

Roebuck Food Group plc
Interim results 2024
Results

Roebuck Food Group plc (AIM: RFG) is pleased to announce its interim results for the six months to end June 2024.

During this period, management have completed a fundamental strategic review of the business and have developed a new strategic vision for Roebuck Food Group plc. This vision has a number of guiding pillars including the advancement and implementation of climate mitigation technologies, throughout the agricultural supply chain, from primary production through to food consumption. At this juncture, management believe we can build a business of significant scale and size over the next number of years and we are presently evaluating a number of significant investment opportunities.

As part of this new strategic vision, management have completed the divestment of two subsidiaries (Town View Foods and Cantwellscourt Farm), which were no longer considered appropriate to the direction management want to take the business. The sale of Town View Foods has results in a significant goodwill write off of circa Stg £2.3m. Net debt stood at £0.1m at end June 2024.

Continuing Operations

Moorhead & McGavin, the company which we acquired in December 2023 and which is focussed on the plant based opportunity, is growing strongly. Sales were up 22%, in the first half of the year, compared with the prior year. We continue to invest in people to grow this business and notwithstanding this investment, we expect the business to improve its profitability this year, on 2023 levels.

Foro Food Solutions, our Cork based sourcing business comprises two parts; the sourcing business which engages primarily with the food service and food manufacturing segments of the food market and a newer addition, which engages primarily with retail. The legacy division is profitable and growing strongly from a very small base. The latter will need some time to cover its investment in people. This business is benefitting from some synergies with Moorhead & McGavin and vice versa.

Discontinued Operations

The period under review and into the second half of the year has seen the divestment of two of our subsidiaries; Town View Foods (which has resulted in a substantial goodwill write off of £2.3m in the interim figures just published) together with Cantwellscourt Farm Ltd.

The loss at Cantwellscourt Farm comprises a write down on the asset, professional fees, together with trading losses, reflecting the time of the year when the acquisition was completed (dairy farms typically lose money in the first few months of the year). The losses at Town View Foods comprise a trading loss of £158,479 in the period under review, together with accruals for trading losses in July and August, expenses provided for on the sale and the aforementioned good will write off.

Outlook

The aforementioned divestments will greatly simplify Roebuck Food group, resulting in a reduced overhead and with a balance sheet with a small net debt of circa £0.1m.

Management are excited for the prospects of the group. We are seeing good opportunities to grow the business in areas where we have capability and competence and look forward to delivering for shareholders in the months ahead.

Dividend

The board does not recommend the payment of a dividend.

Roebuck Food Group Plc
Consolidated income statement
For the six months ended 30 June 2024

	Six months ended 30 June 2024 (Unaudited)	Six months ended 30 June 2023 (Restated)
	£'000	£'000
Continuing operations		
Revenue	5,966	1,664
Cost of sales	(5,688)	(1,601)
Gross profit	278	63
Administrative expenses	(564)	(397)
Acquisition and related costs	(35)	-
Operating loss from continuing operations	(321)	(334)
Finance income - interest receivable	3	-
Finance expenses – lease interest	-	-
Finance expenses – interest on bank loans	(7)	(3)
Loss on continuing activities before taxation	(325)	(337)
Income taxes – Corporation tax	-	-
Income taxes – Deferred tax	-	-
Loss for the period attributable to owners of the parent from continuing operations	(325)	(337)
Loss from discontinued activities	(3,753)	(197)
Loss for the period	(4,078)	(534)
Other comprehensive income	(11)	(100)
Total comprehensive income for the year	(4,089)	(634)
Earnings per share expressed in pence per share:		
From continuing operations		
- basic	(0.65)p	(0.67)p
- diluted	(0.65)p	(0.67)p
From discontinued operations		
- basic	(7.5)p	(0.39)p
- diluted	(7.5)p	(0.39)p

Roebuck Food Group plc
Financial position
As at 30 June 2024

	As at 30 June 2024 (Unaudited) £'000	As at 30 June 2023 (Unaudited) £'000	As at 31 December 2023 (Audited) £'000
ASSETS			
Non-current assets			
Goodwill	-	2,338	2,338
Biological assets	-	1,015	642
Intangible assets	570	-	600
Property, plant and equipment	1,091	2,024	3,048
	1,661	5,377	6,628
Current assets			
Trade and other receivables	1,645	4,747	3,649
Inventories	1,061	794	1,044
Assets held for sale	4,274	-	-
Cash and cash equivalents	51	1,055	1,186
	7,031	6,596	5,879
TOTAL ASSETS	8,692	11,973	12,507
Equity attributable to equity holders of the parent And non-controlling interest			
Share capital	990	564	990
Share premium account	2,094	-	2,094
Other reserves	(105)	(168)	(94)
Retained earnings	(725)	4,670	3,353
TOTAL EQUITY	2,254	5,066	6,343
Non-current liabilities			
Borrowings	28	943	932
Deferred tax	72	58	168
	100	1,001	1,100
Current liabilities			
Trade and other payables	1,770	3,356	3,826
Liabilities held for sale	4,405	154	-
Borrowings	163	2,396	1,238
	6,338	5,906	5,064
TOTAL EQUITY AND LIABILITIES	8,692	11,973	12,507

Roebuck Food Group plc
Consolidated statement of changes in equity
For the six months ended 30 June 2024

	Share capital £'000	Share premium £'000	Other Reserves £'000	Other Distributable Reserves £'000	Retained earnings £'000	Total £'000
At 1 January 2023	564	-	(68)	-	5,204	5,700
Profit for the financial year	-	-	-	-	(534)	(534)
Foreign exchange gain	-	-	(100)	-	-	(100)
Total comprehensive income for the period	-	-	(100)	-	(534)	(634)
Issue of share capital	-	-	-	-	-	-
Equity dividends paid (recognised directly in equity)	-	-	-	-	-	-
Transactions with owners	-	-	(100)	-	(534)	(634)
At 30 June 2023	564	-	(168)	-	4,670	5,066
Net profit for the financial period	-	-	-	-	(1,317)	(1,317)
Foreign exchange loss	-	-	74	-	-	74
Total comprehensive income for the period	-	-	74	-	(1,317)	(1,243)
Issue of share capital	426	2,224	-	-	-	2,650
Share issue costs	-	(130)	-	-	-	(130)
Transactions with owners	426	2,094	74	-	(1,317)	1,277
At 31 December 2023	990	2,094	(94)	-	3,353	6,343
Net profit for the financial period	-	-	-	-	(4,078)	(4,078)
Foreign Exchange Gain	-	-	(11)	-	-	(11)
Total comprehensive income for the period	-	-	(11)	-	(4,078)	(4,089)
Issue of share capital	-	-	-	-	-	-
Equity dividends paid (recognised directly in equity)	-	-	-	-	-	-
Transactions with owners	-	-	(11)	-	(4,078)	(4,089)
At 30 June 2024	990	2,094	(105)	-	(725)	2,254

Roebuck Food Group plc
Consolidated cash flow statement
For the six months ended 30 June 2024

	Six months Ended 30 June 2024 (Unaudited) £'000	Six months ended 30 June 2023 (Restated) £'000
Loss on continuing activities before taxation	(325)	(337)
Gain on biological assets	-	(160)
Loss on sale of biological assets	-	-
Foreign exchange loss/(gain)	-	100
Loss on discontinued activities	(3,753)	(197)
Finance expenses	7	81
Finance income	(3)	(13)
Bad debt expenses	-	25
Taxation charge	-	-
Impairment – Intangible Asset	30	-
Impairment – Goodwill	2,338	-
Depreciation – property, plant and equipment	33	84
	(1,673)	(417)
Changes in working capital:		
Increase in inventories	(145)	(478)
(Increase)/decrease in trade and other receivables	(246)	2,476
Decrease in trade and other receivables for disposal	-	-
Increase in current assets held for sale	(4,274)	-
Decrease/(increase) in current liabilities held for sale	4,405	144
Increase/(decrease) in payables	(37)	(71)
Taxation paid	-	-
Net cash (used)/ generated from operating activities	(297)	2,071
Investing activities		
Proceeds of biological assets	-	15
Proceeds from Sale of farming division	1,192	-
Payments to acquire subsidiary undertaking	-	-
Cash acquired as part of acquisition	-	-
Purchase of property, plant and equipment	(17)	(28)
Net cash used in investing activities	1,175	(13)
Financing activities		
Invoice finance	(328)	(1,973)
Finance lease capital repayments	(12)	(91)
Finance lease advance	-	-
Net proceeds from issue of share capital	-	-
Term loan repayments	-	(13)
Net cash used in financing activities	(340)	(2,077)
Net decrease in cash and cash equivalents	(1,135)	(436)
Cash and cash equivalents, at beginning of period	1,186	1,491
Cash and cash equivalents end of period	51	1,055

Note: The accounting policies applied throughout the period are consistent with those applied for the year ended 31 December 2023, as set out in the 2023 Annual Report.

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