27 January 2025

S-Ventures PLC

(“S-Ventures”, “Group” or the “Company”)
Company Number: 12723377

Interim unaudited results for the six months ended 30 June 2024

The Directors of S-Ventures PLC are pleased to report on the half-year ended 30 June 2024. These accounts are unaudited and have not been reviewed by an auditor.

Financial highlights

	Six months ended 30 June 2024 £m	Six months ended 31 March 2023 £m	15 months to 31 December 2023 £m
Gross Revenues	8.0	8.4	19.7
EBITDA	0.8	(0.8)	(0.6)
Profit (Loss) from continuing operations	(0.5)	(1.3)	(6.6)
Cash	0.7	0.4	0.3
Loss per Share (in pence per share)	(0.39p)	(1.98p)	(2.92p)

Operational highlights

The business was formed to invest in, acquire and grow businesses in the natural wellness food tech and organic snacking sector. The key points of this period are:

- Net Sales for the six months of £7.2m are made up as follows:

	6 months to 30 June 2024 £m	6 months to 31 March 2023 £m	15 months to 31 December 2023 £m
Gross Sales	8.0	8.4	21.7
Trade discounts, listing fees etc	(0.8)	(0.8)	(2.0)
Net Sales	7.2	7.6	19.7

- The results for our business segment analysis are:

	Plant Based Nutrition £'000	Bakery £'000	Technical Services £'000	Admin-istration £'000	Total £'000
Net Sales Revenues	1,980	3,797	1,423	-	7,200
Operating Profit / (Loss) before Tax	(297)	423	29	(670)	(515)

Scott Livingston, CEO of S-Ventures, comments:
I am pleased to report our interim results for the six months to 30 June 2024.

We have achieved a positive EBITDA of £0.8m for this period on £8m of sales. This is a significant improvement on the EBITDA loss of £0.6m for the previous 15-month period to 31 December 2023. Our loss-making discontinued divisions are no longer included and we have streamlined and restructured the businesses following two years of significant headwinds.

Juvela has made excellent progress, launching new retail products, for which we are investing significant capital to build an additional "free-from" production line to accommodate this growth. We have won many awards for taste and quality for these new products and have growth plans to expand further into retail to complement our existing principal channels. Whilst there will be some impact on gross margins, going forward, we are targeting strong double-digit growth year-on-year from the new retail channel products.

Market Rocket continues to expand with many new clients. It has been enjoying accelerated growth with the adoption of AI, enhancing revenues and building value for its long-standing clients.

Pulsin has been restructured and now has a much-strengthened team and better managed cost base. We are near breakeven and have plans for growth and generating an operating profit going forward.

Purely remains small with revenue of circa £400k per year but we intend to further expand and develop this business in the short term which has suffered from cash constraints. Purely's losses in the half-year remained small and contained.

We are proud of our work in moving the Group forward against a difficult trading background. I would like to thank the team who have worked relentlessly on building a successful business and Group that is set for significant growth and opportunity.

We have been working on the sale of all of our operating subsidiaries and novation of our debts to RGO PLC, which would be a reverse takeover of that company. This remains an attractive deal with the two operations having complementary features that we believe will be of benefit to both sets of shareholders. Given the nature of public company regulation, this process is taking time. However, we are working as hard as we can to progress this potential transaction, as we are seriously committed to driving value for our shareholders. The combination would be on a sound financial footing and we intend to distribute the equity received in RGO PLC by S-Ventures PLC to our shareholders in the most effective manner. We are taking advice on how best to achieve this and we intend to update shareholders in due course. We are also taking advice on future plans for S-Ventures PLC itself, in order to extract the most value for our shareholders.

I would like to thank our shareholders for their patience and understanding. Going forward, we have many opportunities for organic and acquisitive growth and expect to be able to expand further, once more operating cashflow is available for investment activity.

I would also confirm, as per recent correspondence, that the AGM is set for 14th February 2025 at 3pm at the company's registered office, 121 Sloane St, London, SW1X 9BW.

About S-Ventures

S-Ventures, invests in, acquires and grows businesses in the natural wellness, food-tech and organic snacking sector.

Further details on the acquisitions and investments are set out in the Interim management report below. Since the year-end the Board has continued to review a number of attractive potential opportunities.

Enquiries

S-Ventures PLC

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Interim management report

Overview

We present the S-Ventures unaudited Interim Results for the six months ended 30 June 2024.

We report net sales of £7.2m, slightly below the run rate of the previous period, due to the removal of the loss-making discontinued divisions. This resulted in a much-improved EBITDA profit of £0.8m on continuing operations and an overall pre-tax trading loss of £0.5 m for the period.

Overall progress:

The brands continue to develop strongly and we are very focused on product development using food tech ideas and innovation and have been seeking new distribution across new channels and territories. We launched a new range of Juvela retail products, last Autumn with more planned for later in 2025 and are working on a refresh of part of Pulsin's and Juvela's ranges.

As reported by the CEO, we are continuing to work on the potential reverse takeover with RGO PLC. This will provide our businesses with access to further capital to fund their investment and growth.

Investment strategy and target markets

S-Ventures looks to identify investment opportunities in the heath & wellness, organic food and wellbeing sectors within the UK and Europe. The Company plans to add value by the adding capital and expertise to the target companies. The experience and operational skills of the Board are intended to act as an accelerator to smaller brands that have a strong foundation and platform but may lack specific skills and capital. The main objectives will be to cross fertilise opportunities between the target companies and to scale the individual entities and look for exit opportunities and or synergistic collaborations. We believe that scaling can create significant value creation for all stakeholders.

Principal risks and uncertainties

Credit and Liquidity risks

The group is seeking to raise new capital the lack of which would impact on the group's ability to acquire goods and services.

Foreign exchange

The Group does not hedge its foreign exchange exposures. We Love Purely buys most of its stock in US Dollars. Juvela currently sources a significant part of its ingredients from overseas and has some limited hedging in Euros. For Pulsin, much of its risk is naturally hedged by having both EU suppliers and Customers.

War in Ukraine

Initially the outbreak of war caused a temporary delay in supplies and also increased the prices. This has now receded but we continue to be aware and look for alternative sources of materials.

Significant customers

The Group is not overly dependent on any one customer, although Juvela does have a significant market presence in the Pharma sector for the supply of Coeliac-related products that are sold on prescription and are thus processed through a single distributor.

Other

All our businesses carry appropriate insurance covers for product liability and other risks.

Responsibility statement of the Directors

We confirm that to the best of our knowledge:

- the consolidated financial statements have been prepared in accordance with IAS34 'Interim Financial Reporting' as adopted by the EU;
- the interim management report includes a fair review of the information required by DTR 4.2.7R:
  - an indication of important events that have occurred during the first six months of the financial year, and their impact on these set of financial statements; and
  - a description of the principal risks and uncertainties for the remaining six months of the year
- the interim management report includes a fair review of the information required by DTR 4.2.8R:
  - related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Group in that period; and
  - any changes in the related parties transactions described in the 2022 Annual Report that could have a material effect on the financial position or performance of the Group in the current period.

By order of the Board

Scott Livingston	Stephen Argent
Chief Executive Officer	Chief Financial Officer
27 January 2025	27 January 2025

Cautionary statement

This report contains forward-looking statements. These have been made by the directors in good faith based on the information available to them up to the time of their approval of this report. The directors can give no assurance that these expectations will prove to have been correct. Due to the inherent uncertainties, including both economic and business risk factors underlying such forward looking information, actual results may differ materially from those expressed or implied by these forward-looking statements. The directors undertake no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.

Consolidated Statement of Comprehensive Income (unaudited)

For the six months ended 30 June 2024

	Six months ended 30 June 2024 £'000	Six months ended 31 March 2023 £'000	15 months to 31 December 2023 £'000
Gross Revenue	7,976	8,448	21,731
Less Trade discounts and Listing costs	(776)	(783)	(2,073)
Net Sales Revenues	7,200	7,665	19,658
Cost of Sales	(3,220)	(4,549)	(10,300)
Gross profit	3,980	3,116	9,358
Other operating income	-	-	90
Loss (Gain) on disposal	27	-	(111)
Administrative expenses	(3,165)	(3,963)	(9,928)
	(3,138)	(3,963)	(9,949)
EBITDA	**842**	**(847)**	**(591)**
Depreciation and amortisation	(715)	(922)	(2,082)
Finance costs	(645)	(290)	(1,249)
Finance income	3	-	6
Impairment	-	(393)	(128)
	(1,357)	(1,605)	(3,453)
Loss before taxation	(515)	(2,452)	(4.044)
Income tax	-	(126)	(399)
Profit (Loss)	**(515)**	**(2,578)**	**(4,443)**
Loss after tax for discontinued operations	-	-	(2,191)
Total comprehensive profit (loss)	**(515)**	**(2,578)**	**(6,634)**

Consolidated Statement of Financial Position (unaudited)

As at 30 June 2024

	As at 30 June 2024	As at 31 March 2023	As at 31 December 2023
	£'000	**£'000**	**£'000**
ASSETS			
Non-current			
Goodwill	3,462	4,997	3,462
Owned:			
- Intangible assets	7,204	8,125	7,619
- Property, Plant & Equipment	1,405	2,676	2,264
Right of Use:			
- Property, Plant & Equipment	1,523	1,556	1,233
Investments	30	30	30
Total non-current assets	13,263	17,384	14,608
Current assets			
Inventories	1,272	2,319	1,856
Trade and other receivables	2,619	3,676	2,882
Cash and cash equivalents	679	424	305
Total current assets	4,571	6,419	5,043
TOTAL ASSETS	**18,194**	**23,803**	**19,651**
EQUITY			
SHAREHOLDERS' Equity			
Called Up Share capital	132	132	132
Share premium	14,708	14,708	14,708
Share based payment reserve	8	8	8
Equity component of convertible debt			
Contingent equity settled consideration for investment	112	112	112
Retained losses	(11,654)	(6,785)	(10,863)
	3,307	8,175	4,097
Non controlling interests	(41)	(55)	(34)
TOTAL EQUITY	**3,266**	**8,120**	**4,063**

Consolidated Statement of Financial Position (unaudited) – Cont'd

As at 30 June 2024

	As at 30 June 2024	As at 31 March 2023	As at 31 December 2023
LIABILITIES			
Current Liabilities			
Trade and other payables	3,456	5,126	5,522
Financial Liabilities: - Borrowings			
- Bank Overdrafts	-	23	-
-Interest bearing loans and borrowings	2,724	2,550	1,513
Lease liability	1,811	-	1,676
	7,990	7,699	8,711
Non-current Liabilities			
Trade and other payables	440	96	439
Loans falling due after more than one year	6,498	7,888	6,438
	6,938	7,984	6,877
TOTAL LIABILITIES	**14,928**	**15,683**	**15,588**
NET EQUITY AND LIABILITIES	**18,194**	**23,803**	**19,651**

Consolidated cash flow statement (unaudited)

For the six months ended 30 June 2024

	Six months ended 30 June 2024	Six months ended 31 March 2023	15 months to 31 December 2023
Cash flow from operating activities			
Loss for the period	(515)	(2,162)	(6,634)
Finance costs	645	290	1,254
Finance income	(2)	-	(6)
Profit on disposal of fixed assets	(47)	-	-
Depreciation and Amortisation	715	922	1,864
Impairment of goodwill	-	393	1,657
Tax paid	-	(24)	
Interest paid	(339)	(273)	(956)
Lease interest paid	(39)		(33)
<u>Changes in Working Capital</u>			
Decrease/(Increase) in inventory	585	(316)	70
Net increase/decrease in related party	-	-	(1)
Decrease/(Increase) in trade and other receivables	(689)	259	1,195
(Decrease)/Increase in trade and other payables	(960)	470	882
Net cash flow from operating activities	**(646)**	**(441)**	**(707)**
Cash flow from investing activities			
Cash acquired on acquisition	-	-	485
Cash on investments	-	(372)	(7,709)
Purchase of intangible fixed assets	-	-	(201)
Purchase of tangible fixed assets	(47)	(42)	(15)
Net cash flow from investing activities	**(47)**	**(414)**	**(7,440)**
Cash flow from financing activities			
Proceeds from borrowings	1,091		7,360
Repayment of borrowings	(21)	(127)	(149)
Net proceeds from issue of shares	-	5	352
Repayment of lease liabilities	(9)	(273)	(611)
Payment of deferred consideration	-	(108)	
Net cash flow from financing activities	**1,061**	**(503)**	**6,951**
Net increase/(decrease) in cash and cash equivalents	369	(1,358)	(1,197)
Cash and cash equivalents at start of period	305	1,782	1,507
Cash and cash equivalents at end of period	**674**	**424**	**310**

Notes to the condensed consolidated financial statements (unaudited)

1. **General information**

   The consolidated financial statements for the six months ended 30 June 2024 are unaudited and were authorised for issue in accordance with a resolution of the Board of Directors. The information for the period ended 30 June 2024 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006.

2. **Basis of preparation**

   The condensed interim financial statements have been prepared in accordance with the requirements of the AQSE Growth Market Rules.

   The interim financial information set out above does not constitute statutory accounts. They have been prepared on a consolidated going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) as adopted by the European Union. The directors recognise that additional capital is required to ensure that the company can continue to discharge its liabilities as they fall due and have concluded that the funding requirements represents a material uncertainty that casts significant doubt upon the company's ability to continue as a going concern. However, the directors are presently engaged in discussions, as explained above, that they believe will conclude successfully when these accounts are issued.

   These condensed consolidated interim financial statements comprise the accounts of the parent company and its subsidiaries, after elimination of all material intercompany balances and transactions.

3. **Loss per share:**

   The calculation of the total basic loss per share of 0.39p is based on the loss attributable to equity owners of the company divided by the weighted number of shares in issue during the period.

4. **Investments:**

   The investment in shares in Coldpress Foods Limited is accounted for at cost.

5. **Approval of Interim Finance Statements:**

   These interim financial statements were approved by the Board of Directors on 27 January 2025.