

At *ParsleyBox* our mission is to
champion and empower the over 65s



Interim results 2022

13 September 2022

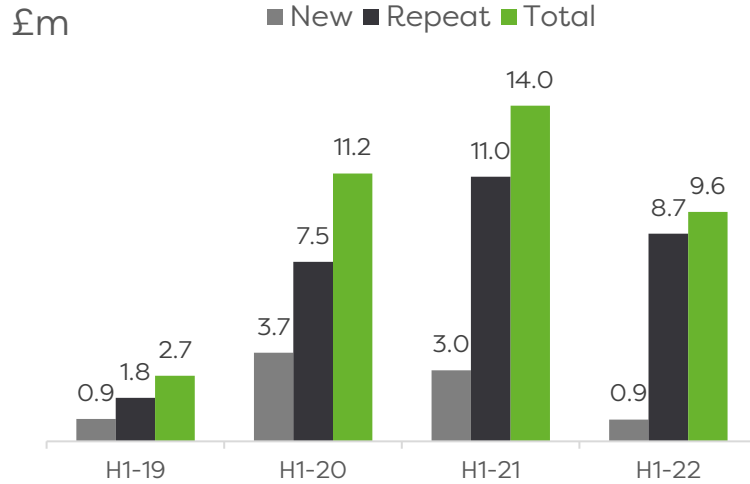
Bringing you time
for the things that
you love

Delicious, cupboard stored ready
meals delivered straight to your
door. Microwave in minutes.

Parsley Box is focused on providing
quality meals and exceptional service
to the under-served over 65s market

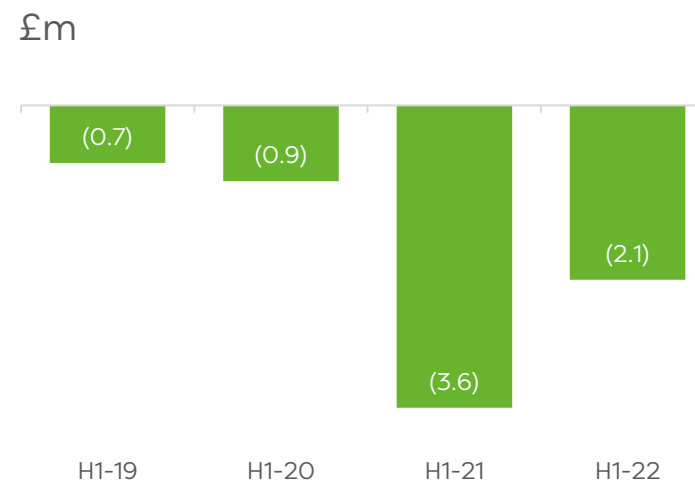


Financial Highlights



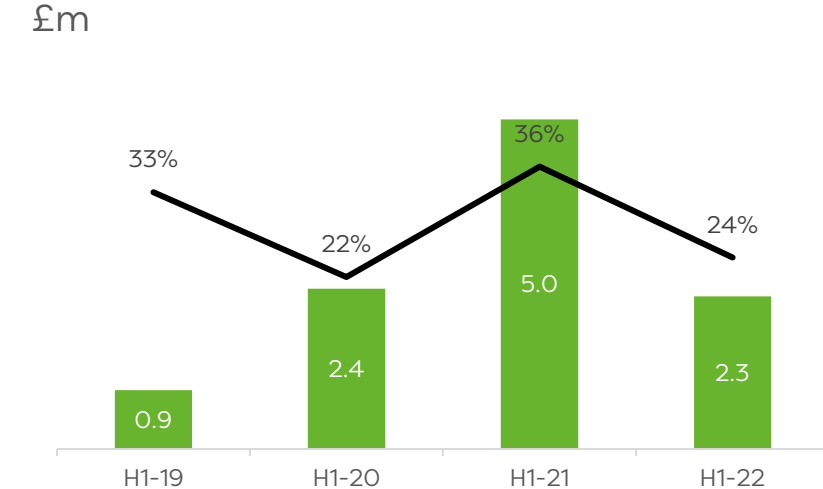
Revenue

£9.6m



Adjusted EBITDA

(£2.1m)



Marketing spend

£2.3m

22 v 21

New customer
£2.1m

Repeat customer
£4.4m

Losses reduced **42%**

Focus is on becoming a profitable business

Spend reduced by 55%
to 24% of revenue

Financial Position

Closing cash £5.3m (FY21: £2.5m)

Closing inventory £1.2m (FY21: £1.2m)

Closing inventory days 47 (FY 21: 30)



Order KPIs

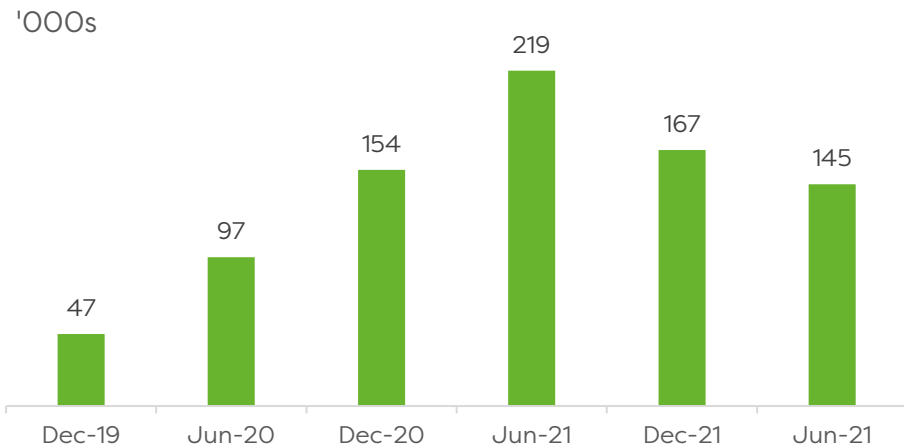
Average order values increasing



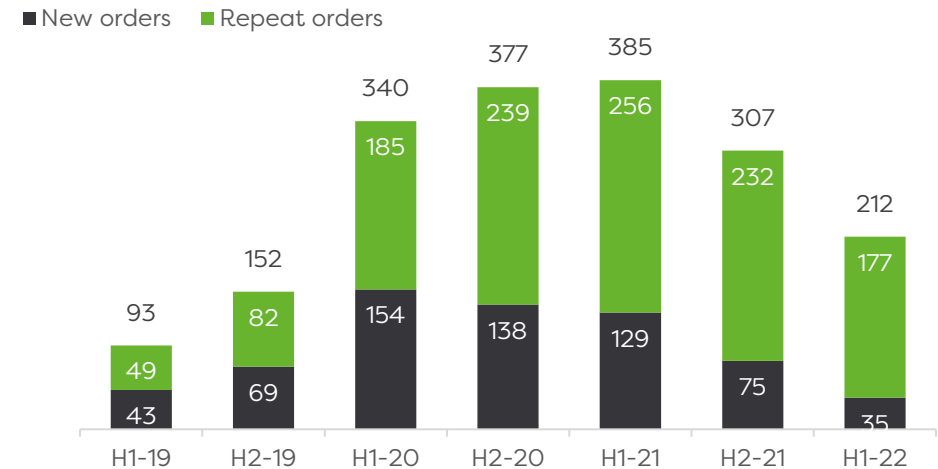
Rising marketing costs per new and repeat orders
Conversion per channel under constant review



Active customers declined since end of pandemic
Extensive reactivation campaigns running



Lower marketing spend & higher CPAs reduced new orders
Lower active customers reduced repeat order numbers

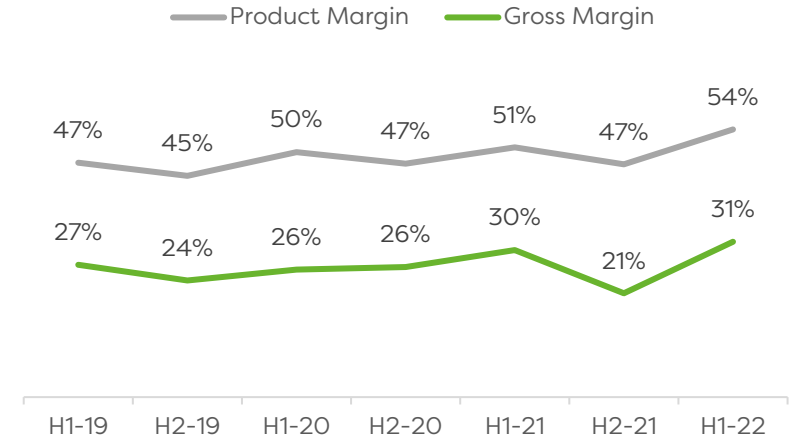
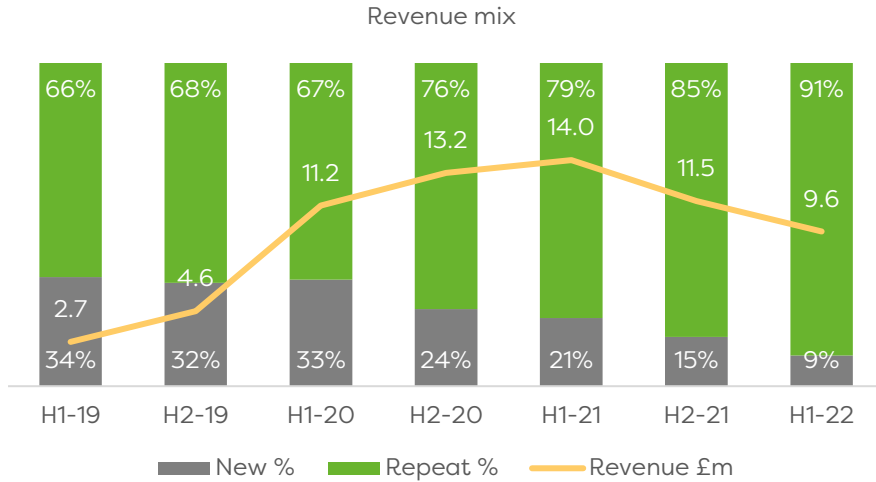


Active customers have purchased more than once in the last 13 months

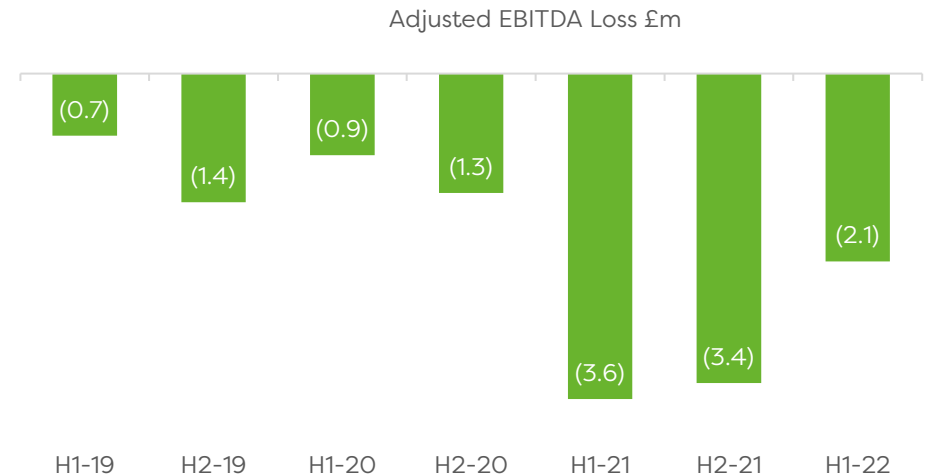
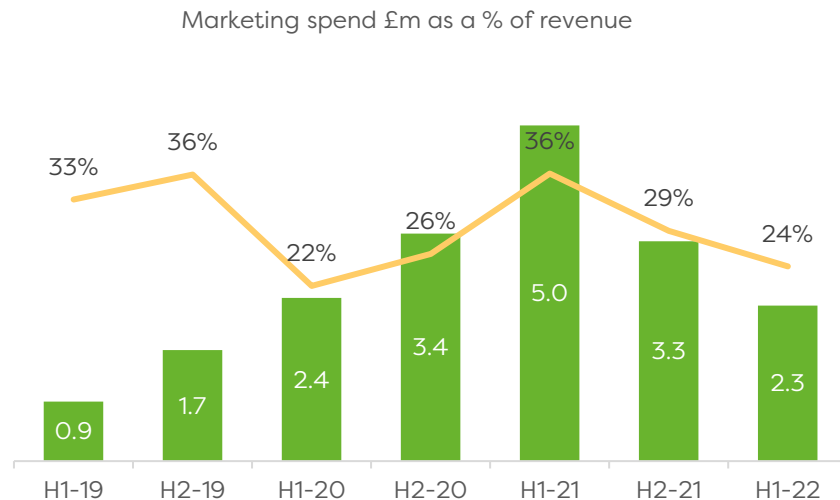


Financial KPIs

Higher mix of repeat orders and higher AOVs driving margin improvement



Higher margin %s and disciplined marketing spend reducing losses



Adapting to the current climate

Challenges:

- Continuous change in consumer behaviour
- Inflationary environment for food, energy, packaging & labour
- Reduction in credit terms across the market
- Balancing investment in a return to sales growth with a drive to profitability

Opportunities

- Low energy product for customers
 - no fridge or freezer to store
 - heated in the microwave
- Long shelf life:
 - able to produce ahead of price rises
 - continuing our retail price freeze to Jan 2023
 - low food waste product for us and our customers
- Expanding the new EDLP meal range
- Discontinuing or offering multi-buy only for low margin products



COST OF COOKING CHART				
APPLIANCE	COST PER DAY	COST PER WEEK	COST PER MONTH	COST PER YEAR
ELECTRIC COOKER	87P	£6.09	£26.38	£316.54
DUAL FUEL COOKER (GAS AND ELECTRIC)	72P	£5.08	£22	£264.03
GAS COOKER	33P	£2.32	£10.07	£120.83
SLOW COOKER	16P	£1.15	£4.98	£59.76
AIR FRYER	14P	£1.01	£4.40	£52.74
MICROWAVE	8P	58P	£2.50	£30.02



Vegetarian Cottage Pie



Vegetable & Lentil Hotpot



Sausage Cassoulet (1333)

Target market

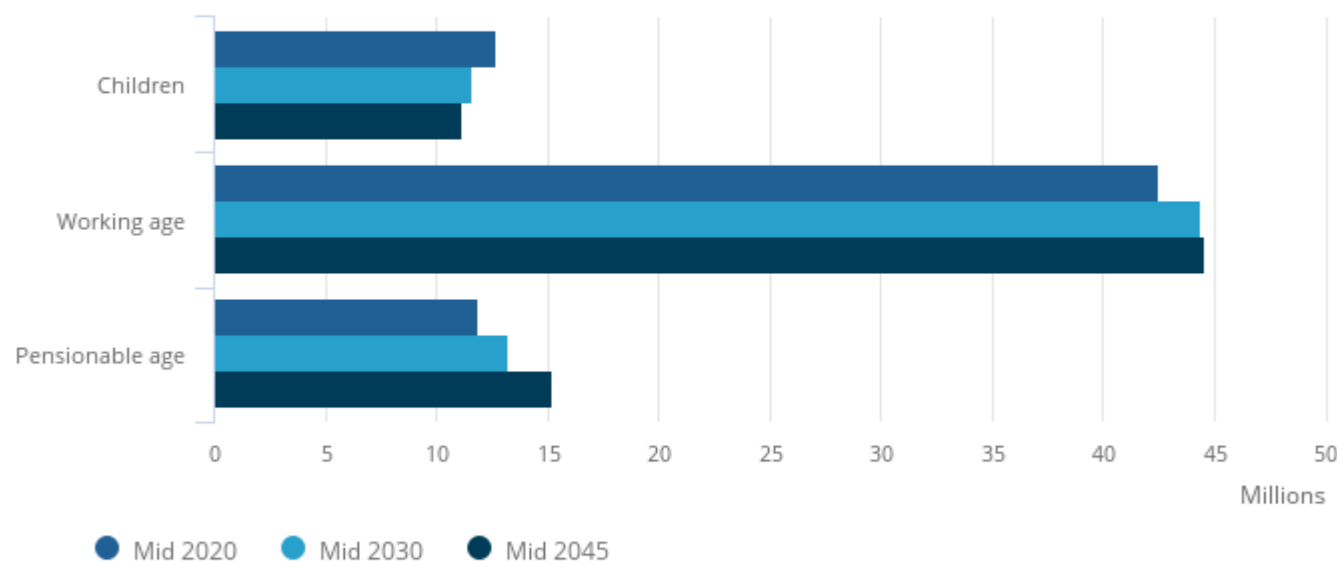
- UK target market of 12m people >65
- The over 65s are the fastest growing segment in the UK
- We currently focus on the individual >65 as a customer, that individual living in their own home, and reaching them via largely offline marketing channels
- Current database of ~640,000 (~5% of the target market)

New routes to market under evaluation:

- B2B opportunities in social care, NHS patient discharge packs, NHS vending, and private care homes
- Online marketplaces to support customers buying for relatives

Figure 4: The number of people of pensionable age is projected to grow the most

UK population by life stage, mid-2020, mid-2030 and mid-2045



Source: Office for National Statistics – National population projections

11.7m >65s in 2020, forecast to rise > 15% to 13.6m by 2025

Our customers

Parsley Box aims to understand the >65s better than any other business. We invest in research & seek continual feedback from customers to shape product development, service and our platform for this age group.

- Average age of 74
- 60:40 live alone : with partner
- 50:50 female : male
- Value the convenience of Parsley Box
- Active customers consume 1-2 meals per week, mainly midweek
- Enjoy talking to our contact centre so they can ask questions about the meals
- Enjoy their food and eating well is important to them
- 17% of our customers are not buying for themselves (buying predominantly for elderly relatives)



Marketing channels



Acquisition channels

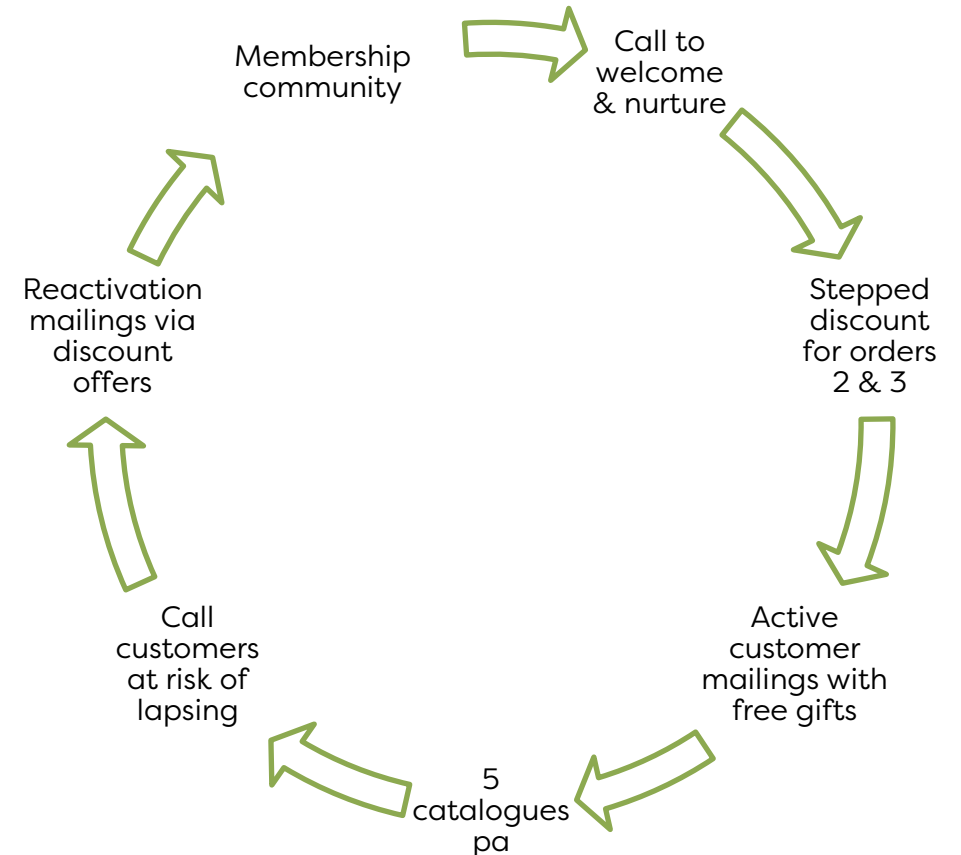


Channels currently converting highest lifetime value customers:

1. TV
2. Press
3. PPC

Tech investment planned to develop refer a friend

Retention strategy



- Actively collecting email addresses where available to increase digital comms & counter rising mailing costs
- Continually assessing investment in reactivation v investment in acquisition

Welcome to ParsleyClub!

ParsleyClub is our new and exclusive membership programme, especially designed to reward our loyal customers with additional perks and benefits, to make shopping with us even easier!

Membership costs just £14.95 a year, and you'll enjoy a range of great benefits, including:



Priority Named Day Delivery



£10 Birthday Gift Voucher



Free Trial Products



Exclusive Newsletter

ParsleyClub

Soft launch in August

Aim is 10,000 members in first year

Partnerships

8 SEP



Brought to
you by
ParsleyBox

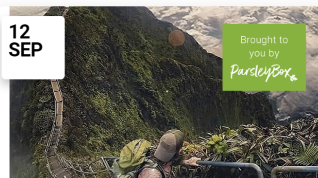
THU, 8 SEP, 2:30PM BST

Tai Chi

FREE • J.T. Turner

Tai Chi is a mindful movement system from China. It has been used around the world for thousands of years to help reduce stress, prevent falls, and improve focus, balance, circulation, & mobility. This session will focus on simple Tai Chi exercises..

12
SEP



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you by
ParsleyBox

MON, 12 SEP, 10:00AM BST

Meditation Workshops: "The..."

FREE • Sinsi

We will focus on what happiness really means to each of us. And what role meditation would play in this context. This session includes a Loving kindness practice.

14
SEP



Brought to
you by
ParsleyBox

WED, 14 SEP, 1:00PM BST

Lunch Club

FREE • Abbie and Mahalia

Introducing... Lunch Club! A chance to have a lunchtime date with some company who could be joining from anywhere around the world! This is time set aside each week for us to talk about what's on your mind and enjoy a conversation over a meal. Come and join in!

Free online events

Exciting activities for our customers





Award winning sticky toffee pudding

Product strategy

ParsleyBox Launched 2022

Everyday low price range @ £2.95



Snacks



Larger portion meals



Meal boxes for occasions



Gift range



Bakery

ParsleyBox



Expand
food

Food
Plus

Beyond
Food

Increasing AOV
Driving frequency

Expansion based on customer insight
High repeat purchase categories



The background of the slide is composed of three overlapping hexagonal images of a modern glass-walled office building. The largest hexagon, at the bottom left, shows a clear view into the office interior, which includes a white table, chairs, and a 'Welcome to...' sign. The other two hexagons, at the top left and top right, show different angles of the building's exterior and interior structure.

Service

Trustpilot rating 4.4

As at 12 Sep 22

NPS consistently > 70

Orders placed:

- By phone: 60%
- Online: 35%
- Mail order: 5% (ceasing Q4-22)

Contact centre team of 60

Standard delivery 2-3 working days

Free delivery on orders >£35

Ship via DHL or Royal Mail

Tech

Latest News



New Range: Hearty Meals

Discover our New Range of Hearty Meals. Priced at only £1 more but nearly 50% larger, why not try our new larger 400g portion size?

[Find out more](#)



Everyday Low Price

We all love a bargain, particularly when prices seem to be rising all around. Our new Everyday Low Price range features 8 favourite meals priced at only £2.95

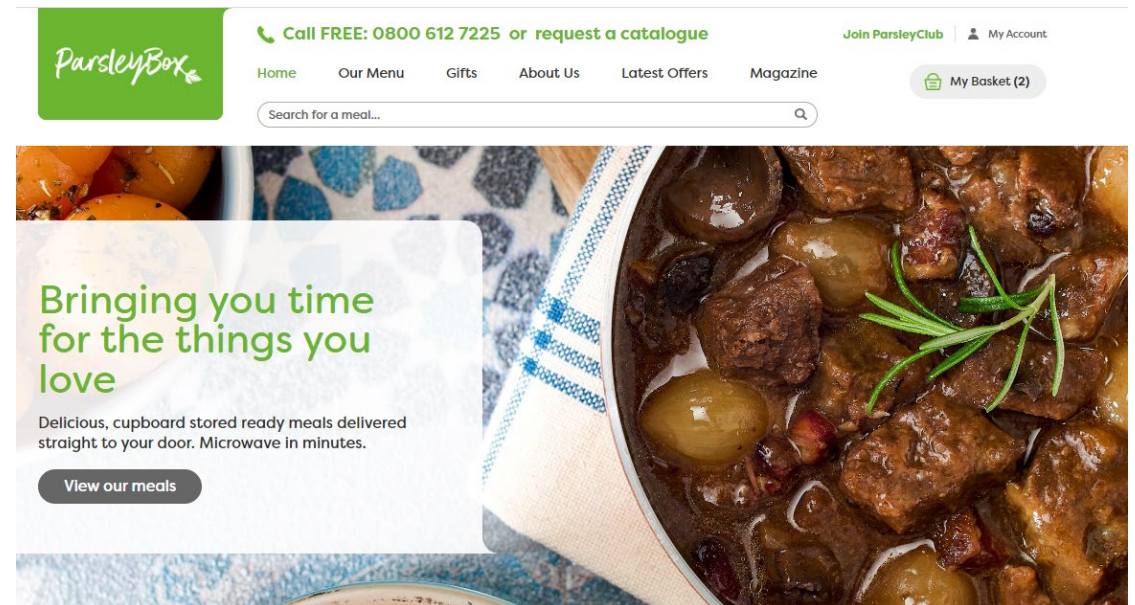
[Browse our range](#)



Dine in for 2

Recreate your own restaurant experience at home with our delicious Dine in for 2 deal. Includes Pork Belly for two, 2 sides, 2 puddings, and rose wine.

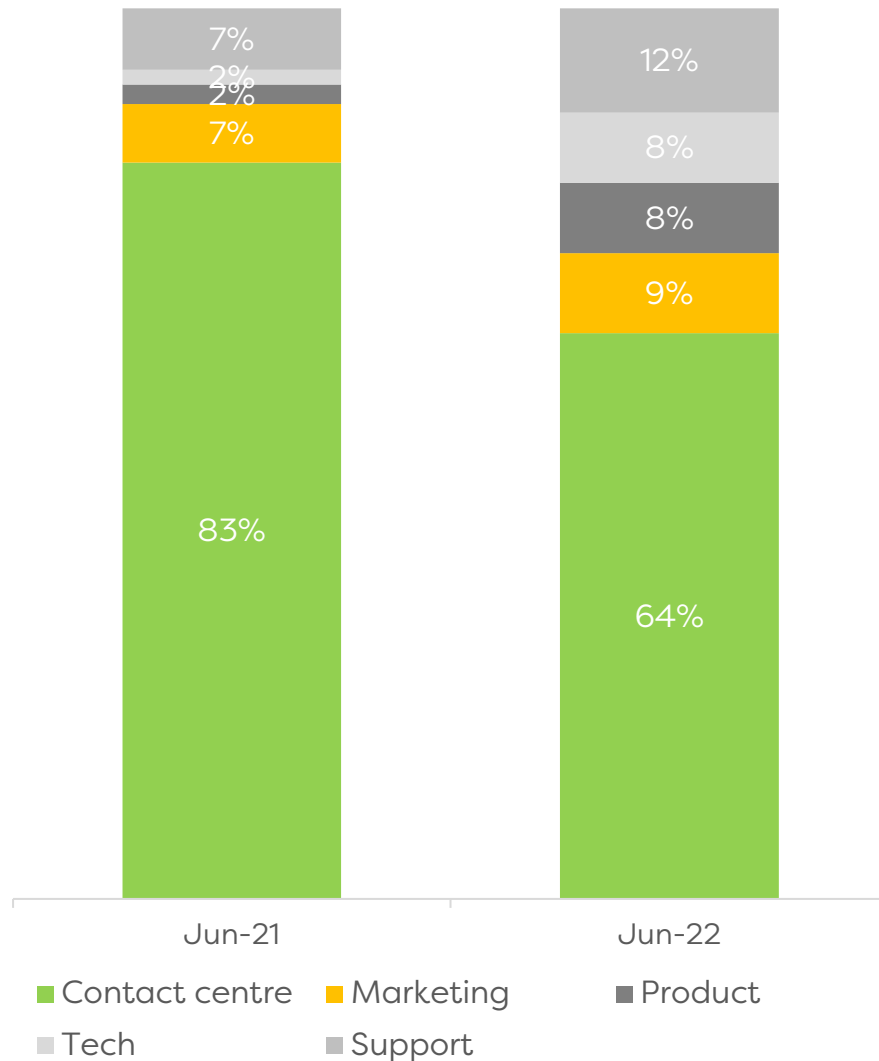
[Dine in now](#)



Investing in Parsleybox.com to:

Optimize call handling time + Increase ease of upsell

Our team



- Right sizing our operations for the current market
- 90 FTE , 30% lower with a more diversified skillset

Key new hires:

- Marketing Director: Ex-Dobbies
- Head of Food Innovation: Ex-Greencore
- Head of Product: Ex-Whole Foods
- Membership & Partnership Mgr: Ex-IHG
- Commercial controller: Ex-Kerry Group
- Tech team

Current trading and outlook

- Down on last year but trading consistently at ~£1.6m revenue pm in H1 and continuing in H2 to date.
- Full year revenue forecast remains in line with guidance of £19m
- Low margin products to be discontinued in H2 to manage ongoing supply chain inflation and working capital
- Delivering steady improvement in gross margin %
- Full year adjusted EBITDA loss forecast remains in line with market guidance of £4.1m, 42% less than 2021
- Balancing loss reduction with investment to return to growth in current sales channel and open new sales channels to reach the growing number of potential customers in our market





Thank You

HANDMADE ENGLISH CHOCOLATES

ParsleyBox