

30 September 2022

Rogue Baron Plc.

("Rogue Baron" or the "Company")

**Half Year Report
for the six month period ended 30 June 2022**

The six month period to June 30, 2022 was one of both great challenge yet ultimately one of reward. The first quarter was one of very subdued trading due to an inability to get stock from Tokyo to the USA as a result of repeated Chinese lockdowns which threw Asian container shipping into chaos. However, when the company finally was able to get stock into the USA progress was made in key markets. In the second quarter, the group sold 689 cases globally resulting in revenue of \$87,492, moving 55% higher compared to the same period in 2021, driven by both the addition of new markets and continuing demand from existing customers.

In the key strategic US market, the team has been bolstered by an experienced salesman from Republic National Distributing Company (RNDC), one of the largest distributors in the US. As per the announcements of April 2022, the Company has added distribution in a number of European countries (UK, Spain, Switzerland and Austria). These markets accounted for 14% of total case sales in the quarter as these markets have just begun to order their initial supply. The Company has now hired a UK based brand manager to push UK and EU sales with an initial particular focus on the UK. Progress on expanded USA distribution has been made and the Company remains very confident of being able to deliver on this in the near term.

Global consumer trends in the beverage industry continue to shift towards ultra-premium drinks consumption. The Company has already seen the effect of this with sales in Europe of its 8-year old Shinju expression. Rogue Baron intends to capitalise on this trend with the intended future launch of 12 and 15 year old Shinju expressions. Due to strong demand for aged Japanese Whisky and lack of supply this puts the Company in a strong position not only with respect to Japanese Whisky but with respect to being able to cross sell other spirits such as a super-premium tequila. The Company has already had numerous other approaches from other alcohol brands with respect to being able to access the Company's USA distribution network We believe this further franks the value proposition of the Company as the USA liquor market is littered with failed attempts by overseas brands to enter the country without understanding the market let alone the regulatory system there.

The Company has also amended its year end to September 30. The Company auditor PKF has been instructed to undertake a stock take of both Shinju and the Company's tequila at warehouses in the USA, the Netherlands and Mexico. The latter should resolve the outstanding matter from the audit opinion at the 31 December 2021 year end.

The Directors of the Company accept responsibility for the contents of this announcement.

END

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ROGUE BARON PLC**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2022**

	<i>Note</i>	Unaudited Period ended	Unaudited Period ended
		30-Jun-22	30/06/2021 (restated)
		US\$'000	US\$'000
Revenue		90	165
Cost of sales		(70)	(136)
Gross profit		<u>20</u>	<u>29</u>
IPO costs		(4)	(185)
Payments made in shares		-	(440)
Other administrative expenses		(317)	(378)
Total administrative expenses		<u>(321)</u>	<u>(1,003)</u>
Share of loss in associated company		(24)	0
(Loss)/profit from operations		<u>(325)</u>	<u>(974)</u>
Finance costs		-	(15)
Loss before and after taxation from continuing operations		<u>(325)</u>	<u>(989)</u>
(Loss)/profit on discontinued operations		(3)	28
Exchange differences		(50)	(18)
Total comprehensive loss for the period/year, attributable to the owners of the company		<u>(378)</u>	<u>(979)</u>
Total comprehensive loss attributable to			
Non-controlling shareholders		(1)	13
Equity holders of the parent		<u>(377)</u>	<u>(992)</u>
		<u>(378)</u>	<u>(979)</u>
Earnings per share			
Total basic and diluted earnings per share (cents) from continuing operations	3	<u>(0.36)</u>	<u>(1.36)</u>

Total basic and diluted earnings per share (cents) from discontinued operations

0.00

0.04

ROGUE BARON PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

		Unaudited 30 June 2022	Audited 31 December 2021
Assets	<i>Note</i>	US\$'000	US\$'000
Non-current			
Intangible assets	4	3,826	3,826
Investments in associates	5	40	64
		<u>3,866</u>	<u>3,890</u>
Current			
Cash and cash equivalents		56	246
Inventories		769	717
Trade and other receivables		260	325
		<u>1,085</u>	<u>1,288</u>
Total current assets		1,085	1,288
Total assets		4,951	5,178
Liabilities			
Current			
Trade and other payables		203	39
Loans payable	6	140	156
Net liabilities of discontinued operations		192	189
		<u>535</u>	<u>384</u>
Total current liabilities and total liabilities		535	384
Equity			
Issued share capital	7	119	119
Share premium		6,627	6,627
Exchange reserve		(227)	(177)
Retained earnings		(2,061)	(1,734)
		<u>4,458</u>	<u>4,835</u>
Equity attributable to the equity holders of the Company		4,458	4,835
Non-controlling interest		(42)	(41)
		<u>4,416</u>	<u>4,794</u>
Total equity		4,416	4,794
Total equity and liabilities		4,951	5,178

ROGUE BARON PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2022

	Share capital	Share premium account	Exchange reserve	Retained earnings	Total equity attributable to the owners of the company	Non-controlling interest	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 1 January 2021	46	3,529	(140)	(361)	3,074	(77)	2,997
Share issue	68	2,870	-	-	2,938	-	2,938
Share issue costs	-	(105)	-	-	(105)	-	(105)
Transactions with owners	68	2,765	-	-	2,833	-	2,833
Loss for the period	-	-	-	(974)	(974)	13	(961)
Other comprehensive loss for the period	-	-	(18)	-	(18)	-	(18)
Balance at 30 June 2021	114	6,294	(158)	(1,335)	4,915	(64)	4,851
Share issue	5	360	-	-	365	-	365
Share issue costs	-	(27)	-	-	(27)	-	(27)
Transactions with owners	5	333	-	-	338	-	338
Loss for the period	-	-	-	(399)	(399)	23	(376)
Exchange difference on translating foreign operations	-	-	(19)	-	(19)	-	(19)
Balance at 31 December 2021	119	6,627	(177)	(1,734)	4,835	(41)	4,794
Issue of shares	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-
Loss for the period	-	-	-	(327)	(327)	(1)	(328)
Other comprehensive income for the period	-	-	(50)	-	(50)	-	(50)
Balance at 30 June 2022	119	6,627	(227)	(2,061)	4,508	(42)	4,416

ROGUE BARON PLC
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2022

	Unaudited Period ended 30 June 2022	Unaudited Period ended 30 June 2021 (restated)
	US\$'000	US\$'000
Operating activities		
Loss/(profit) after tax	(325)	(989)
Finance cost	-	15
Loss on conversion of loans	-	176
Loss on associate	24	-
(Increase)/decrease in inventories	(52)	(112)
(Increase)/decrease in trade and other receivables	65	(198)
Expenses settled in shares	-	440
(Decrease)/increase in trade and other payables	141	(164)
Net cash (outflow)/inflow from operating activities	<u>(147)</u>	<u>(832)</u>
Investing activities		
Cash received from discontinued operations	-	68
Net cash outflow from investing activities	<u>-</u>	<u>68</u>
Financing activities		
Proceeds from issue of share capital	-	1,147
Share issue costs	-	(105)
Loans received	-	5
Loans repaid	-	(68)
Net cash inflow from financing activities	<u>-</u>	<u>979</u>
Net change in cash and cash equivalents	(147)	215
Cash and cash equivalents at beginning of period	246	131
Exchange difference on cash and cash equivalents	(43)	32
Cash and cash equivalents at end of period	<u>56</u>	<u>378</u>

ROGUE BARON PLC

NOTES TO THE INTERIM REPORT

FOR THE PERIOD ENDED 30 JUNE 2022

The financial information set out in this interim report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Company's statutory financial statements for the year ended 31 December 2021 have been completed and filed at Companies House.

1. ACCOUNTING POLICIES

Basis of preparation

The Company's ordinary shares are quoted on the Aquis Stock Exchange and the Company applies the Companies Act 2006 when preparing its annual financial statements.

The annual financial statements for the year ending 31 December 2022 will be prepared under International Financial Reporting Standards as adopted by the European Union (IFRS) and the principal accounting policies adopted remain unchanged from those adopted in preparing its financial statements for the year ended 31 December 2021.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these condensed consolidated interim financial statements.

Segmental reporting

An operating segment is a distinguishable component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Executive Officer to make decisions about the allocation of resources and assessment of performance and about which discrete financial information is available.

The Chief Executive Officer reviews financial information for and makes decisions about the Group's performance as a whole, as the Group has recently been acquired. All revenue is generated in USA,

The Group expects to further review its segmental information during the forthcoming financial year.

Fees and Loans Settled in Shares

Where shares have been issued as consideration for services provided or loans outstanding, they are measured at fair value. The difference between the carrying amount of the financial liability (or part thereof) extinguished, and the fair value of the shares, is recognised in profit or loss.

2. TAXATION

No tax is due for the period as the Company has made a taxable loss. The Directors expect these losses to be available to offset against future taxable trading profits. The Group has not recognised any deferred tax asset at 30 June 2022 (30 June 2021: £nil) in respect of these losses on the grounds that it is uncertain when taxable profits will be generated by the Group to utilise any such losses.

3. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period. The impact of the options and warrants on the loss per share is anti-dilutive.

	Unaudited six months ended 30 June 2022 US\$'000	Unaudited six months ended 30 June 2021 (restated) US\$'000
Loss after taxation - continuing operations (\$'000)	(325)	(989)
Profit/(loss after taxation) - discontinued operations	(3)	28
Loss after taxation - total	<u>(328)</u>	<u>(961)</u>

	Number	Number
Weighted average number of shares for calculating basic earnings per share	<u>90,043,076</u>	70,815,991

	Cents	Cents
Basic and diluted earnings per share - continuing operations	(0.36)	(1.40)
Basic and diluted earnings per share - discontinued operations	0.00	0.04
Basic and diluted earnings per share - total	<u>(0.36)</u>	<u>(1.36)</u>

4. INTANGIBLE ASSETS

	Brands & Licences US\$'000	Other US\$'000	Total US\$'000
Cost			
At 1 January 2021, 30 June 2021 and 31 December 2021	3,816	10	3,826
Additions	-	-	-
At 30 June 2022	<u>3,816</u>	<u>10</u>	<u>3,826</u>
Amortisation and impairment			
At 1 January 2021, 30 June 2021 and 31 December 2021	-	-	-
Impairment	-	-	-
At 30 June 2022	<u>-</u>	<u>-</u>	<u>-</u>
Net book value at 30 June 2022	<u>3,816</u>	<u>10</u>	<u>3,826</u>
Net book value at 31 December 2021	<u>3,816</u>	<u>10</u>	<u>3,826</u>
Net book value at 30 June 2021	<u>3,816</u>	<u>10</u>	<u>3,826</u>

The Group owns several licences over liquor brands. The carrying value of intangible assets have been reviewed for impairment and no impairment was considered necessary.

5. INVESTMENTS IN ASSOCIATES

On 1 July 2021 the Group acquired a 51% interest in For Mir LLC through Legacy Retail Group LLC. For Mir LLC operates De Rhum Spot a bar in Washington DC. Having reviewed the operating agreement, the directors do not consider that the Group has control of For Mir LLC and has accounted for it as an associate undertaking. Under the terms of the agreement the Group is liable for the first \$70,000 of losses and thereafter they are apportioned according to shareholding. The movement in the investment in the associated undertaking was:

	30 June 2022	31 December 2021
	\$'000	\$'000
At beginning of period	64	-
Investment	-	136
Share of loss for year	(24)	(72)
At end of period	<u>40</u>	<u>64</u>

6. LOANS

The movement in loans is shown below.

	30 June 2022	31 December 2021
	\$'000	\$'000
Convertible loans		
Balance at beginning of period	151	1,266
Converted into shares	-	(1,351)
Loss on conversion	-	176
Interest charged	-	15
Foreign exchange	(16)	45
Balance at end of period	<u>135</u>	<u>151</u>
Non-convertible loans		
Balance at beginning of period	5	68
Loans received	-	5
Repaid in cash	-	(68)
Balance at end of period	<u>5</u>	<u>5</u>

7. SHARE CAPITAL

The movement in ordinary shares and share premium in the period was as follows:

	Number	Nominal amount (USD \$'000)	Share premium (USD \$'000)
As at 1 January 2021	36,748,500	46	3,529
Shares issued for loan conversions	32,741,450	45	1,306
Shares issued for cash	12,185,714	17	1,130
Shares issued in payment of fees	4,510,270	6	434
Share issue costs	-	-	(105)

At 30 June 2021	86,185,934	114	6,294
Shares issued in payment of creditors	1,000,000	1	93
Shares issued for cash	2,857,142	4	267
Share issue costs	-	-	(27)
At 31 December 2021	90,043,076	119	6,627
Movement in period	-	-	-
At 30 June 2022	90,043,076	119	6,627

8. ULTIMATE CONTROLLING PARTY

The Company has no ultimate controlling party