ROGUE BARON PLC

ANNUAL REPORT

FOR THE 9 MONTHS ENDED

30 SEPTEMBER 2022

Company No 11726624

ROGUE BARON PLC

ANNUAL REPORT

For the period ended 30 September 2022

Company registration number:	11726624
Registered office:	78 Pall Mall St James's London SW1Y 5ES
Directors:	Ryan Dolder Hamish Harris Tomoya Daimon Jon Smith Charles Wood (appointed 11 November 2022)
Company Secretary:	Westend Corporate LLC
Bankers:	Tide Bank Prepay Solutions 6th Floor 3 Sheldon Square London W2 6HY
Solicitors:	Hill Dickinson LLP The Broadgate Tower 20 Primrose Street London EC2A 2EW
Auditors:	PKF Littlejohn LLP Statutory auditor 15 Westferry Circus London E14 4HD

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For the period ended 30 September 2022

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ROGUE BARON PLC

DIRECTOR'S STATEMENT & STRATEGIC REPORT

For the period ended 30 September 2022

Rogue Baron plc ("the Company" or "Rogue") has made substantial progress towards the goals it set out for 2022. In spite of significant global challenges continuing from the Covid pandemic, not least the lingering disruptions on international shipping in the early part of the year and high-cost inflation, the Company has been successful in increasing its global distribution.

2022 remained a difficult time for the bar/restaurant industry. The ability to hire labour in the industry became extremely hard even at premium pay rates. This led to the decision to close De Rhum Spot Bar. The sale will have no effect on Rogue Baron's revenue as the investment was a non-controlling stake. It will allow management to fully concentrate on its flagship Shinju whisky. Bars, particularly in a post covid world, rather than facing inflationary cost pressure, sourcing staff and spending time and cost on accounting.

From the beginning of 2022 to date, Rogue has placed Shinju in a number of new markets in the U.S. and has now officially launched the Shinju brand with the second-largest distributor in the U.S. in November. Starting in only one market, the plan is to roll out Shinju across the U.S. in 2023 through the distributor's national footprint. The effect of the new distributor is already evident despite sales initially in only the Maryland / Washington DC market with that particular distributor.

The Shinju brand also saw a strong start to sales in the UK, with the launch of the 8-year-old 'Black Pearl' extension leading the way. The UK distribution has expanded not least with the availability of Shinju on both Amazon and the Whisky Exchange. In addition, the UK based brand manager has made good headway in getting Shinju listed in a number of trade locations in the UK, a majority in London, as well as pushing additional sales in multiple EU countries where a number of distribution agreements have also been signed i.e. Spain, Switzerland and Austria.

Included in the UK launch was one of the most exciting pieces for the Company, the introduction of Shinju's first aged extension. Very few of the newer Japanese whiskies have multiple expressions, especially aged expressions. Aged Japanese whisky has been in very limited capacity, with many brands having to pull their aged expressions due to the lack of supply. Rogue feels it is a perfect time to launch its 8-year old whiskey as aged expressions are in high demand from customers. The 8-year old whiskey should open many new accounts for the Company. Part of the sales strategy the Company will employ is requiring accounts that want the 8-year to also carry the original. This will continue to increase the sales of the original Shinju expression as well. The 8-year will carry a premium which will increase the revenues and margins for the Company.

Sales in the period to September 2022 were impacted by not having stock available in Q1 due to shipping delays, and an intentional slowdown in sales while we transitioned to our new distributor. Once the transition to the new distributor was finalized the Company recommenced full sales in October and sold approximately 930 cases of Shinju in Q4 2022 globally, which was an increase of approximately 100% compared to the same period in 2021, resulting in revenues of approximately USD 126,000.

The Company has a positive outlook on 2023 for sales and margins due to subsiding shipping issues the Company has dealt with over the past couple years. Delays in finding space on ships is starting to ease. This will allow the Company to maintain consistent supply to meet Shinju's market demand. In 2022, due to shipping delays, the Company went nearly five months without product available to sell.

Product margins should also increase in 2023 as shipping costs are starting to come back to pre-Covid levels. In early 2022 the Company shipped a container to New Jersey and a container to Los Angeles. The cost for just the shipping to New Jersey was $22,000 and to Los Angeles it was $17,000. Recent container shipping from Japan is now down to $4,000 - $6,000 per container. This will make a big difference in the Company's profit margins going forward. The Company plans to make a big marketing push to increase the velocity and turnover in its current markets, while also expanding into new markets

Results for the period

The loss before tax on continuing operations for the period amounted to $604,000 (2021: $1,339,000) which includes staff cost amounting $ 215,000 (2021: $226,000) and professional and consultancy fees amounting to $201,000 (2021: $233,000).

Net assets have decreased from $4,794,000 to $4,127,000.

Key performance indicators

Due to the size of the Group, the Group currently monitors progress with particular reference to the following key performance indicators:

Revenue
Revenue from the sales of Shinju has decreased from $299,000 to $146,000 reflecting both the shorter trading period and the difficulties experienced with shipping in the early part of the period.

Loss before taxation
The loss before taxation on continuing operations decreased from $1,339,000 to $604,000 reflecting the shorter trading period and the non- recurring costs of listing and significant non-cash loss on the conversion of loan notes in 2021.

Principal risks and uncertainties

As a relatively small but growing business our senior management is naturally involved day to day in all key decisions and the management of risk. Where possible, structured processes and strategies are in place to monitor and mitigate as appropriate. This involves a formal review at Board level. The directors are of the opinion that a thorough risk management process has been adopted which involves a formal review of the principal risks identified below. Where possible, processes are in place to monitor and mitigate such risks.

Economic downturn
The success of the business is reliant on consumer spending. An economic downturn, resulting in reduction of consumer spending power, will have a direct impact on the income achieved by the Group. In response to this risk, senior management aim to keep abreast of economic conditions. In cases of severe economic downturn, marketing and pricing strategies will be modified to reflect the new market conditions.

High proportion of fixed overheads and variable revenues
A large proportion of the Group’s overheads are fixed. There is the risk that any significant changes in revenue may lead to the inability to cover such costs. Senior management closely monitor fixed overheads against budget on a monthly basis and cost saving exercises are implemented wherever possible when there is an anticipated decline in revenues.

Competition
The market in which the Group operates is highly competitive. As a result, there is constant downward pressure on margins and the additional risk of being unable to meet customer expectations. Policies of constant price monitoring and ongoing market research are in place to mitigate such risks.

Failure to ensure brands evolve in relation to changes in consumer taste
The Group’s products are subject to shifts in fashions and trends and the Group is therefore exposed to the risk that it will be unable to evolve its brands to meet such changes in taste. The Group carries out regular consumer research on an ongoing basis in an attempt to carefully monitor developments in consumer taste.

Portfolio management
A key driver of the Group’s success lies in the mix and performance of the brands which form the Group’s portfolio. The Group constantly and carefully monitors the performance of each brand within the portfolio to ensure that its individual performance is optimised together with the overall balance of performance of all brands marketed and sold by the Group.

I would like to pay tribute to the continued hard work of our CEO Ryan Dolder and his team in what has been very trying circumstances over the last 18 months. I also thank all our shareholders and stakeholders for their continued support and look forward to updating them as we progress forward.

Section 172 Statement

This section serves as the Directors' Section 172 statement and should be read in conjunction with the Director's Statement and Strategic Report and the Report from the Company's Corporate Governance Committee. This disclosure describes how the Directors have had regard to the matters set out in section 172(1)(a) to (f) and forms the Directors' statement required under section 414CZA of The Companies Act 2006.

The matters set out in Section 172(1) (a) to (f) are that a Director must act in the way they consider, in good faith, which would be most likely to promote the success of the Company for the benefit of its stakeholders as a whole, and in doing so have regard (amongst other matters) to:

(a) the likely consequences of any decision in the long term;
(b) the interests of the Company's employees;
(c) the need to foster the Company's business relationships with suppliers, customers and others;
(d) the impact of the Company's operations on the community and the environment;
(e) the desirability of the Company maintaining a reputation for high standards of business conduct; and
(f) the need to act fairly between members of the Company.

In the above Director's statement and Strategic Report of this Annual Report, the Company has set out the short to long term strategic priorities, and described the plans to support their achievement.

The analysis below has been split into two distinct sections, the first to address Stakeholder engagement, which provides information on stakeholders, issues and methods of engagement, disclosed by stakeholder group. The second section addresses principal decisions made by the Board and focuses on how the regard for stakeholders influenced decision-making.

Stakeholder mapping and engagement activities within the reporting period.

The Company continuously interacts with a variety of stakeholders important to its success, such as equity investors, business partners, workforce, government bodies, suppliers and advisors. The Company strives to strike the right balance between engagement and communication. Furthermore, the Company works within the limitations of what can be disclosed to the various stakeholders with regards to maintaining confidentiality of market and/or commercially sensitive information.

The table below acts as our Section 172 statement by setting out the key stakeholder Groups and how the Group has engaged with them over the reporting period.

Who: Key Stakeholder Groups	Why: why is it important to engage this group of stakeholders	How: how Rogue Baron engaged with the stakeholder group and outcomes
Equity Investors and Business Partners	Access to capital is of vital importance to the Group to ensure long-term success.	The Board engages with investors at the AGM, through RNS releases and maintains regular dialogue with key investors, and business partners
Workforce	The Group's long-term success is predicated on the commitment of our workforce to our vision and the demonstration of our values on a daily basis.	The Group company has no employees but relies on contractors. As the Company grows we expect this to change and will put in place appropriate policies.
Key suppliers and Advisors	A good relationship with key suppliers is essential to ensure timely supplies so as to not interrupt mining and processing. Key advisors are essential to ensure we maintain good governance in all areas.	Regular communication takes place with all key advisors and suppliers. The Group has not experienced any problems with suppliers or corporate governance issues during the period.
Governmental Bodies	The Group maintains licences required to trade in the relevant jurisdictions.	The Group maintains a dialogue and keeps up to date with any changes in requirements. The Group has had no problems in this regard.

Hamish Harris
Director
31 March 2023

The Directors present their annual report together with the financial statements of the Group for the nine month period ended 30 September 2022.

Principal activity

Rogue Baron Plc is a diversified group in the premium spirit, wine and beer sector with a primary focus on distribution, brand development and strategic acquisitions in North America, and the U.K/Western Europe.

The Group commenced operations when it acquired a number of subsidiaries on 1 July 2020 and at present operates within the United Kingdom with its subsidiaries operating in the United States, the largest beverage market in the world.

Domicile and principal place of business

Rogue Baron Plc is domiciled in the UK, which is currently also the parent company's principal place of business. The principal place of business of the Group is the USA.

Significant Shareholders

At 14 March 2023 the following had notified the Company of disclosable interests in 3% or more of the nominal value of the Company's shares:

Shareholder	Number of Ordinary Shares held	Percentage of Issued Share Capital
Gunsynd Plc	21,543,563	23.93%
Thomas Grant and Company Nominees Limited	10,188,696	11.32%
Ryan Dolder	9,353,685	10.39%
Janon Costley	5,411,209	6.01%
Jim Nominees Limited	4,646,268	5.16%
Jim Nominees Limited	3,941,115	4.38%
Barnard Nominees Ltd	3,100,000	3.44%
Chris Akers	3,000,000	3.33%
Global Investment Strategy UK Limited	2,866,160	3.18%

Financial risk management objectives and policies

Rogue Baron Ltd's operations expose it to a variety of financial risks that include the effects of changes in market risk (including currency risks and interest rate risks), credit risk and liquidity risk. The Company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Company by monitoring levels of debt finance and the related finance costs. The Company does not use derivative financial instruments to manage currency risk and interest rate costs and as such, no hedge accounting is applied.

Given the size of the Group, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board.

Price risk
The Group is exposed to price risk due to normal inflationary increases in the purchase price of the goods and services it purchases in the UK. The Group has no exposure to equity securities price risk as it holds no listed or other equity investments.

Credit risk
The Group has minimal customers to whom they provide credit and therefore there is minimal credit risk. The Board will keep this under review.

Liquidity risk
The Group actively maintains a mixture debt finance that is designed to ensure the Group has sufficient available funds for operations and planned expansions.

Interest rate risk
The Group has interest bearing liabilities. The interest on the Group debt has been negotiated on a case by case basis. The director will revisit the appropriateness of this as the Group's operations change in size or nature. Most of the interest bearing liabilities were settled via conversion in 2021.

Exchange rate risk
The Group operates in the UK and carries out transactions in Sterling and US dollars. The Group does not have a policy to hedge but will continue to keep this under review. The Group operates foreign currency bank accounts to help mitigate the foreign currency risk.

Maturity of borrowings
Of the borrowings at 30 September 2022, $167,000 (31 December 2021: $156,000) is due to be repaid within one year and Nil is due after one year (2021: $Nil). The loans were all at fixed interest rates, and therefore carry no interest rate risk.

The Group maintains director's and officers' liability insurance which gives appropriate cover for any legal action brought against its directors.

Directors

The current membership of the Board and those directors who served during the period is set out below.
Ryan Dolder
Hamish Harris
Tomoya Daimon
Jon Smith (resigned 11 November 2022)
Charlie Wood (appointed 11 November 2022)

The Directors' interests in the share capital of the Company at 30 September 2022 were:

	At 30 September 2022		**At 31 December 2021**	
Director	**Shares**	**Options**	**Shares**	**Options**
Ryan Dolder	9,353,685	413,724	9,353,685	413,724
Hamish Harris	1,000	3,723,676	1,000	3,723,676
Alexander Barblett	-	-	-	-
Tomoya Daimon	-	413,724	-	413,724
Jon Smith	-	-	-	-
Charlie Wood	-	-	-	-

Environmental Responsibility
The Group is aware of the potential impact that its investee companies may have on the environment. The Group ensures that it, and its subsidiary companies at a minimum comply with the local regulatory requirements and local industry best practice with regard to the environment.

Supplier Payment Policy
The Group's policy is to agree terms and conditions with suppliers in advance; payment is then made in accordance with the agreement provided the supplier has met the terms and conditions. Suppliers are typically paid within agreed terms.

Employment Policies
The Group will be committed to promoting policies which ensure that high calibre employees are attracted, retained and motivated, to ensure the ongoing success for the business. Employees and those who seek to work within the Group are treated equally regardless of sex, marital status, creed, colour, race or ethnic origin.

Annual General Meeting ("AGM")
This report and financial statements will be presented to shareholders for their approval at the AGM. The Notice of the AGM will be distributed to shareholders together with the Annual Report.

Health and Safety
The Group's aim will always be to achieve and maintain the highest standard of workplace safety. In order to achieve this objective, the Group sets demanding standards for workplace safety and will provide comprehensive training and support to employees.

Auditor
PKF Littlejohn LLP were reappointed as auditors of the Group and in accordance with Section 285 of the Companies Act 2006, a resolution proposing they be reappointed will be proposed at the next Annual General Meeting.

Going Concern
The Directors have prepared cash flow forecasts for the period ending 31 March 2024 which take account of the current cost and operational structure of the Group.

In forming the conclusion that it is appropriate to prepare the financial statements on a going concern basis the Directors have made the following assumptions that are relevant to the next twelve months:
– in the event that the Company's investments require further funding, sufficient funding can be obtained; and
– in the event that operating expenditure increases significantly as a result of successful progress with regards to the Group's business, sufficient funding can be obtained.

The cost structure of the Group comprises a high proportion of discretionary spend and therefore in the event that cash flows become constrained, costs can be quickly reduced to enable the Group to operate within its available funding. As a company that is not yet in a position of being cash flow positive, the Directors are aware that the Group must go to the marketplace to raise cash to meet its investment plans.

The Group has previously constantly demonstrated its ability to raise further cash by way of completing placings during the prior years, and is confident of further equity fund raising where necessary. Therefore, they are confident that existing cash balances, along with the any new funding would be adequate to ensure that costs can be covered.

The Directors are therefore of the opinion that the Group has adequate financial resources to enable it to continue in operation for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Statement of Disclosure to the Auditor

In the case of each person who was a Director at the time this report was approved:

- So far as that Director was aware there was no relevant available information of which the Group's auditor was unaware; and
- That Director had taken all necessary steps to make themselves aware of any relevant audit information, and to establish that the Group's auditors were aware of that information.

Directors' Responsibilities Statement

The Directors are responsible for preparing the Group's Annual Report and financial statements in accordance with applicable law and regulations.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK-adopted international accounting standards.

The Directors must not approve the financial statements unless they are satisfied they give a true and fair view of the state of affairs and profit or loss of the Company and Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the transactions of the Group, and disclose with reasonable accuracy at any time the financial position of the Group and enable him to ensure financial statements comply with applicable regulations. The Directors are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Electronic Communication

The maintenance and integrity of the Group's website is the responsibility of the Directors: the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

BY ORDER OF THE BOARD

Ryan Dolder
Chief Executive Officer
Company Number: 11726624
31 March 2023

In the following statement we give a summary of how our board and its committees operate and how we are applying the ten principles of the QCA Code.

PRINCIPAL ONE

Business Model and Strategy
The Board has concluded that the highest medium and long term value can be delivered to its shareholders by creating and building brands in the liquor sector. The company has to date created a Japanese Whiskey brand which has shown strong growth in the USA in terms of reach and brand awareness. The company also intends to expand into other areas of the liquor industry such as tequila.

PRINCIPAL TWO

Understanding Shareholder Needs and Expectations
The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company has close ongoing relationships with its private shareholders. Shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting as COVID restrictions are lifted. Investors also have access to current information on the Company though this website.

PRINCIPAL THREE

Considering wider stakeholder and social responsibilities
The Board recognises that the long term success of the Company is reliant upon the efforts of the employees of the Company and its contractors, suppliers, regulators and other stakeholders. The Company has close ongoing relationships with a broad range of its stakeholders. The Company maintains open and ongoing dialogue with regulators and local communities in which it operates to ensure that operations are conducted in full compliance with all applicable laws and regulations, as well as avoiding any actually negative impact on local communities. The Board regularly reviews and assesses its key resources and relationships and has established processes and systems to ensure that there is close oversight and contact with its key stakeholders. The Board has regular meetings with employees, contractors and consultants to assess operational processes which are designed to ensure that there is an open dialogue with each person engaged by the Company to help establish best operational practice in achieving its goals and targets, and delivering on its business strategy.

PRINCIPAL FOUR

Risk Management
In addition to its other roles and responsibilities, the Audit Committee is responsible to the Board for ensuring that procedures are in place and are being implemented effectively to identify, evaluate and manage the significant risks faced by the Company. The risk assessment matrix below sets out those risks, and identifies their ownership and the controls that are in place. This matrix is updated as changes arise in the nature of risks or the controls that are implemented to mitigate them. The Audit and Compliance Committee reviews the risk matrix and the effectiveness of scenario testing on a regular basis. The following principal risks and controls to mitigate them, have been identified:

ACTIVITY	RISK	IMPACT	CONTROL(S)
Financial	Liquidity, market and credit risk Inappropriate controls and accounting policies	Inability to continue as a going concern Reduction in asset values Incorrect reporting of assets	Robust capital management policies and procedures The board agrees and signs off all annual reports which detail accounting policies. Due to size of the company – the board discusses and agrees all payments over £50,000.
Regulatory adherence	Breach of rules	Censure/loss of product approval	Strong compliance regime instilled at all levels of the Company
Strategic	Damage to reputation Inadequate disaster recovery procedures	Inability to secure new capital or investments Loss of key operational and financial data	Effective communications with shareholders coupled with consistent messaging to potential investees Robust compliance Off-site storage of data
Management	Recruitment and retention of key people	Reduction in operating capability	Stimulating and safe working environment Balancing salary with longer term incentive plans

The Directors have established procedures, as represented by this statement, for the purpose of providing a system of internal control. An internal audit function is not considered necessary or practical due to the size of the Company. The Board has established appropriate reporting and control mechanisms to ensure the effectiveness of its control systems.

PRINCIPAL FIVE

A Well Functioning Board of Directors

As at the date hereof the Board comprised: the Executive Director & CEO Ryan Dolder, Executive Chairman Hamish Harris and Non-executive Directors Tomoya Daimon and Jon Smith. Biographical details of the current Directors are set out within Principle Six below. Executive and Non-Executive Directors are subject to re-election at intervals of no more than 3 years. Executive Directors are considered to be full time employees whilst the Non-Executive Directors are considered to be part time but are expected to provide as much time to the Company as is required. The Board elects a Chairman to chair every meeting.

The Board intends to meet formally at least 4 times per annum but regular contact is maintained so that all directors are informed of relevant developments and are able to have discussions whenever required. It has established an Audit Committee and a Remuneration Committee, particulars of which appear hereafter. The Board has agreed that appointments to the Board are made by the Board as a whole and so has not created a Nominations Committee. All Non-Executive Directors are considered to be part time but are expected to provide as much time to the Company as is required. The Board considers that this is appropriate given the Company's current stage of operations. It shall continue to monitor the need to match resources to its operational performance and costs and the matter will be kept under review going forward.

Tomoya Daimon and Jon Smith are to be considered by the Board to be Independent Directors. The Board notes that the QCA recommends a balance between executive and non-executive Directors and recommends that there be two independent non-executives which it fulfils.

Attendance at Board and Committee Meetings

The Company shall report annually on the number of Board and committee meetings held during the period and the attendance record of individual Directors. In order to be efficient, the Directors intend to meet formally and informally both in person and by telephone at least four times a year.

PRINCIPAL SIX

Appropriate Skills and Experience of the Directors
The Board currently consists of four Directors. The Company believes that the current balance of skills in the Board as a whole, reflects a very broad range of commercial and professional skills across geographies and industries and each of the Directors has experience in public markets.

The Board recognises that it currently has a limited diversity and this will form a part of any future recruitment consideration if the Board concludes that replacement or additional directors are required.

The Board shall review annually the appropriateness and opportunity for continuing professional development whether formal or informal. Currently each of the board are involved in financial markets and increase their awareness and skills via reading and participation in commercial transactions from time to time.

The board comprises:

Ryan Dolder– CEO and Chairman
Mr Ryan Dolder co-founded Human Brands in 2014. Mr Dolder had previously worked for Randy Gerber's Midnight Oil Group and helped to open the Whisky Sky bar in Chicago. Mr Dolder later worked for the Bortz Entertainment Group where he ran two bar/nightclubs in Chicago. In 2008 Mr Dolder took a break from the beverage industry and worked for Citigroup in the Eurodollar options pit at the Chicago Mercantile Exchange. Mr Dolder subsequently returned to the beverage industry to develop new beverage brands with his business partners in Asia. This partnership resulted in the formation of the Human Brands enterprise.

Hamish Harris– ***Executive Director***
Mr Hamish Harris holds a Bachelor of Commerce and has held positions within market risk management at a number of financial institutions including Nomura Group, Deutsche Bank AG and BZW plc in Singapore, Hong Kong and London. Since 2012, Mr Harris has been involved with a number of companies listed in London and Australia primarily, but not exclusively, in the area of natural resources.

Tomoya Daimon– ***Non-Executive Director***
Mr Tomoya Daimon has been involved in the Japan wine and spirits industry during the last decade. During that time he has worked across sales, logistics, and buying at some of the largest beverage companies in Japan. Tomoya has a deep knowledge of whisky in particular and has forged relationships with various distilleries across the country. Tomoya has also led a logistics division which managed and shipped product across all Asia countries.

Charles Wood – ***Non-Executive Chairman***
Charlie Wood is a highly experienced corporate finance executive with wide ranging international and capital markets experience. Mr Wood is a Partner of Orana Corporate, a London based FCA regulated boutique corporate advisory firm.

Company Secretary:
Westend Corporate LLP is the appointed company secretary of the Company, being suitably qualified pursuant to section 273 of the Companies Act 2006.

PRINCIPAL SEVEN

Evaluation of Board Performance
Internal evaluation of the Board, the Committee and individual Directors is undertaken on an annual basis in the form of informal discussions.

The annual report details the progress which the board and company has made for the period.

No succession planning is deemed necessary at this point due to the small size of the company.

Each director is also assessed by shareholders on a three year rotation basis at AGM when their re-appointment is due.

PRINCIPAL EIGHT

The Board recognises that its decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. The Board is aware that the tone and culture set by the Board will greatly impact all aspects of the Company as a whole and the way that employees behave. The corporate governance arrangements that the Board has adopted are designed to ensure that the Company delivers long term value to its shareholders and that shareholders have the opportunity to express their views and expectations for the Company in a manner that encourages open dialogue with the Board.

The directors consider that at present the Company has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge. The Company has adopted a code for Directors' and employees' dealings in securities which is appropriate for a company whose securities are traded on Aquis Stock Exchange and is in accordance with the requirements of the Market Abuse Regulation which came into effect in 2016.

PRINCIPAL NINE

Maintenance of Governance Structures and Processes
Ultimate authority for all aspects of the Company's activities rests with the Board, the respective responsibilities of the Chairman and Executive Director arising as a consequence of delegation by the Board. The Board has adopted appropriate delegations of authority which set out matters which are reserved to the Board. The Chairman is responsible for the effectiveness of the Board, while management of the Company's business and primary contact with shareholders has been delegated by the Board to the Executive Directors.

Audit Committee
The Audit Committee comprised of Tomoya Daimon and Ryan Dolder (Chairman). This committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Company is properly measured and reported. It receives reports from the executive management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Company. The Audit Committee shall meet not less than twice in each financial year, and it has unrestricted access to the Company's auditors.

Remuneration Committee
The Remuneration Committee comprises Tomoya Daimon and Ryan Dolder (Chairman). The Remuneration Committee reviews the performance of the executive directors and employees and makes recommendations to the Board on matters relating to their remuneration and terms of employment. The Remuneration Committee also considers and approves the granting of share options pursuant to the share option plan and the award of shares in lieu of bonuses pursuant to the Company's Remuneration Policy.

Nominations Committee
The Board has agreed that appointments to the Board will be made by the Board as a whole and so has not created a Nominations Committee.

Non-Executive Directors
The Board has appointed 2 Non-Executive Directors.
In accordance with the Companies Act 2006, the Board complies with: a duty to act within their powers; a duty to promote the success of the Company; a duty to exercise independent judgement; a duty to exercise reasonable care, skill and diligence; a duty to avoid conflicts of interest; a duty not to accept benefits from third parties and a duty to declare any interest in a proposed transaction or arrangement.

PRINCIPAL TEN

Shareholder Communication

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company has close ongoing relationships with its private shareholders. Shareholders have the opportunity to discuss issues and provide feedback at meetings with the Company. In addition, all shareholders may attend the Company's Annual General Meeting. The company's website details various information: annual reports, AGM notice of meetings and RNS announcements detailing results of meetings and other relevant information.

On behalf of the Board, I am pleased to present the Directors' Remuneration Report summarising the Company's remuneration policy and providing information on the Company's remuneration approach and arrangements for Executive Directors, Non-Executive Directors and Senior Executive Management for the period ended 30 September 2022.

This report is prepared in accordance with the QCA Remuneration Committee Guide for small and mid-sized quoted companies, revised in 2020. A summary of the Remuneration Committee's role, membership and relevant qualifications can be found in the corporate governance section.

The Board recognises that Directors' remuneration is of legitimate concern to the shareholders. The Company operates within a competitive environment; performance depends on the individual contributions of the Directors and employees, and it believes in rewarding vision and innovation.

Policy on executive Directors' remuneration

The policy of the Board is to provide executive remuneration packages designed to attract, motivate and retain Directors of the calibre necessary to maintain the Company's position and to reward them for enhancing shareholder value and return. It aims to provide sufficient levels of remuneration to do this but to avoid paying more than is necessary. The remuneration will also reflect the Directors' responsibilities and contain incentives to deliver the Company's objectives.

Bonuses

No bonuses were paid in the period to 30 September 2022. A bonus of $27,513 was paid to R Dolder during the year to 31 December 2021.

Benefits in kind

No benefits in kind were paid during the period from 1 January 2022 to 30 September 2022 or for the year ended 31 December 2021.

Notice periods

H Harris and R Dolder have six month notice periods and the other directors have a three month notice period.

REPORT ON REMUNERATION

For the period ended 30 September 2022

The remuneration of the Directors was as follows:

	H Harris	**A Barblett (resigned 8 November 2021)**	**R Dolder**	**T Daimon**	**J Smith (appointed 12 June 2021)**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Period to 30 September 2022						
Salary and fees	33,975	-	37,750	27,000	28,312	**127,037**
Bonus	-	-				**0**
Pension contributions	843	-	-	-	849	**1,692**
Total	**34,818**	**-**	**37,750**	**27,000**	**29,161**	**128,729**
Employers NI	**3,248**	**-**	**-**	**-**	**2,420**	**5,668**
Year to 31 December 2021						
Salary and fees	49,523	35,329	45,855	33,600	22,667	**186,974**
Bonus	-	-	27,513	-	-	**27,513**
Pension contributions	970	648	151	-	619	**2,389**
Total	**50,494**	**35,978**	**73,519**	**33,600**	**23,286**	**216,877**
Employers NI	**4,017**	**3,192**	**-**	**-**	**1,740**	**8,949**

At 30 September 2022 the following amounts were outstanding to directors; H Harris $10,283 (2021: $Nil) R Dolder $14,696 (2021: $Nil) J Smith $12,237 (2021: $Nil).

The high and low share price for the period were 6.175p and 1.525p respectively (year ended 31 December 2021: 8.85p and 6.175p). The share price at 30 September 2022 was 1.525p (31 December 2021: 6.175p).

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ROGUE BARON PLC FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Opinion

We have audited the financial statements of Rogue Baron Plc (the ‘parent company’) and its subsidiaries (the ‘group’) for the period from 1 January 2022 to 30 September 2022 which comprise the group statement of comprehensive income, the group and company statements of financial position, the group and company statements of changes in equity, the group and company cash flow statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the state of the group’s and of the parent company’s affairs as at 30 September 2022 and of the group loss for the period then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter - recoverability of inventory

We draw your attention to Note 3 of the financial statements, which describes the group’s assessment over the inventory balance held in Mexico. The group have explained their assessment over the recoverability of the inventory in Mexico of £464,000. within the critical accounting estimates and concluded that whilst no sales have been recorded to date, the inventory is kept in good condition and it is the intention of the Directors to commence sales of these inventories over the medium term. The financial statements do not include any adjustment that would result if the group was unable to fully recover the values of the inventories held in Mexico.

Our opinion is not modified in this respect.

Other Matter

The group and parent company opening balances as at and for the year ended 31 December 2021 had a modified audit report by way of a Disclaimer due to the fact that we were not able to observe the counting of physical inventories at the beginning and end of last year.

In addition, management were not able to provide us with all the supporting documentation to support material receipts and payments relating to one of the Group’s subsidiaries called “1301 Bin” which was a discontinued operation in the year to 31 December 2021.

However, we were able to resolve these matters during the year, as we have observed the physical count of inventories as at 30 September 2022 and for the significant lines of inventory there was no material movement during the period. Further, Bin 1301 operations were discontinued last year and during the period Bin 1301 was disposed-of and all balances relating to Bin 1301 are eliminated from the financial statements of the Group as at 30 September 2022.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ROGUE BARON PLC FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2 in the financial statements, under the heading 'Going concern' concerning the ability of the group and parent company to continue as a going concern. Based on our discussion with management and our review of the group and parent company's cash flow forecasts and projections, it was noted that the Group needs to raise additional funds within twelve months of the date of the approval of these financial statements.

As stated in note 2, these events or conditions, along with the other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the group and company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group and parent company's ability to continue to adopt the going concern basis of accounting included;

a) Reviewing management's assessment of going concern.
b) Determining if all relevant information has been included in the assessment of going concern including completeness of forecasted expenditure.
c) Analysing cash flow forecasts, reviewing the underlying assumptions in relation to revenue and expenditure and checking mathematical accuracy.
d) Considering the cash position at and after the period end.
e) Reviewing the reasonable worst-case forecast scenario and the financial resources available to deal with this outcome i.e. ability of the group and parent company to raise funds.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures. The materiality applied to the group financial statements was $84,800 (2021 - $66,800) based on 2% of net assets. We based the materiality on net assets because we consider this to be the most relevant performance indicator of the group with low trading activity in the period.

The performance materiality was $59,360 (2021 - $46,700). We set performance materiality at 70% (2021 – 70%) of overall financial statement materiality to reflect the risk associated with the judgemental and key areas of management estimation within the financial statements.

The materiality applied to the parent company financial statements was $80,100 based on 2% of net assets, as there is no revenue recorded in the holding company. The performance materiality was $56,000. For each component in the scope of our group audit, we allocated a materiality that was less than our overall group materiality. As a group which is in the process of growing certain parts of the business whilst simultaneously winding down others, component materiality was set with reference to either revenue, profit before tax or net assets.

We agreed with those charged with governance that we would report all differences identified during the course of our audit in excess of $4,240.

No significant changes occurred during the audit fieldwork which caused us to revise our materiality figures.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ROGUE BARON PLC FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Our approach to the audit

In designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular we looked at areas involving significant accounting estimates and judgements by the Directors and considered future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud. Of all the 3 components of the group, a full scope audit was performed on the complete financial information of 1 component, and for the components not considered significant, we performed a limited scope review which analytical review together with substantive testing as appropriate on group audit risk areas applicable to those components based on their relative size, risks in the business and our knowledge of the entity appropriate to respond to the risk of material misstatement.

The reporting component of the group is located outside United Kingdom and audited by PKF Littlejohn LLP using a team with specific experience of auditing companies operating in the relevant sector and publicly listed entities.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section we have determined the matters described below to be the key audit matters to be communicated in our report.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ROGUE BARON PLC FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Key Audit Matters	How our scope addressed these matters
Revenue recognition	
Under ISA (UK) 240, there is a rebuttable presumption that revenue recognition is a significant fraud risk.	Our work in this area included: • Updating our understanding of the internal control environment in operation for the material income streams and undertaking a walk-through to ensure that the key controls within these systems have been operating in the period under audit; • Undertaking substantive testing of income recognised in the financial statements, including deferred and accrued income balances recognised at the period-end; and • Reviewing post period-end receipts to ensure completeness of income recorded in the accounting period.
Carrying value & classification of Investments in subsidiaries	
The carrying value investments is a material balance in the financial statements of the parent company. Given the losses in the trading subsidiaries, there is a risk that the carrying value is impaired.	We have obtained and critically assessed the directors' impairment review of the carrying value of the parent company's net investment in the subsidiaries. Our work included: • Reviewing the valuation methodology for the investment held and ensuring that the carrying values were supported by sufficient and appropriate audit evidence. • Reviewing and challenging their key assumptions and estimates used as a basis to support carrying value of investment, including comparing the forecasted cash flows to actual results. • Ensuring the parent company has full title to the investments held. • Ensuring that appropriate disclosures surrounding the estimates, including a review of how these estimates were arrived at, are made in respect of impairment are included in the financial statements. Our work indicated that the carrying value is dependent on the ability of the trading subsidiaries to fully realise the potential of the business and to increase sales to levels used in their projections. This will require the need to increase sales substantially over the next 12 to 15 months. The financial statements do not include the adjustments that would result if the subsidiary was unsuccessful in increasing sales to the levels used in their projections.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ROGUE BARON PLC FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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Goodwill and intangible asset impairment

The Group has accumulated losses and, as a result, the Directors have to test goodwill and intangibles assets, including previously capitalised development costs, for impairment.

There remains a degree of uncertainty around expected revenues and profits to be realised and be sufficient to ensure recoverability of the assets recognised on the statement of financial position.

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Our work in this area included:

- Updating our understanding of the internal control environment in operation for the material income streams and undertaking a walk-through to ensure that the key controls within these systems have been operating in the period under audit;
- Obtaining and reviewing the impairment test performed by management to ensure it is in line with the requirements of IAS 36
- Consider the appropriateness of the disclosure included in the financial statements.

We have reviewed the Group’s projections and its value in use calculations that support the carrying value of the Intangible assets and Goodwill, and note that value is dependent on the Group’s ability to significantly increase sales revenue over the short and medium term. The ability to achieve its projected growth plans is also reliant on the Group raising sufficient funds within the next 12 months to ensure it can maintain and increase their projected marketing spend as required. If the Group is unable to raise the required funds in over the next 12 months to meet its expected funding obligations, then it will be unable to meet its legal obligations as they fall due. This will put a significant strain on their day to day operations which may impact its ability to achieve the projected revenue targets which will ultimately lead to an impairment of its Goodwill and Intangible assets.

The financial statements do not include the adjustments that would result if the subsidiary was unsuccessful in increasing sales to the levels used in their projections.

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Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ROGUE BARON PLC FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the group and parent company financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group and parent company financial statements, the directors are responsible for assessing the group and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the group and parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained an understanding in this regard through discussions with management and the application of our cumulative audit knowledge and experience of this sector.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from Companies Act 2006, Aquis Rules and trading regulations applicable to the subsidiaries.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ROGUE BARON PLC FOR THE PERIOD ENDED 30 SEPTEMBER 2022

- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to enquiries of management, review of minutes and Regulatory News Service (RNS) announcements and review of legal and regulatory correspondence.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that the potential for management bias was identified in relation to the impairment assessment of intangible assets and valuation of investments. We addressed this by challenging the assumptions and judgements made by management when evaluating any indicators of impairment.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business and review of bank statements during the period to identify any large and unusual transactions where the business rationale is not clear.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Zahir Khaki (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

31 March 2023

ROGUE BARON PLC

GROUP STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 September 2022

	Notes	**Period ended 30 September 2022**	Year ended 31 December 2021
		$'000	$'000
Revenue	*4*	**146**	299
Cost of sales		**(103)**	(236)
Gross Profit		**43**	63
IPO and related extraordinary costs		**-**	(358)
Payments made in shares		**-**	(440)
Share based payments	*16*	**(4)**	-
Other administrative expenses	*4*	**(728)**	(582)
Exchange differences movement		**85**	(7)
Total administrative expenses		**(647)**	(1,387)
Operating loss		**(604)**	(1,324)
Finance cost		**-**	(15)
Loss before taxation		**(604)**	(1,339)
Tax charge	*5*	**-**	-
Loss after taxation		**(604)**	(1,339)
Profit from assets held for sale	*7*	**(2)**	3
Loss for the year		**(606)**	(1,336)
Other comprehensive income for the period / year			
Exchange difference on translating foreign operations		**(65)**	(37)
Total comprehensive loss for the period / year		**(671)**	(1,373)
Loss attributable to			
- Non-controlling shareholders	*17*	**14**	36
- Equity holders of the parent		**(685)**	(1,372)
		(671)	(1,336)
Total comprehensive loss attributable to			
- Non-controlling shareholders	*17*	**14**	36
- Equity holders of the parent		**(685)**	(1,409)
		(671)	(1,373)
Total earnings per ordinary share			
Basic and diluted loss per share (cents) from continuing operations	*9*	**(0.67)**	(1.69)
Basic and diluted loss per share (cents) from operations held for sale	*9*	**(0.00)**	0.00

The activities of Legacy Group LLC are classified as held for sale in 2021 (see Note 7).

As permitted by section 408 of the Companies Act 2006, the parent company's profit and loss account has not been included in these financial statements. The loss after taxation for the financial year/period for the parent company was $471,000 (2021: $1,208,000).

The accompanying principal accounting policies and notes on pages 27 to 57 form an integral part of these financial statements

ROGUE BARON PLC

GROUP AND COMPANY STATEMENT OF FINANCIAL POSITION

At 30 September 2022

		Group	Group	**Company**	Company
		30 September 2022	31 December 2021	**30 September 2022**	31 December 2021
ASSETS	**Notes**	**$'000**	$'000	**$'000**	$'000
Non-current assets					
Goodwill	*10*	**1,239**	1,464	**-**	-
Intangible assets	*10*	**2,352**	2,352	**-**	-
Investment in subsidiaries	*10*	**-**	-	**4,353**	4,362
		3,591	3,816	**4,353**	4,362
Current assets					
Inventories	*11*	**659**	717	**-**	-
Assets held for sale	*7*	**-**	75	**-**	-
Receivable on sale of subsidiaries		**75**	-	**-**	-
Trade and other receivables	*12*	**268**	325	**522**	631
Cash and cash equivalents		**43**	246	**40**	233
Total current assets		**1,045**	1,363	**562**	864
Total assets		**4,636**	5,179	**4,915**	5,226
LIABILITIES					
Current liabilities					
Trade and other payables	*13*	**342**	39	**245**	35
Loans payable	*14*	**167**	156	**167**	156
Liabilities of assets held for resale	*7*	**-**	190	**-**	-
Total current liabilities and total liabilities		**509**	385	**412**	191
EQUITY					
Share capital	*15*	**119**	119	**119**	119
Share premium		**6,627**	6,627	**6,627**	6,627
Share based payment reserve	*16*	**4**	-	**4**	-
Exchange reserve		**(242)**	(177)	**(242)**	(177)
Retained deficit		**(2,353)**	(1,734)	**(2,005)**	(1,534)
Equity attributable to the equity holders of the Company		**4,155**	4,835	**4,503**	5,035
Non-controlling interest	*17*	**(27)**	(41)	**-**	-
Total equity		**4,128**	4,794	**4,503**	5,035
Total equity and liabilities		**4,636**	5,179	**4,915**	5,226

The financial statements were approved by the Board and authorised for issue on 31 March 2023.

Hamish Harris
Director

Company number: 11726624
31 March 2023

The accompanying principal accounting policies and notes on pages 27 to 57 form an integral part of these financial statements.

ROGUE BARON PLC

GROUP STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2022

	Share capital	Share premium	Exchange reserve	Share based payment reserve	Retained earnings	Equity attributable to the equity holders of the Company	Non-controlling interest	Total equity
`	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 January 2021	**46**	**3,529**	**(140)**	**-**	**(361)**	**3,074**	**(77)**	**2,997**
Share issue	73	3,230	-	-	-	3,303	-	3,303
Share issue costs	-	(132)	-	-	-	(132)	-	(132)
Transactions with owners	73	3,098	-	-	-	3,171	-	3,171
Exchange difference	-	-	(37)	-	-	(37)	-	(37)
Loss for the year	-	-	-	-	(1,373)	(1,373)	36	(1,337)
Total comprehensive loss for the year	-	-	(37)	-	(1,373)	(1,410)	36	(1,374)
Balance at 31 December 2021	**119**	**6,627**	**(177)**	**-**	**(1,734)**	**4,835**	**(41)**	**4,794**
Share based payments	-	-	-	4	-	4	-	4
Transactions with owners	-	-	-	4	-	4	-	4
Exchange difference on translating foreign operations	-	-	(65)	-	-	(65)	-	(65)
Loss for the period	-	-	-	-	(620)	(620)	14	(606)
Total comprehensive loss for the period	-	-	(65)	-	(620)	(685)	14	(671)
Balance at 30 September 2022	**119**	**6,627**	**(242)**	**4**	**(2,354)**	**4,154**	**(27)**	**4,127**

The accompanying principal accounting policies and notes on pages 27 to 57 form an integral part of these financial statements.

ROGUE BARON PLC

COMPANY STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2022

	Share capital $'000	Share premium $'000	Share based payment reserve $'000	Exchange reserve $'000	Retained earnings $'000	Total equity $'000
Balance at 1 January 2021	**46**	**3,529**		**(140)**	**(326)**	**3,109**
Share issue	73	3230	-	-	-	3,303
Share issue costs	-	(132)	-	-	-	(132)
Transactions with owners	73	3,098	-	-	-	3,171
Exchange differences	-	-	-	(37)	-	(37)
Loss for the year	-	-	-	-	(1,208)	(1,208)
Total comprehensive loss for the year	-	-	-	(37)	(1,208)	(1,245)
Balance at 31 December 2021	**119**	**6,627**	**-**	**(177)**	**(1,534)**	**5,035**
Share based payments	-	-	4	-	-	4
Transactions with owners	-	-	4	-	-	4
Exchange differences	-	-	-	(65)	-	(65)
Loss for the period	-	-	-	-	(471)	(471)
Total comprehensive loss for the period	-	-	-	(65)	(471)	(536)
Balance at 30 September 2022	**119**	**6,627**	**4**	**(242)**	**(2,005)**	**4,503**

The accompanying principal accounting policies and notes on pages 27 to 57 form an integral part of these financial statements.

GROUP AND COMPANY CASHFLOW STATEMENT

For the period ended 30 September 2022

	Group Period ended 30 September 2022	Group Year ended 31 December 2021	**Company Period ended 30 September 2022**	Company Year ended 31 December 2021
	$'000	$'000	**$'000**	$'000
Cash flow from operating activities				
Continuing operations				
Loss after taxation	(604)	(1,339)	**(471)**	(1,208)
Finance cost	**-**	15	**-**	15
Loss on conversion of loans	**-**	176	**-**	176
Impairment of investment	**-**	-	**9**	-
Movement in inventories	**58**	(103)	**-**	-
Decrease/(increase)in trade and other receivables	**57**	(166)	**109**	(445)
Share based payments	**4**		**4**	
Expenses settled in shares	**-**	440	**-**	440
Increase/(decrease) in trade and other payables	**308**	(107)	**182**	(74)
Net cash outflow from operating activities from continuing operations	**(177)**	(1,084)	**(167)**	(1,096)
Cash flows from investing activities				
Cash paid to assets held for resale operations	**-**	(33)	**-**	**-**
Net cash outflow from investing activities	**-**	(33)	**-**	-
Cash flows from financing activities				
Proceeds from issue of share capital	**-**	1,418	**-**	1,418
Share issue costs	**-**	(132)	**-**	(132)
Loans received	**39**	5	**39**	5
Loans repaid	**-**	(68)	**-**	(68)
Net cash inflow from financing activities	**39**	1,223	**39**	1,223
Net change in cash and cash equivalents	**(138)**	106	**(128)**	127
Cash and cash equivalents at beginning of period	**246**	131	**233**	97
Exchange difference	**(65)**	9	**(65)**	9
Cash and cash equivalents at end of period	**43**	246	**40**	233

The significant non-cash transactions in 2021 are the payments made in shares (see note 15).

The accompanying principal accounting policies and notes on pages 27 to 57 form an integral part of these financial statements.

1. GENERAL INFORMATION

Rogue Baron Plc has become a public limited company which is listed on the Aquis Stock Exchange "(AQSE") as of 12 March 2021 and incorporated and domiciled in the United Kingdom. The registered office is 78 Pall Mall, St James's, London, SW1Y 5ES.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these Group and Company financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(a) Basis of preparation

These Group and Company financial statements have been prepared in accordance with UK-adopted international accounting standards and in accordance with the requirements of the Companies Act 2006.

The Group and Company financial statements have been prepared under the historical cost convention. These Group and Company financial statements (the "Financial Statements") have been prepared and approved by the Directors on 31 March 2023 and signed by Hamish Harris.

The accounting policies have been applied consistently throughout the preparation of these Financial Statements, and the financial report is presented in US Dollars ($) and all values are rounded to the nearest thousand dollars ($'000) unless otherwise stated.

The preparation of the Group and Company financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Group and Company financial statements, are disclosed in Note 3.

(b) Going Concern

The Directors have prepared cash flow forecasts for the period ending 31 March 2024 which take account of the current cost and operational structure of the Group.

In forming the conclusion that it is appropriate to prepare the financial statements on a going concern basis the Directors have made the following assumptions that are relevant to the next twelve months in the event that the group's investments require further funding, sufficient funding can be obtained and in the event that operating expenditure increases significantly as a result of successful progress with regards to the group's business, sufficient additional funding can be obtained.

The cost structure of the group comprises a high proportion of discretionary spend and therefore, in the event that cash flows become constrained, costs can be quickly reduced to enable the group to operate within its available funding. As a group that is not yet in a position of being cash flow positive, the Directors are aware that the group must go to the marketplace to raise cash to meet its investment plans.

The group has previously constantly demonstrated its ability to raise further cash by way of completing placings during the prior years, and is confident of further equity fund raising where necessary. Therefore, they are confident that existing cash balances, along with the any new funding would be adequate to ensure that costs can be covered.

The Directors are therefore of the opinion that the group has adequate financial resources to enable it to continue in operation for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

(c) Changes in accounting policies and disclosures

New standards, amendments and interpretations adopted by the Group
The Group adopted certain standards and amendments for the first time, which are effective for annual periods beginning on or after 1 January 2022 and are listed in the table. The adoption of these new accounting pronouncements has not had a significant impact on the consolidated financial statements of the Group nor the accounting policies, methods of computation or presentation applied by the Group. These standards and interpretations are listed below:

Standard/Interpretation	Subject
IAS 37	Onerous contracts: Directly related costs are considered when determining if a contract is onerous, including incremental costs of fulfilling a contract and allocation of other direct costs.
IFRS 1	Subsidiary as a first time adopter.
IFRS 9	Fees in the 10 per cent test for derecognition of a financial liability.

Application of the above standards did not impact these consolidated and separate financial statements.

New standards, amendments and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are not yet effective for annual periods commencing on or after 1 January 2023 and have not been applied in preparing these Group and Company financial statements. None of these is expected to have a significant effect on the Group and Company financial statements, except the following set out below:

New Standards	**Effective Date**
- Amendments to IAS 1: Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
- Amendments to IAS 8: Accounting policies, Changes in Accounting Estimates and Errors –Definition of Accounting Estimates	1 January 2023
- Amendments to IAS 12: Income Taxes –Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

(d) Consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition of the subsidiaries acquired in 2020 did not meet the criteria of a business combination. The acquisition was therefore considered to be an asset acquisition.

The group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquire and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquire on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.
Contingent consideration is classified either as equity or as a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the group's accounting policies.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(a) Held for sale

An operation held for sale is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to re-sale.

Held for sale operations are held at fair value and presented in the income statement as a separate line and are shown net of tax. Comparative information in relation to the Consolidated Statement of Comprehensive Income and Consolidated Cashflow Statement has been restated to reflect this presentation.

(e) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

(f) Foreign Currency Translation

(i) **Functional and Presentation Currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("functional currency").

The Group and Company financial statements are presented in United States Dollars ("USD" or "$"), which is the Group's presentation currency. The Company functional currency is Pound Sterling ("GBP" or "£").

(ii) **Transactions and Balances**

Foreign currency transactions are translated into the functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the reporting date. Non-monetary items that are measured at historic cost in a foreign currency are translated at the exchange rate at the date of the transaction and are not re-translated. Non-monetary assets that are measured at fair value in a foreign currency are translated into the functional currency using the exchange rates at the date when the fair value was determined.

Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in the statement of comprehensive income in the period in which they arise.

The parent company's functional currency is GBP and the subsidiaries' functional currency is USD. The presentational currency of the Group is USD which is the currency of the primary economic environment in which the entity operates. In the financial statements, assets and liabilities of the parent company have been translated into USD at the closing rates at the reporting date. Income and expenses have been converted into USD at the exchange rates ruling at the transaction dates, or at the average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any differences arising from this process have been recognised in other comprehensive income and accumulated separately in the translation reserve in equity.

(g) Property, Plant and Equipment

Property, plant and equipment are stated at stated at historical cost less accumulated depreciation and any impairment in value. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on these assets is calculated using the straight-line method to allocate their cost net of their residual values over their estimated useful lives, as follows:

Fixtures and fittings	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(h) Intangible Assets

(i) Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition.

Goodwill is initially recognised at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is not subject to amortisation but is tested for impairment annually.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

For the purpose of impairment testing, goodwill is allocated to cash generating units (CGUs). If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit. An impairment loss for goodwill is not reversed in a subsequent period.

(ii) Brands

For the purpose of impairment testing, brands acquired are allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the acquisition. Each unit or group of units to which the brand is allocated represents the lowest level within the entity at which the brand is monitored for internal management purposes. Brands are monitored at the operating segment level.

Brand impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the brand is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(iii) Trademarks and Licences

Separately acquired trademarks and licences are shown at historical cost. Trademarks and licences acquired in a business combination are recognised at fair value at the acquisition date. Trademarks and licences which have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives.

(i) Impairment of Non-Financial Assets

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment, and some are tested at cash-generating unit level.

Intangible assets with an indefinite useful life and those intangible assets not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised in profit or loss in the statement of comprehensive income, at the amount by which the asset’s or cash-generating unit’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

An impairment loss on other assets is reversed if there has been a favourable change in the estimates used to determine the asset’s recoverable amount and only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined net of depreciation if no impairment loss had been recognised.

(j) Financial Assets

The Group's financial assets include cash, other receivables and financial assets. Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the periods presented the corporation does not have any financial assets categorised as FVOCI.
The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

<u>Subsequent measurement of financial assets</u>

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements would apply.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Impairment of financial assets

The Group considers trade and other receivables individually in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

(k) Classification as financial liabilities or equity

Financial instruments or their component parts are classified according to the substance of the contractual arrangements entered into.

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities under potentially unfavourable conditions. In addition, contracts which result in the entity delivering a variable number of its own equity instruments are financial liabilities.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Dividends and distributions relating to equity instruments are debited directly to equity.

A compound instrument is a non-derivative financial instrument which contains both a liability and an equity component. These components are accounted for separately as financial liabilities and equity components, and are presented separately in the statement of financial position.

Financial liabilities

The Group's financial liabilities comprise trade and other payables and loans payable.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Trade and other payables are recognised initially at fair value, net of direct issue costs, and are subsequently recorded at amortised cost using the effective interest method with interest related charges recognised as an expense in the statement of comprehensive income.

Loans payable are recognised initially at fair value, net of direct issue costs and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are recognised in the statement of comprehensive income on an accruals basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise. The embedded derivative liability, relating to a convertible loan where the carrying liability converts into a variable number of shares, is held at "fair value through profit or loss".

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the statement of comprehensive income.

Convertible loan notes

Convertible loan notes are recognised initially at the transaction price excluding transaction costs. Subsequently, they are measured at amortised cost.

(l) Offsetting Financial Instruments

Financial assets and liabilities are offset, and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

(m) Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The resulting calculations under IFRS 13 affected the principles that the Group uses to assess the fair value, but the assessment of fair value under IFRS 13 has not materially changed the fair values recognised or disclosed. IFRS 13 mainly impacts the disclosures of the Group. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards.

(n) Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(o) Cash and Cash Equivalents

Cash and cash equivalents consist of cash at bank and in hand.

(p) Trade Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less or in the normal operating cycle of the business if longer. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

(q) Leases

The Group has adopted IFRS16 “Leases”. Leases are recorded in the statement of financial position in the form of a right-of-use asset and a lease liability, with the exception of assets of low value and short-term leases of less than 12 months, whereby the Group has taken the practical expedient to not capitalise a right-of-use asset and recognise a lease liability but instead charge to the statement of comprehensive income (net of any incentives received from the lessor) on a straight-line basis over the period of the lease.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset’s useful life and the lease term on a straight-line basis.

The lease is recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset was available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the group’s incremental borrowing rate.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

(r) Current and Deferred Income Tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the Statement of Financial Position date. They are calculated according to the tax rates and tax laws enacted or substantively enacted at the reporting date, based on the taxable result for the period. All changes to current tax assets or liabilities are recognised as a component of income tax in the statement of comprehensive income.

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the financial statements with their respective tax bases. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the Statement of Financial Position date.

Most changes in deferred tax assets or liabilities are recognised as a component of tax in the statement of comprehensive income. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged or credited directly to equity or other comprehensive income are charged or credited directly to equity or other comprehensive income.

(s) Revenue Recognition

The Group recognises revenue in accordance with IFRS 15 which includes five key steps:

Step 1: Identify the contracts with a customer; Step 2: Identify the performance obligations in the contract; Step 3: Determine the transaction price; Step 4: Allocate the transaction price to the performance obligations in the contract; and Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The group derives revenue from the transfer of goods and at a point in time in the major product lines detailed below. Revenues from external customers come from the sale of Liquor on a wholesale and retail basis; the revenue from wholesale sales of liquor relates only to the group's own brand. Revenue is recognised on delivery of goods to customers.

(t) Provisions

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the Statement of Financial Position date, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognised, if virtually certain as a separate asset, not exceeding the amount of the related provision.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long-term provisions are discounted to their present values, where the time value of money is material. All provisions are reviewed at each Statement of Financial Position date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognised in the statement of financial position. Probable inflows of economic benefits to the Group that do not yet meet the recognition criteria of an asset are considered contingent assets.

(u) Equity

Share capital is determined using the nominal value of shares that have been issued. Share premium represents the excess of the issue price over the par value of shares issued.

Other reserves comprise gains and losses on transactions with non-controlling interests and share based payments.

Translation reserves are amounts in respect of translation of overseas subsidiaries, and unrealised exchange differences.

Non-controlling interest comprises amounts arising on business combinations when the entire interest in the company is not acquired by the Group, plus the share of profits or losses of the subsidiary attributed to the independent shareholders.

Retained losses include all current and prior year results as disclosed in the statement of comprehensive income.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting year are discussed below:

Impairment of goodwill and intangible assets

The Group tests annually whether the value of investments, goodwill balances and intangible balances has suffered any impairment, in accordance with the accounting policy. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates. These estimates and assumptions are subject to risk and uncertainties and therefore changes in circumstances will impact the recoverable amount.

Recoverability of Inventories balances

The Group tests annually whether the value of Inventories are at cost or lower than cost (that is net realisable value), in accordance with the accounting policy. The recoverable amounts of the inventory units have been determined based on fair value less cost to sell. These calculations require the use of estimates. These estimates and assumptions are subject to risk and uncertainties and therefore changes in circumstances will impact the recoverable amount.

The directors have separately assessed the recoverability of the inventory in Mexico of £464,000. The Directors have noted that whilst no sales have been recorded to date, the inventory is kept in good condition and it is the intention of the Directors to commence sales of these inventories over the medium term and therefore no impairment is required.

Management has made no other significant judgements nor believe there is any material uncertainty with respect to the Group's reported amounts of assets and liabilities as well as revenue and expenses during the reporting period.

Carrying value of investments

The Directors have prepared forecasts used for going concern purposes and also considered is there needs to be any impairment on Investments in Subsidiaries in accordance with IAS 36 Impairment of Assets.
Following their assessment, they concluded that no impairment is due.

(ii) Critical judgments in applying the Group's accounting policies

The board considers that the most critical judgement it has made is assessing the fair value of shares issued as payment for services and in respect of acquisitions made.

Loan Interest

Management believe that, at the point the loans were advanced, the interest rate being applied to the loans was at market rate given the circumstances of a Group in its infancy.

(iii) Sources of Estimation and Key Judgements

The preparation of the Financial Statements requires the Group to make estimates, judgements and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. The Directors base their estimates on historic experience and various other assumptions that they believe are reasonable under the circumstances, the results of which form the basis of making judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

(iv) Segment reporting

Segmental analysis is not applicable as there is only one operating segment of the continuing business – premium spirit and wine sector.

4. REVENUE, LOSS BEFORE TAXATION AND SEGMENTAL INFORMATION

Management considers that during the period from 1 January 2022 to 30 September 2022 there was only one continuing activity as set out below. The revenue below excludes that of the discontinued operations (note 7).

Total revenue from continuing operations comprises:

Revenue from external customers:

	Period ended 30 September 2022 $'000	Year ended 31 December 2021 $'000
Sale of liquor	**146**	236

Revenues from continuing operations are generated by geographical areas as follows:

	Period ended 30 September 2022 $'000	Year ended 31 December 2021 $'000
United Kingdom	**7**	-
Europe	**15**	-
Rest of World	**124**	236
	146	236

The following customers generated more than 10% of the Group's revenue from continuing operations:

	Period ended 30 September 2022 $'000	Year ended 31 December 2021 $'000
Customer 1	**124**	233

Carrying amount of assets:

	At 30 September 2022 $'000	At 31 December 2021 $'000
United Kingdom	**151**	162
United States of America	**4,485**	5,088
	4,636	5,250

Carrying amount of liabilities:

	At 30 September 2022 $'000	At 31 December 2021 $'000
United Kingdom	**412**	191
United States of America	**97**	193
	494	384

The segmental analysis of the balance sheet is not part of routine management reporting and consequently no activity segmental analysis of assets is shown.

4. REVENUE, LOSS BEFORE TAXATION AND SEGMENTAL INFORMATION (CONTINUED)

Loss before taxation

The loss before taxation is attributable to the principal activity of the Group and is after charging the following administrative expenses:

	Period ended 30 September 2022	Year ended 31 December 2021
	$'000	$'000
Staff costs (see note 6)	**215**	226
Fees payable to the Company's auditor for the audit of the financial statements	**76**	45
Goodwill amortisation (see note 10)	**225**	-
Profit on disposal of assets	**(225)**	-
Professional and consultancy fees	**201**	233
Listing relating costs	**52**	28
Bad debt	**33**	-
Provision for inventories	**80**	-
Other	**71**	64
Total	**728**	596

Segmental information

The Group operates a single primary activity to invest in businesses so as to generate a return for the shareholders.

5. FINANCE COSTS

	Period ended 30 September 2022	Year ended 31 December 2021
	$'000	$'000
Finance costs		
Interest expenses on loans	**-**	15
	-	15

6. EMPLOYEE REMUNERATION

The following was recognised in respect of employee remuneration in the year/period.

	Group Period ended 30 September 2022	Group Year ended 31 December 2021	**Company Period ended 30 September 2022**	Company Year ended 31 December 2021
	$'000	$'000	**$'000**	$'000
Wages and salaries	**207**	187	**100**	153
Bonus	**-**	28	**-**	28
Pension contributions	**2**	2	**2**	2
Social security	**6**	9	**6**	9
	215	226	**108**	192

6. EMPLOYEE REMUNERATION (CONTINUED)

The Directors are the Key Management Personnel of the Group and Company, and the following was recognised in respect of their remuneration.

	Group Period ended 30 September 2022	Group Year ended 31 December 2021	**Company Period ended 30 September 2022**	Company Year ended 31 December 2021
	$'000	$'000	**$'000**	$'000
Directors’ remuneration	**142**	187	**100**	153
Bonus	**-**	28	**-**	28
Pension contributions	**2**	2	**2**	2
Social security	**6**	9	**6**	9
	150	226	**108**	192

The average number of employees during the year/period was:

	Group Period ended 30 September 2022	Group Year ended 31 December 2021	**Company Period ended 30 September 2022**	Company Year ended 31 December 2021
	No.	No.	**No.**	No.
Directors	**4**	4	**4**	4
Other	**-**	-	**-**	-
	4	4	**4**	4

7. OPERATIONS HELD FOR SALE

The activities of Legacy Retail Group LLC have been reclassified as an asset held for sale and are held on the statement of financial position at fair value being the agreed sale proceeds of $75,000. The Group signed a sale agreement for Legacy Retail Group LLC on 28 September 2022 to an unrelated third party, which includes Bin 1301 and its interest in Mir LLC. The sale is expected to complete in the near future.

The following table shows the effect of the disposal.

	$'000
Assets disposed of (see below)	(44)
Liabilities disposed of (see below)	194
Sale proceeds	75
Profit on disposal	225

The summarised financial information for Legacy Retail Group LLC is as follows:

STATEMENT OF COMPREHENSIVE INCOME

	Period ended 30 September 2022 $'000	Year ended 31 December 2021 $'000
Revenue	**-**	543
Cost of sales	**-**	(237)
Gross Profit	**-**	306
Administrative expenses	**32**	(219)
Total administrative expenses	**32**	(219)
Loss from operations held for sale	**32**	87
Loss from associates	**(30)**	(73)
Finance cost	**(4)**	(11)
Loss before and after taxation, and total comprehensive loss attributable to the equity holders of the Company	**(2)**	3

7. OPERATIONS HELD FOR SALE (CONTINUED)

STATEMENT OF FINANCIAL POSITION

	30 September 2022	31 December 2021
ASSETS	**$'000**	$'000
Non-current assets		
Investments	**43**	74
	43	74
Current assets		
Trade and other receivables	**1**	1
Total current assets	**1**	1
Total assets	**44**	75
LIABILITIES		
Current liabilities		
Trade and other payables	**31**	31
Loans payable	**13**	13
Total current liabilities	**44**	44
Liabilities falling due over one year		
Loans	**150**	146
	150	146
Total liabilities	**194**	190

Included in the Group Cash Flow Statement are the following amounts relating to discontinued operations:

	Period ended 30 September 2022 $'000	Year ended 31 December 2021 $'000
Cash flow from operating activities	**-**	124
Cash flow from investing activities	**-**	(9)
Cash flow from financing activities	**-**	11

8. TAXATION

There is no tax charge for the period (year ended 31 December 2021: $nil). The tax on the Group's loss before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	Period ended 30 September 2022	Year ended 31 December 2021
	$'000	$'000
Loss before tax	**(604)**	(1,339)
Tax calculated at domestic tax rates applicable to profits in the respective countries	**(117)**	(271)
Tax effects of:		
Expenses not deductible for tax purposes	**2**	121
Tax losses for which no deferred income tax asset was recognised	**115**	135
Tax charge	**-**	-

The weighted average applicable tax rate was 19.4% (2021: 19.2%). Tax losses of approximately $334,000 (2021: $219,000) are available to offset against future profits. The tax losses have been adjusted for the future increase in the standard rate of corporation tax in the UK of 25% from April 2023. No deferred tax asset has been recognised. There is no deferred tax liability.

9. EARNINGS PER SHARE

	Group Period ended 30 September 2022	Group Year ended 31 December 2021
	$'000	$'000
Loss after taxation	**(604)**	(1,339)
Basic and diluted profit/loss per share from operations held for sale	**(2)**	3
	Period ended 30 September 2022	Year ended 31 December 2021
	Number	Number
Weighted average number of shares for calculating basic loss per share	**90,043,076**	79,124,205
	Period ended 30 September 2022	Year ended 31 December 2021
	Cents	Cents
Basic and diluted loss per share from continuing operations	**(0.67)**	(1.69)
Basic and diluted profit/loss per share from operations held for sale	**(0.00)**	0.00

The effect of shares that may be issued in future in respect of convertible loan notes, exercisable options and warrants are anti-dilutive, but is potentially dilutive against future profits.

10. INTANGIBLE ASSETS

Group

	Goodwill	Brands and Licences	Other investments	Total
	$'000	$'000	$'000	$'000
Cost				
At 1 January 2021	1,464	2,352	10	3,826
Reclassification as held for resale	-	-	(10)	(10)
At 31 December 2021	-	-	-	-
Additions	-	-	-	-
At 30 September 2022	**1,464**	**2,352**	**-**	**3,816**
Amortisation and impairment				
At 1 January 2021	-	-	-	-
Charge in the year	-	-	-	-
At 31 December 2021	-	-	-	-
Charge in the period	(225)	-	-	(225)
At 30 September 2022	**(225)**	**-**	**-**	**(225)**
Net book value at 30 September 2022	**1,239**	**2,352**	**-**	**3,591**
Net book value at 31 December 2021	1,464	2,352	-	3,816
Net book value at 1 January 2020	1,464	2,352	10	3,826

On July 2020 the Company acquired the following subsidiaries. The consideration was satisfied by the issue of 36,247,500 New Ordinary Shares in Rogue Baron fair valued at $3,512,000 plus $885,000 of Convertible Loan Notes which were novated from the previous owners to Rogue Baron Ltd.

On disposal of Legacy Retail Group LLC, management have assessed the goodwill relating to Legacy Retail Group LLC to be $225,000, and the goodwill has been adjusted accordingly.

Brands and Licences are not amortised but are reviewed for impairment on an annual basis or more frequently if there are any indications that they may be impaired. None of the brands or licences are expected to be deductible for income tax purposes.

The directors consider that there are no indications that the brands and licences are impaired as at 31 December 2021 after assessing the value of the asset in use.

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. On reclassification of Legacy Retail Group LLC as an asset held for sale, the interest in For Mir LLC is included in the asset held for sale.

10. INTANGIBLE ASSETS (CONTINUED)

Impairment tests on Goodwill, Intangible assets and Investments

Management reviews the business performance based on geography and type of business. It has identified the US as the main geographical area. There is only one segment in the USA. Investments are monitored by management at the operating segment level. A summary of investments allocation in 2022 for each operating segment is as follows:

30 September 2022	Opening	Additions	Disposals	Impairment	Closing
USA	3,816	-	-	(225)	3,591
All other segments	-	-	-	-	-
Total	3,816	-	-	(225)	3,591

31 December 2021	Opening	Additions	Disposals	Other	Closing
US	3,826	-	-	(10)	3,816
All other segments	-	-	-	-	-
Total	3,826	-	-	(10)	3,816

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections, based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using a 5% estimated growth rates in both sales and costs.

For the purposes of assessing impairment, other intangible assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment, and some are tested at cash-generating unit level.

Intangible assets with an indefinite useful life, such as brands, licences and trademarks are tested for impairment at least annually.

All recently acquired subsidiaries are considered as one CGU. The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections, based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below.

For the CGU with significant amount of investment the key assumptions, long term growth rate and discount rate used in the value-in-use calculations are as follows. In addition, where there has been an impairment loss in a CGU, the recoverable amount is also disclosed below.

2022	**Key Inputs for impairment assessment**
Sales growth (% annual growth rate)	33%
Other operating costs ($’000)	5%
Annual capital expenditure ($’000)	2%
Long term growth rate	10%
Pre-tax discount rate	12%

10. INTANGIBLE ASSETS (CONTINUED)

The Directors considered that no impairment was necessary at 30 September 2022 or 31 December 2021.

These assumptions have been used for the analysis of each CGU within the operating segment.

Sales volume is the average annual growth rate over the five-year forecast period. It is based on management's expectations of market development, and reflects significant increases over the next five years as a result of investment and entering new markets followed by 5% year on year increases. The sales of Shinju in particular in the current period where restricted by the lead times required to bring the finished product into the US.

Sales price is the average annual growth rate over the five-year forecast period. It is based on current industry trends and includes long term inflation forecasts for each territory.

Gross margin is the average margin as a percentage of revenue over the five-year forecast period. It is based on the current sales margin levels and sales mix, with adjustments made to reflect the expected future price rises, a key raw material, which management does not expect to be able to pass on to customers through price increases.

Other operating costs are the fixed costs of the CGUs, which do not vary significantly with sales volumes or prices. Management forecasts these costs based on the current structure of the business, adjusting for inflationary increases and these do not reflect any future restructurings or cost saving measures. The amounts disclosed above are the average operating costs for the five-year forecast period.

Annual capital expenditure is the expected cash costs in the USA segment for developing infrastructure. This is based on the historical experience of management in the Group and the planned refurbishment expenditure required post-acquisition. No incremental revenue or cost savings are assumed in the value-in-use model as a result of this expenditure.

Company

	Investment in group undertakings
	$'000
Cost	
At 31 December 2020, 31 December 2021 and 30 September 2022	4,362
Amounts written off:	
At 31 December 2020 and 31 December 2021	-
On disposal of Legacy Group	(9)
At 30 September 2022	4,353
Net book value at 30 September 2022	4,353
Net book value at 31 December 2021	4,362
Net book value at 31 December 2020	4,362

10. INTANGIBLE ASSETS (CONTINUED)

Principal Subsidiaries

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the Parent Company does not differ from the proportion of ordinary shares held. The Parent Company does not have any shareholdings in the preference shares of subsidiary undertakings included in the Group.

Bin 1301 is the subsidiary that has non-controlling interests that are material to the Group. The financial information for Bin1301, is included in the Legacy Retail Group LLC operations which are shown in Note 7, operations held for sale. See note 17 for transactions with non-controlling interests.

Name	Address of the registered office	Nature of business	Proportion of ordinary shares held directly by parent (%)	Proportion of ordinary shares held by the Group (%)	Proportion of ordinary shares held by non-controlling interests (%)
STI Signature Spirits Group	116 West 23rd Street, 5th Fl., New York, New York, 10010, USA	Wholesale alcohol distribution for USA	100%	100%	-
Legacy Retail Group LLC	215 I Street Ne #108, Washington, District Of Columbia 20002, USA	Holding company	100%	100%	-
Bin 1301 Wine Bar	1351 U Street NW, Washington, D.C. 20009, USA	Retail alcohol and food	-	52%	48%
Mazeray Corporation	1351 U Street NW, Washington, D.C. 20009, USA	Wholesale alcohol distribution for USA	100%	100%	-
Shinju Whiskey LLC	1351 U Street NW, Washington, D.C. 20009, USA	Dormant	100%	100%	-
Shinju Spirits Inc.	1351 U Street NW, Washington, D.C. 20009, USA	Wholesale alcohol distribution for USA	100%	100%	-

11. INVENTORIES

Inventory comprises of stocks of alcoholic beverages held for resale. Inventories are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost comprises the price paid for the merchandise plus any applicable duties paid for importation, but excludes borrowing costs.

In addition to stocks held ready for resale, inventory also includes a quantity of Copa Imperial Tequila, acquired on the acquisition of STI Signature Spirits. This is stored at a distillery, and it is intended to bottle this for resale. The cost paid by STI Signature Spirits could not be reliably measured and the value determined at the date of acquisition was based on a professional valuation carried out in 2013. The Director has assessed the carrying value at the date of acquisition and at each subsequent reporting date.

12. TRADE AND OTHER RECEIVABLES

	Group	Group	**Company**	Company
	30 September 2022	31 December 2021	**30 September 2022**	31 December 2021
Current				
Trade receivables	**81**	93	**-**	-
Other receivables	**169**	186	**93**	**116**
Prepayments and accrued income	**18**	46	**18**	**46**
Amounts owed by subsidiaries	-	-	**411**	**469**
	268	**325**	**522**	**631**

The fair value of these short-term financial assets is not individually determined as the carrying amount is a reasonable approximation of fair value. All trade and other receivables have been reviewed for indicators of impairment. None of these were considered to be past due or impaired. The trade receivables are all denominated in dollars, and $43,000 (2020: $8,000) is less than 30 days old, with $39,000 (2020: $Nil) between 30 and 90 days old and the remaining $11,000 (2020: $5,000) being more than 90 days old.

13. TRADE AND OTHER PAYABLES

	Group	Group	**Company**	Company
	30 September 2022	31 December 2021	**30 September 2022**	31 December 2021
	$'000	$'000	**$'000**	$'000
Trade payables	**76**	7	**-**	7
Other payables	**166**	20	**162**	16
Accruals	**100**	12	**83**	12
	342	39	**245**	35

The fair value of trade and other payables has not been disclosed as, due to their short duration, management consider the carrying amounts recognised in the Statement of Financial Position to be a reasonable approximation of their fair value.

14. LOANS PAYABLES

The loans payable and movements are as follows:

	Group	Group	**Company**	Company
	30 September 2022	31 December 2021	**30 September 2022**	31 December 2021
Convertible loans	**$'000**	$'000	**$'000**	$'000
Balance at beginning of period	**151**	1,266	**151**	1,266
Converted into shares	**-**	(1,351)	**-**	(1,351)
Loss on conversion	**-**	176	**-**	176
Interest charged	**-**	15	**-**	15
Foreign exchange	**(27)**	45	**(27)**	45
Balance at end of period	**124**	151	**124**	151
Non-convertible loans				
Balance at beginning of period	**5**	67	**5**	67
Loans received	**39**	5	**39**	5
Interest charged	**-**	-	**-**	-
Repaid in cash	**-**	(68)	**-**	(68)
Foreign exchange	**(1)**	1	**(1)**	1
Balance at end of period	**43**	5	**43**	5

On acquisition of the subsidiaries $885,000 of Convertible Loan Notes were novated to Rogue Baron. During the year ended 31 December 2020 the Company issued three further convertible loan notes amounting to USD212,000. The loans were all converted in 2021 except for a residual balance of $151,000. This loan is payable within 12 months of the balance sheet date.

The loans are unsecured and are denominated in GB Pounds. The fair value of these loans is not individually determined as the carrying amount is a reasonable approximation of fair value.

15. SHARE CAPITAL

Group and Company

	30 September 2022	31 December 2021
	$'000	$'000
Allotted, issued and fully paid		
90,043,076 (2021: 90,043,076) ordinary shares of 0.1p	**119**	119

15. SHARE CAPITAL (CONTINUED)

The movements in share capital and share premium are analysed as follows:

	Ordinary shares No.	Share capital $000	Share premium $000
Allotted and issued			
At 31 December 2020	**36,748,500**	**46**	**3,529**
Shares issued for loan conversions	32,741,450	45	1,306
Shares issued for cash	15,042,856	21	1,397
Shares issued in payment of fees	4,510,270	6	434
Shares issued in payment of creditors	1,000,000	1	93
Share issue costs	-	-	(132)
At 31 December 2021 and 30 September 2022	**90,043,076**	**119**	**6,627**

The ordinary shares carry one vote each and on winding up of the Company the balance of assets available for distribution will, subject to any relevant restrictions, be divided amongst the shareholders.

16. SHARE BASED PAYMENTS

Options

The Company has a share option scheme for Directors. Options are exercisable at a price agreed at the date of grant. The vesting period is usually between zero and five years. The exercise of options is dependent upon eligible employees meeting performance criteria. The options are settled in equity once exercised.

If the options remain unexercised after their expiry date, the options expire. Options lapse if the employee leaves the Company before the options vest.

Options issued, cancelled, & outstanding for the period ended 30 September 2022

	Number	Weighted average exercise price
At 31 December 2020	-	-
Issued	6,619,850	0.07p
At 31 December 2021	6,619,850	0.07p
Issued	-	-
At 30 September 2022	6,619,850	0.07p
Weighted average remaining contractual life	3.41 years	

At 30 September 2022, 2,206,620 options were exercisable.

A modified Black-Scholes model has been used to determine the fair value of the share options on the date of grant. The fair value is expensed to the income statement on a straight-line basis over the vesting period, which is determined annually. The model assesses a number of factors in calculating the fair value. These include the market price on the date of grant, the exercise price of the share options, the expected share price volatility of the Company’s share price, the expected life of the options, the risk-free rate of interest and the expected level of dividends in future periods.

16. SHARE CAPITAL (CONTINUED)

For those options granted where IFRS 2 "Share-Based Payment" is applicable, the fair values were calculated using the Black-Scholes model. The inputs into the model were as follows:

	Risk free rate	**Share price volatility**	**Expected life**	**Share price at date of grant**
25 February 2021	0.35%	10%	4-6 years	£0.07

Expected volatility was determined using comparative companies' historical volatility. The expected life used in the model is the term of the options.

The charge to the profit and loss account in respect of these options was $3,000 (2021: $Nil).

Warrants
On 25 February 2021 the Company issued 2,585,578 warrants to advisors, exercisable immediately at an exercise price of 5p. The warrants lapse after 5 years. At 30 September 2022 the warrants had a remaining life of 3.41 years.

No warrants were granted during the period and 2,585,578 in the number outstanding at the period end.

The fair values were calculated using the Black-Scholes model. The inputs into the model were as follows:

	Risk free rate	**Share price volatility**	**Expected life**	**Share price at date of grant**
25 February 2021	0.35%	10%	5 years	£0.07

The charge to the profit and loss account in respect of these warrants was $1,000 (2021: $Nil).

17. OTHER RESERVES AND NON-CONTROLLING INTEREST RESERVE

Group
Non-controlling interest reserves comprise of amounts arising on business combinations or acquisitions when the entire interest in the company is not acquired by the Group, plus the share of profits or losses of the subsidiary attributed to the independent shareholders.

The movement in the non-controlling interest reserve is shown below:

	$'000
Reconciliation of Non-controlling interests	
At 31 December 2020	(77)
Non-controlling interest share of profits	36
At 31 December 2021	36
Non-controlling interest share of profits	14
At 30 September 2022	50

Translation reserves comprises amounts in respect of translation of companies whose functional currency is not the same as the reporting currency.

18. RECONILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Group

	Short-term borrowings $'000	Long-term borrowings $'000	Total $'000
1 January 2022	**156**	**-**	**156**
Cash-flows:			
- Proceeds	39	-	39
- Repayments	-	-	-
Non-cash:			
- Accrued interest	-	-	-
- Foreign exchange movement	(28)	-	(28)
30 September 2022	**167**	**-**	**167**

	Short-term borrowings $'000	Long-term borrowings $'000	Total $'000
1 January 2021	**892**	**441**	**1,333**
Cash-flows:			
- Proceeds	5	-	5
- Repayments	(68)	-	(68)
Non-cash:			
- Accrued interest	10	5	15
- Loans converted into shares	(879)	(472)	(1,351)
- (Profit)/loss on conversion	192	(16)	176
- Foreign exchange movement	4	42	46
31 December 2021	**156**	**-**	**156**

Company

	Short-term borrowings $'000	Long-term borrowings $'000	Total $'000
1 January 2022	**156**	**-**	**156**
Cash-flows:			
- Proceeds	39	-	39
- Repayments	-	-	-
Non-cash:			
- Accrued interest	-	-	-
- Foreign exchange movement	(28)	-	(28)
30 September 2022	**167**	**-**	**167**

18. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (CONTINUED)

	Short-term borrowings $'000	Long-term borrowings $'000	Total $'000
1 January 2021	**892**	**441**	**1,333**
Cash-flows:			
- Proceeds	5	-	5
- Repayments	(68)	-	(68)
Non-cash:			
- Accrued interest	10	5	15
- Converted into shares	(879)	(472)	(1,351)
- (Profit)/loss on conversion	192	(16)	176
- Foreign exchange movement	4	42	46
31 December 2021	**156**	**-**	**156**

19. CONTINGENT LIABILITIES

There were no contingent liabilities at 30 September 2022 or 31 December 2021.

20. CAPITAL COMMITMENTS AND UNDRAWN BORROWINGS

There were no capital commitments or undrawn borrowings at 30 September 2022 or 31 December 2021.

21. FINANCIAL INSTRUMENTS

The Group and Company are exposed to a variety of financial risks which result from both its operating and investing activities. The Board is responsible for co-ordinating the Group and Company's risk management and focuses on actively securing the Group and Company's short to medium term cash flows.

The Group does not actively engage in the trading of financial assets and has no financial derivatives. The most significant risks to which the Group and Company are exposed are described below:

a. Credit risk

Group

The Group's credit risk is primarily attributable to its other receivables and amounts owed by subsidiaries. At 30 September 2022, the Group had $268,000 of receivables which have been reviewed for potential impairment (31 December 2021: $325,000).

21. FINANCIAL INSTRUMENTS (CONTINUED)

Generally, the Group's maximum exposure to credit risk is limited to the carrying amount of the financial assets recognised at the Statement of Financial Position date, as summarised below:

	30 September 2022			31 December 2021		
	Receivables held at amortised cost $'000	**Non financial assets $'000**	**Statement of Financial Position total $'000**	Receivables held at amortised cost $'000	Non financial assets $'000	Statement of Financial Position total $'000
Trade receivables	**81**	-	**81**	93	-	93
Other receivables	**169**	**-**	**169**	186	-	186
Prepayments and accrued income	**-**	**18**	**18**	-	46	46
Cash and cash equivalents	**43**	**-**	**43**	246	-	246
Total	**293**	**18**	**311**	525	46	571

Company

The Company's credit risk is primarily attributable to its other receivables and amounts owed by subsidiaries. At 30 September 2022, the Company had $522,000 of receivables which have been reviewed for potential impairment (31 December 2021: $631,000).

Generally, the Company's maximum exposure to credit risk is limited to the carrying amount of the financial assets recognised at the Statement of Financial Position date, as summarised below:

	30 September 2022			31 December 2021		
	Receivables held at amortised cost $'000	**Non financial assets $'000**	**Statement of Financial Position total $'000**	Receivables held at amortised cost $'000	Non financial assets $'000	Statement of Financial Position total $'000
Other receivables	**93**	**-**	**93**	116	-	116
Amounts owed by subsidiaries	**411**	**-**	**411**	469	-	469
Prepayments	**-**	**18**	**18**	-	46	46
Cash and cash equivalents	**40**	**-**	**40**	233	-	233
Total	**544**	**18**	**562**	818	46	864

The credit risk on liquid funds is limited due to the level of cash held and because the Group and Company only places deposits with leading financial institutions.

21. FINANCIAL INSTRUMENTS (CONTINUED)

b. Liquidity risk

The Group and Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The Directors prepare rolling cash flow forecasts and seek to raise additional equity funding whenever a shortfall in funding is forecast. Details of the going concern basis of preparing the financial statements are included in the principal accounting policies.

c. Market risk

Interest rate risk
The Group and Company bears negligible interest rate risk at 30 September 2022 and 31 December 2021.

d. Foreign currency risk

The Group operates in the US and UK and carries out transactions in GBP and US dollars. The Group does not have a policy to hedge but will continue to keep this under review. The Group operates foreign currency bank accounts to help mitigate the foreign currency risk.

e. Financial liabilities

Group
The Group's financial liabilities are classified as follows:

	30 September 2022			31 December 2021		
	Other financial liabilities at amortised cost	**Financial liabilities held at fair value through profit & loss**	**Total**	Other financial liabilities at amortised cost	Financial liabilities held at fair value through profit & loss	Total
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Trade payables	**76**	**-**	**76**	7	-	7
Other payables	**166**	**-**	**166**	20	-	20
Loans	**167**	**-**	**167**	156	-	156
Accruals	**100**	**-**	**100**	12	-	12
Total	**509**	**-**	**509**	195	-	195

21. FINANCIAL INSTRUMENTS (CONTINUED)

Company
The Company's financial liabilities are classified as follows:

	30 September 2022			31 December 2021		
	Other financial liabilities at amortised cost	**Financial liabilities held at fair value through profit & loss**	**Total**	Other financial liabilities at amortised cost	Financial liabilities held at fair value through profit & loss	Total
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Trade payables	**-**	**-**	**-**	7	-	7
Other payables	**162**	**-**	**162**	16	-	16
Accruals	**83**	**-**	**83**	12	-	12
Loans	**167**	**-**	**167**	156	-	156
Total	**412**	**-**	**412**	191	-	191

Maturity of financial instruments

All financial liabilities in the table above at 30 September 2022 and 31 December 2021 mature in less than two years.

Borrowing facilities for the period ended 30 September 2022

The Group has no undrawn committed borrowing facilities at 30 September 2022 or 31 December 2021.

f. Capital risk management

The Group's objectives when managing capital are:
- to safeguard the Group's ability to continue as a going concern, so that it continues to provide returns and benefits for the shareholders;
- to support the Group's stability and growth; and
- to provide capital for the purpose of strengthening the Group's risk management capability.

The Group actively and regularly reviews and manages its capital structure to ensure an optimal capital structure and equity holder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. Management regards total equity as capital and reserves, for capital management purposes.

22. RELATED PARTY TRANSACTIONS

Gunsynd Plc
Hamish Harris, a director of Rogue Baron is also a director of Gunsynd Plc. At 30 September 2022 Rogue Baron owed Gunsynd Plc $124,000 (31 December 2021: $151,000) of convertible loans and $43,000 (31 December 2021: $12,000) of non-convertible loans.

Tasmanian Tiger Ltd
Hamish Harris is also a director of Tasmanian Tiger Ltd who was owed $16,000 at 30 September 2022 by Rogue Baron (31 December 2021: $15,000 owed to Rogue Baron), in respect of costs paid on their behalf.

Human Brands Inc.
Ryan Dolder, a director of Rogue Baron is also a director of Human Brands Inc. from whom Rogue Baron acquired its subsidiaries. At 30 September 2022 Human Brands Inc. and its subsidiary undertakings owed Rogue Baron and its subsidiaries $156,000 (31 December 2021: $174,000).

At 30 September 2022 the following amounts were outstanding to directors in respect of salaries; H Harris $10,283 (2021: $Nil) R Dolder $14,696 (2021: $Nil) J Smith $12,237 (2021: $Nil). These amounts are included in creditors.