberg, is expected to join Tooru's senior leadership on completion.

Tooru intends to finance the cash element through new debt, pointing to its prior experience arranging the Shawbrook facility for the Juvela acquisition as evidence of the board's capability in securing such funding. With debt to EBITDA of around two times (excluding the loan note) this seems entirely feasible.

Forecasts

In the event that it completes, the proposed acquis
profitability and we will wait until the Mylky deal has completed before publishing full forecasts for the enlarged business. Based on initial conversations with management, we were looking at revenue for the existing business of around £11m and EBITDA of £1m for the year to December 2026 before a big step up in 2027, reflecting growing strength in OAF and the full resolution of supply issues at Pulsin.

Valuation

Tooru currently trades at a market capitalisation of approximately £4m and it has around £4m of debt, giving it an Enterprise value of £8m. We are not making formal forecasts currently and the actual numbers for FY25 will be unhelpful as they will comprise only seven months of the acquired food businesses. Nevertheless, we expect that Juvela (including the first few months of OAF) will have done c£7.6m of revenue in 2025. And we expect that to climb rapidly to £9m in 2026 and £12m in 2027 of which OAF will represent, say, £2m and £4m respectively.

With OAF doing £4m annual revenue and growing strongly, at 4x revenue that would equate to a value of £16m for the brand to which we need to add the original Juvela brand, still doing £8m of profitable revenue, which should still be worth the c£8m S-Ventures paid for it. So that equates to £24m, or three times the current enterprise value (and five times the equity value).

EBITDA for both brands should be of the order of £1.9m in 2026E and £3.4m in 2027E if all goes to plan.

Then there are the Pulsin and Purely brands. We expect between them they will have done c£2.5m in revenue in the 12 months of 2025 but that will fall slightly in 2026 to maybe £2.2m as supply issues are finally sorted out. Costs will be down in 2026 but they are unlikely to be a positive contributor to group EBITDA in 2026. The business needs to show growth and profitability to have a value to an external player, in our view.

We are not ascribing any value to the marketing agency, Market Rocket.

On these numbers there would appear to be considerable upside. Investors will, however, want to see how the sales of OAF develop before attributing the *full* potential value, in our view.

Risks

As with all smaller AIM-listed companies, Tooru faces generic risks including macroeconomic headwinds, geopolitical uncertainty, rising interest rates, reliance on key personnel and customers, supply chain disruptions, and threats to its intellectual property and digital infrastructure. In addition to these, we identify the following material, company-specific risk factors:

NHS Prescription Withdrawal

The progressive withdrawal of NHS gluten-free prescribing represents the most material and certain structural headwind facing the group. NHS spending on gluten-free prescriptions has fallen from £25.1m in 2012 to approximately £7.7m in the mid-2020s, as NICE guidance, the 2018 NHS England consultation and individual ICB decisions have progressively restricted reimbursement. Multiple ICBs have removed gluten-free products from their formularies entirely in 2024-25. Juvela holds approximately 55% of the remaining prescription market, which means it is disproportionately exposed to further volume erosion as ICBs continue to tighten. Equally one could argue that those NHS trusts that were going to cut spending on these products will have already done so and the total cost is a minuscule proportion of their budgets.

OAF Execution Risk

OAF is a new retail brand in a competitive and fragmented market. The success of a new product launch is inherently difficult to predict; listing fees, promotional pricing requirements and marketing investment will all create costs before revenues are established. There is a risk that the brand fails to achieve the consumer trial and repeat purchase rates necessary to sustain retailer listings, or that it is de-listed before reaching commercial scale.

Mitigation: The brand's technical differentiation (de-glutened wheat starch formulation), Juvela's 30-year manufacturing credibility, and the national listing decision from a leading supermarket on launch all suggest the brand has genuine consumer and trade relevance. Week-on-week sales growth in Tesco and the rapid addition of ASDA are encouraging early indicators.

Financial Headroom and Capital Requirements

Tooru is a small company with limited financial resources. The Shawbrook refinancing has restructured its debt and extended the facility to end-2030, providing short-term security, but the group's ability to fund OAF's retail launch costs, Pulsin's distribution expansion, and any unforeseen operational disruptions from existing resources is constrained. Management may need to raise additional equity capital to accelerate growth, which could be dilutive to existing shareholders.

Ingredient Cost Volatility

Both Juvela/OAF (wheat starch, specialist baking ingredients) and Pulsin (cocoa, plant proteins, nuts) are exposed to commodity input cost volatility. Recent events in the Gulf are pushing up prices of fertiliser and energy costs generally all of which are likely to in

Competitive Markets

The free-from and protein snack categories are competitive and fragmented. Approximately 25 brands compete across the UK protein bar market (Amazon, Holland & Barrett, Ocado), and the free-from aisle is well-stocked with established brands. Listing fees, promotional spending and marketing investment are all potential sources of cost escalation that could reduce profitability or constrain the pace of distribution build.

AIM Liquidity

Tooru is a very small company with a market capitalisation of approximately £3-4m. The shares are thinly traded and the bid-offer spread can be wide. This means that investors may find it difficult to build or reduce positions at their preferred price, and that the share price can be volatile in response to small amounts of buying or selling activity.

Acquisitions

Tooru is interested in completing further acquisitions – of which the Mylky announcement is the most recent. All acquisitions carry risk. The management at Tooru has done many deals in the past which should help mitigate any potential downside.

Management Team

Tooru's board comprises four executive directors and one non-executive director following the restructuring that accompanied the AIM listing in May 2025.

Scott Livingston – Chief Executive Officer and Executive Director

Scott founded and listed S-Ventures plc in 2020, to identify and capitalise upon investment opportunities in the high growth natural wellness sector and build a consolidated group sharing infrastructure and capital. Prior to S-Ventures, Scott was Founder and CEO of the Westlab Group, a bath and body care business he founded in 2004 and then sold in 2021, which is now a global wellness brand with factories in the UK and USA with distribution across multiple countries. Scott was previously a member of YPO, Young Presidents Association and is a serving member in various community charities.

Stephen Argent – Chief Financial Officer and Executive Director

Stephen is a Chartered Accountant with over 40 years' in the consumer and wellness sectors. He set up his own brand, Soupologie, and has been involved in building out financial and governance teams for both public and private companies. He has a considerable knowledge and understanding of the sectors in which the Enlarged Group will operate.

Nicholas Lee – Non-Executive Chairman

Nicholas read Engineering at St. John's College, Cam where he qualified as a chartered accountant. He then joined Dresdner Kleinwort where he worked in their corporate finance department advising a range of companies across a number of different sectors. When he left in 2009, he was a Managing Director and Head of fund/alternative asset manager clients. Since then, Nicholas has been actively involved with AIM and currently serves as a Director of Mindflair plc, a Non-Executive Director of Huddled Group plc as well as Finance Director of Smarttech247 Group plc.

Alexander (Alex) Phillips – Independent Non-Executive Director

Alex is a corporate financier and capital markets adv mergers, acquisitions, disposals, equity and debt issuance and other corporate actions in a wide range of sectors including consumer goods. Alex worked for large integrated investment banks between 1992 and 2013, principally Credit Suisse and Morgan Stanley. After leaving Credit Suisse, Alex worked abroad leading the turnaround of the middle east operations of a family business through to the completion of its disposal in 2016. Alex currently works at an independent corporate finance advisory practice in London. Alex has worked as a non-executive director at S-Ventures plc and, until September 2024, as Senior Independent Director of Notting Hill Genesis, one of London's largest registered in Economics with Politics from the University of Bristol.

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Tooru plc	1,3,4,9	6th May 2026

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