

29 September 2023

Essentially Group PLC
("Essentially" or the "Company")

Unaudited Interim Report For The Six Months Ended 30 June 2023

Essentially Group PLC (AQSE: ESSN), announces its interim results for the Group for the half year ending 30 June 2023.

Period Highlights

- Revenue from operational trading increased by 14% versus H1FY22.
- Our retail footprint has grown by an impressive 53% in this period, showcasing our consistent and robust natural growth.
- Gross profit margin has increased to 52% (compared to 41% for the year to 31st December 2022).
- Commenced supply of healthy snacks to Emirates Palace Mandarin Oriental Hotel, Marriot Hotel and Resort and the St. Regis, all five-star hotels in the UAE.
- Expanded the coverage of supply of beverages to all leading petrol station operators (Emarat, ADNOC, EPPCO, ENOC). We expect the benefit of the additional locations to materialise in the coming months.
- Commenced HPP tolling service for external clients for juice and soup products.
- The Group has recycled more than 1,083 kilograms of plastic reducing 2,395 kgs of CO2 with our partner RECAPP by Veolia.

Post Period Highlights

- The Group has entered into a rolling two-year private label contract with the master UAE franchisor of a global premium F&B brand to produce and supply 11 flavours of juices and wellness shots. The brand has announced plans to grow its presence in the UAE from 3 to 20 stores.
- In line with Group's strategy to transition to more environmentally friendly packaging solution, the Group has invested in technology to supply its beverages in **biodegradable** bottles. The initial investment covers its 250ml bottles with other bottle formats to follow in due course.

Chairman's Interim Report

The 6-month period ended 30th June 2023 was an exciting and significant one for the Group.

Our High Pressure Processing equipment that was delivered at the end of 2022 had successfully been installed and trials completed during Q1. Over time we anticipate this resulting in improved gross margins and allow us to conduct new product research and development more efficiently and thus bringing new products to the market quicker.

We listed on the Aquis Exchange on 17th March 2023, where I was joined by Raja Abuljebain, our CEO, to bang the gong at the Exchange on a chilly and quiet "FRIDAY" in the city of London....

Strong Non-Oil exports growth will keep the UAE's current account surplus in double digits at least until 2025.

Although there could be a deceleration in Dubai real GDP from 4.2% in 2022 to 3.8% in 2023 through elevated cost of living and high and rising borrowing costs, that said the sustained recovery of the wholesale and retail sector along with the robust financial sector performance and investment activities will keep growth strong by historical standards.

Travel and tourism sector in the UAE is also playing a role in driving economic growth with increasing passenger numbers at Dubai International Airport and Al Maktoum International Airport resulting in international visitors to Dubai exceeding pre-pandemic levels. International visitors to the UAE are expected to increase 40% in 2023.

Dubai is also hosting COP 28, the climate change conference, between 30th November to 12th December 2023 and will be part of this anticipated visitor growth. COP 28 is expected to be the largest to date.

The UAE's population continues to grow, currently at 10.17 million (an increase of nearly 1% from 2022).

All of these drivers point to a bright year for our industry.

Stuart Lever

Chairman

29 September 2023

The directors of the Company take responsibility for this announcement.

For further information, please contact:

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GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD TO 30 JUNE 2023

		Group	Essentially Juices Manufacturing LLC	Essentially Juices Manufacturing LLC
		Period ending 30 June 2023 Unaudited £	Period ending 30 June 2022 Unaudited £	Year ending 31 Dec 2022 Audited £
Revenue		593,164	519,311	1,037,660
Cost of Goods Sold		(285,683)	(295,377)	(610,620)
Gross Profit		307,481	223,934	427,040

Operating Costs		(529,850)	(270,087)	(578,030)
Profit/(Loss) Before Interest & Depreciation		(222,369)	(46,143)	(150,990)
Depreciation		(124,264)	(93,874)	(202,649)
Profit/(Loss) Before Interest		(346,633)	(140,027)	(353,638)
Interest Expense		(53,542)	(27,781)	(81,435)
Net Profit/(Loss)		(400,175)	(167,808)	(435,073)
		Pence		
Earnings per Share				
Basic		(0.78)		
Diluted		(0.78)		
£1 = AED4.55				

GROUP STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

		Group	Essentially Juices Manufacturing LLC
		Period ending 30 June 2023 Unaudited £	Year ending 31 Dec 2022 Audited £
Assets			
Current Assets			
Cash & Cash equivalent		89,027	27,654
Trade Receivables		292,382	151,938
Prepayments & Other Receivables		501,585	68,885
Inventory		22,651	22,109
Total Current Assets		905,645	270,586
Non-Current Assets			
Property Plant & Equipment		835,598	931,846
Intangible Assets		28	1,287
Right of Use Assets		95,035	147,938
Total Non-Current Assets		930,662	1,081,071
Total Assets		1,836,307	1,351,657
Liabilities & Equity			
Current Liabilities			
Trade and other Payables		449,213	289,806
Total Current Liabilities		449,213	289,806
Non-Current Liabilities			
Loan from Shareholders		-	700,000

Lease Liabilities		104,872	157,795
Interest Bearing Loans & Borrowings		759,465	76,923
Provision for End of Service		19,547	19,457
Total Non-Current Liabilities		883,884	954,175
Equity			
Share Capital		51,300	66,667
Share Premium		648,700	
Capital Contribution		2,116,873	1,915,914
Accumulated Losses		(2,313,663)	(1,874,905)
Total Equity		503,210	107,676
Total Liabilities & Equity		1,836,307	1,351,657

CONSOLIDATED GROUP CASHFLOW STATEMENT
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

	Group	Essentially Juices Manufacturing LLC
	Period ending 30 June 2023 Unaudited £	Year ending 31 Dec 2022 Audited £
Cash Flow from Operating activities		
(Loss) For the period	(400,175)	(435,073)
Adjustments For:		
Provision for Employees' End of services	5,444	20,291
Depreciation of Property, Plant & Equipment/ Amortization	75,493	111,280
Depreciation for Right of use Asset	48,771	98,625
Finance Cost	87,873	81,435
Broker fee paid in shares	50,000	
Operating (loss) before Working Capital Changes	(132,595)	(123,442)
(Increase)/Decrease in Trade Receivables	(18,111)	(42,513)
(Increase)/Decrease in Other Receivables	(432,699)	(12,023)
(Increase)/Decrease in Inventory	(542)	(5,833)
Increase/(Decrease) in Trade Payables	55,621	100,054
Cash (used in) Operating activities	(528,326)	(83,757)
Employees' End of Service Payment	(4,624)	(7,664)
Finance Cost Paid	(18,819)	(21,612)
Net Cash used in Operating activities	(551,769)	(113,033)
Cash flow from Investing Activities		
Property Plant & Equipment	(10,016)	(604,396)
		-
Net Cash (used in) Investing Activities	(10,016)	(604,396)
Cash flow from Financing Activities		
Loan from Shareholders	-	700,000
Net movement in interest bearing loan & Borrowing	(17,458)	(25,251)

Share Capital		600,000	-
Capital Contribution		47,250	156,423
Lease Payments		(57,187)	(118,696)
Net Cash Generated from Financing Activities		572,605	712,476
Net (decrease)/Increase in cash & cash equivalent		10,819	(4,953)
Cash & Cash equivalent at the start of period		77,829	32,608
Cash & cash equivalent at the end of period		89,027	27,654

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD TO 30 JUNE 2023

1 General Information

Essentially Group PLC is a listed public limited company (Aquis: ESSN) incorporated in the UK and registered in England and Wales (Company Number 14299324). The Company's registered office is at Eastcastle House, 27 – 28 Eastcastle Street, London W1W 8DH.

2 Basis of Preparation

The interim consolidated financial statements of Essentially Group Plc are unaudited condensed financial statements for the six months ended 30th June 2023 (the “**Interim Statements**”). The Interim Statements do not constitute statutory financial statements within the meaning of section 434 of the Companies Act 2006.

A copy of the audited financial statements for the year ended 31st December 2022 for Essentially Juices Manufacturing L.L.C, the principal operating company of the Group is available in which the auditor's opinion on those financial statements was unqualified and did not draw attention to any matters by way of an emphasis of matter paragraph. These Interim Statements have been prepared on the basis of the accounting policies and the accrual basis of accounting and expected to apply for the financial year to 31st December 2023 based on the recognition and measurement principles adopted International Financial Reporting Standards (IFRS), in accordance with the provisions of the Companies Act 2006, applicable to companies reporting under IFRS.

The Interim Statements have been prepared under the historical cost convention. The Group's presentation and functional currency is £ Sterling. The Interim Statements do not include all of the information required for full annual financial statements and do not comply with all the disclosures in IAS 34 'Interim Financial Reporting. Accordingly, whilst the Interim Statements have been prepared in accordance with IFRS, they cannot be construed as being in full compliance with IFRS. The preparation of financial statements in conformity with United Kingdom adopted International Financial Reporting Standards (IFRS) 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 accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31st December 2023.

3 Basis of Consolidation

The Interim Statements incorporate the assets and liabilities of Essentially Group PLC (“**Company**”) as at 30th June 2023 and the result of all subsidiaries for the period then ended. Essentially Group Plc and its subsidiaries together are referred to in these financial statements as the “**Group**”.

Subsidiaries are all those entities over which the Company has control. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. Intercompany transactions, as well as balances and unrealized gains stemming from transactions among entities within the Group are removed. Where required, the accounting policies of subsidiaries have been adjusted to align with the policies adopted by the Group to maintain consistency.

The accounting for the acquisition of subsidiaries follows the acquisition method. A change in ownership interest without losing control, it is treated as an equity transaction. In this scenario, any variance between the consideration paid and share for share is directly recorded in the equity section of Company.