

28 March 2024

Tribe Technology PLC
("Tribe Tech", the "Company", or the "Group")

Unaudited results for the half year ended 31 December 2023

Tribe Technology PLC (AIM: TRYB), a disruptive developer and manufacturer of autonomous mining equipment, announces its unaudited half-year results for the six months ended 31 December 2023 ("**H1 2024**" or the "**period**").

H1 2024 Operating Highlights

During the period the Company made significant progress in the product development of the first generation autonomous TTDS GC 700 drill rig for delivery to Major Drilling Group International Inc (**Major Drilling**) ("**Rig 1**"), continued manufacturing its TTDS GC 700 drill rig ("**Rig 2**") for supply to Anglo American plc ("**Anglo American**"), and continued field trials of its sample system product line.

Rig 1 Supply for First Customer Major Drilling

1. Progressed Rig 1 to final assembly and testing.
2. Progressed software programming to enable core autonomous functionality for factory testing.

Rig 2 Manufacturing Commenced for Second Customer Anglo American

1. Fabrication of key sub-assemblies and procurement of components for Rig 2 continued at Tribe Tech's production facility in Northern Ireland.
2. Design and manufacturing improvement opportunities identified during the production of Rig 1 have been implemented to improve the manufacturing cycle time as well as optimise the supply chain for Rig 2.

Sample System

The Company has developed a novel reverse circulation ("RC") sampling system for use with the TTDS GC 700 drill rig. This sample system consists of three main modules - a cyclone, a sample splitter and a sample potting and handling system - and has related patent applications. The Company has made these modules available for sale individually or in combination for use with third party drill rigs. The Company plans to conduct additional technology trials with customers during the second quarter of 2024.

The Company secured a trial and customer demonstration site in December 2023, located at the Australian Automation & Robotics Precinct ("**AARP**") in Perth, Western Australia.

As announced by the Company in the trading update on 28 December 2023, further field trials of the sample potting and handling system, originally anticipated for late 2023, have been postponed to the second quarter of 2024. This is expected to allow for customer feedback to be incorporated into the final product design of the system.

Financial Highlights

- Trade and other receivables at 31 December 2023 were £1.61m (30 June 2023: £0.79m).
- Trade and other payables at 31 December 2023 were £3.59m (30 June 2023: £3.65m) including £2.12m of contract liabilities in relation to revenue received in advance (30 June 2023: £1.85m).
- At the period-end, net assets/(liabilities) were £1.10m (30 June 2023: (£0.59m)).
- The loss for the six-month period was £2.62m (loss in period to 31 December 2022: £0.87m).
- Cash balance at 31 December 2023 was £3.25m (30 June 2023: £0.87m).

In line with the Company's announcement on 28 December 2023, revenues during the period were lower than anticipated primarily due to delays to the TTDS GC 700 drill rig and sample system trials. However, the Company expects to recognise its first revenues in the second half of this financial year.

During the period the Company entered into a £3.0 million secured term loan facility agreement with BPC UK Lending DAC, details of which were announced on 25 October 2023.

Intellectual Property Progress

The Company is progressively building its intellectual property ("**IP**") portfolio which consists of trademarks, know-how, trade secrets and patent applications. In addition to the five patent applications filed by the Company in June 2023, Tribe Tech has applied for an additional two patents with the UK Patent Office related to drill rig technology with the objective of further expanding and investing in the Company's IP portfolio.

Post Period

- On 27 March 2024 the Company announced the completion of the Company's first TTDS GC 700 autonomous drill rig. The Company has issued a completion of manufacturing invoice to the client, with revenue to be recognised on the drill rig's arrival in Australia.
- Ancillary products (remote command hub, Sample System, and spares & consumables) to support the deployment of Rig 2 are being manufactured and sales have been realised in quarter one 2024.
- In the first quarter of 2024, the commercial team attended several international mining trade shows such as PDAC (Toronto, Canada) and Indaba (Cape Town, South Africa) where the Company has been promoting the TTDS 700GC and Sample Systems.
- A Joint Development Agreement ("**JDA**") with Veracio Australia Pty Ltd ("**Veracio**"), a pioneering technology company with a principal focus on orebody (mineral resource) knowledge, was announced on 28 February 2024 which could lead to new diversified opportunities in mining production related drilling which is a larger market than exploration and resource definition drilling.

Outlook

- Levels of commercial interest for our core products remains strong. The Company expects the deployment of Rig 1 in the field to provide extensive proof points for the existing technology and generate further customer interest.
- Revenue is expected to be recognised in mid-2024 when Rig 1 arrives in Australia at customer site.
- The JDA with Veracio will commence investigation of integrating Tribe Tech's sampling system with Veracio assay-at-the-rig technology. If the technologies are successfully integrated this could open up opportunities in the drill & blast market.

- we expect to progress with further sales opportunities for our sample system cyclone and splitter products during Q2 2024.

Chair and Chief Executive Officer's Statement

"We are excited and encouraged with the progress made since the trading update announced on 28 December 2023. Tribe Tech continues to develop and manufacture its world first autonomous RC drill rig. The first TTDS GC 700 completed factory manufacturing, as announced on 27 March 2024, and is now undergoing factory commissioning prior to shipment to Major Drilling in Western Australia.

This is a very exciting time for the Company and the result of almost five years of research and development efforts. The learnings from this commissioning will provide invaluable data for further improvements on drill rigs and beyond.

Our Sample System product line has also been undergoing extensive field trials at the Australian Automation & Robotics Precinct (AARP) in Perth, Western Australia. The AARP is a recent initiative by Development WA, the state government's central development agency and Tribe Tech is pleased and proud to be a partner.

H1 2024 was a major achievement for Tribe Tech with the Company successfully completing its IPO on 5 September 2023. The £4.6m gross proceeds of the IPO and £3m of debt from Beach Point Capital funded the Company's development and production during H1 2024. The primary use of funds has been the continued development and manufacture of our RC Drill Rigs and Sample System product lines.

Furthermore, Tribe Tech has seen commercial interest from a number of potential global customers, both drilling contractors and mine operators.

Given the growing market interest for our products, and our proprietary technical expertise, we see the future of Tribe Tech to be one of growth and innovation.

The Company wishes to thank all of our partners, customers, suppliers and investors for continued support to deliver the world's first autonomous RC drill rig and continue 'Automating the Toughest Tasks'."

Charlie King - Chief Executive Officer

Caroline Bault - Non-Executive Chair

For further information, please visit www.tribetechgroup.com or contact:

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About Tribe Tech

Established in 2019, the Group was founded to create a safer, more efficient work environment through the development of fully autonomous reverse circulation drill rigs in the mining industry. The Group's core activities are the development, in-house manufacturing, and sale of its autonomous RC Drill Rigs incorporating its core proprietary intellectual property, the Tribe Technology Drilling System ("TTDS").

Principal Activities

Tribe Tech continues to pursue its mission create a safer, more efficient work environment in the mining industry through the development of fully autonomous reverse circulation drill rigs. The Group's core activities are the development, in-house manufacturing, and sale of autonomous Tribe Tech RC Drill Rigs incorporating its core proprietary IP, the Tribe Tech Drilling System.

Tribe has two core product lines:

- The TTDS GC 700 is a drill rig used for mineral exploration and resource definition. This product has been developed and is being produced in Tribe's 20,000 square foot leased facility in Northern Ireland.
- The second core product line is the Tribe Tech Sample System which can be retrofit on existing RC drill rigs and sold to major miners and drilling contractors.

CONDENSED CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME

		Unaudited Six months to 31 December 2023 £'000	Unaudited Six months to 31 December 2022 £'000
	Note		
Continuing operations			
Revenue		-	17
Cost of sales		(179)	(154)
Gross loss		(179)	(137)
Other operating income	3	104	152
Administrative expenses	4	(2,584)	(1,114)
Operating loss		(2,659)	(1,099)
Finance income	5	18	-

Finance expense	6	(151)	(85)
Loss before taxation		(2,792)	(1,184)
Taxation	8	212	250
Loss for the period		(2,580)	(934)
Other comprehensive (loss)/income			
Foreign currency retranslation		(46)	65
Total comprehensive loss for the period attributable to owners of the parent		(2,626)	(869)
Loss per share from continuing operations attributable to owners of the parent:			
Basic and diluted loss per share (£)	9	(0.02)	(0.01)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited 31 December 2023 £'000	Unaudited 30 June 2023 £'000
ASSETS			
Non-current assets			
Property, plant and equipment		255	206
Intangible assets		70	28
Right-of-use asset	10	369	523
Lease receivable	10	30	-
Total non-current assets		724	757
Current assets			
Inventories		2,358	1,688
Trade and other receivables		1,608	795
Lease receivable	10	26	-
Cash and cash equivalents		3,259	879
Total current assets		7,251	3,362
Total assets		7,975	4,119
Liabilities			
Current liabilities			
Trade and other payables	11	1,843	1,921
Lease liabilities	10	177	209
Borrowings	12	112	220
Total current liabilities		2,132	2,350
Non-current liabilities			
Borrowings	12	2,789	359
Lease liabilities	10	197	264
Other payables	11	1,755	1,737
Total non-current liabilities		4,741	2,360
Total liabilities		6,873	4,710
Net assets/(liabilities)		1,102	(591)
Equity			
Share capital	13	111	61
Share premium	13	6,269	-
Shares to be issued	14	-	2,081
Merger reserve	14	3,183	1,690
Share-based payment reserve	14	85	4
Foreign exchange reserve	14	(118)	(72)
Accumulated losses	14	(8,428)	(4,355)
Total equity		1,102	(591)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Share capital	Share premium	Shares to be issued	Merger reserve	Share-based payment reserve	Foreign exchange reserve
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	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 01 July 2022 (Unaudited)	61	-	2,081	3,183	-	(68)
Comprehensive income						
Loss for the year	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	(4)
Transactions with owners						
Share-based payments	-	-	-	-	4	-
Balance at 30 June 2023 (Unaudited)	61	-	2,081	3,183	4	(72)
Balance at 01 July 2023	61	-	2,081	3,183	4	(72)
Comprehensive income						
Loss for the year	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	(46)
Transactions with owners						
Issue of shares	50	6,638	(2,081)	-	-	-
Share issue costs	-	(369)	-	-	-	-
Share-based payments	-	-	-	-	81	-
Balance at 31 December 2023 (Unaudited)	111	6,269	-	3,183	85	(118)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

		Unaudited Six months to 31 December 2023	Unaudited Six months to 31 December 2022
	Note	£	£
Cash flow from operating activities			
Loss before taxation from continuing activities		(2,792)	(1,184)
Adjustments for non-cash/non-operating items:			
Depreciation of property, plant and equipment		19	12
Amortisation of intangible assets		8	4
Amortisation of right-of-use assets	10	95	60
(Gain)/loss on disposal of right-of-use assets	10	(9)	1
Shares issued in lieu of cash settlement		174	-
Share-based payment expense	14	81	-
Movement in provisions		18	-
Finance income	5	(18)	-
Finance expense	6	151	85
		(2,273)	(1,022)
Increase in inventories		(670)	(606)
Increase in trade and other receivables		(889)	(432)
(Decrease)/increase in trade and other payables		(78)	712
Cash used in operations		(3,910)	(1,348)
R&D tax credits received		287	250
Net cash used in operating activities		(3,623)	(1,098)
Cash flow from investing activities			
Purchase of property, plant and equipment		(67)	(17)
Purchase of intangible assets		(50)	-
Interest received		18	-
Net cash used in investing activities		(99)	(17)
Cash flow from financing activities			
Principal paid on lease liabilities	10	(94)	(88)
Interest paid on lease liabilities	10	(17)	(28)
Rental income from sublease	10	11	-
Issue of shares		4,433	-
Issue of shares in Tribe Technology Group Ltd		-	1,336
Share issue costs		(369)	-
Repayment of borrowings		(558)	-
Proceeds from borrowings, net of costs		2,880	506
Other interest paid		(134)	(57)
Net cash generated from financing activities		6,152	1,669
Net increase in cash and cash equivalents		2,430	554
Cash and cash equivalents at the beginning of the period		879	232

Effect of foreign exchange rates	(50)	60
Cash and cash equivalents at the end of the period	3,259	846

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Company information

Tribe Technology Plc (the "Company") is a public limited company, limited by shares (not guarantee) and is incorporated and domiciled in Northern Ireland. The address of the registered office is 7b Enterprise Way, Mallusk, Belfast, BT36 4EW. The registered number of the Company is NI695862. The consolidated interim financial statements consolidate those of the Company and its subsidiaries.

2. Summary of significant accounting policies

Basis of preparation

These condensed consolidated interim financial statements include the results of the Company and its subsidiaries ("the Group") for the six months ended 31 December 2023 and have not been audited. The comparative periods presented have also not been audited due to these periods including the consolidated financial statements of the Company and its subsidiaries as a result of the share-for-share exchange, as detailed below. These condensed consolidated interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006.

These condensed consolidated interim financial statements have been prepared in accordance with AIM rules and the recognition and measurement requirements of UK-adopted International Accounting Standards ("IFRS"). The condensed consolidated interim financial statements have been prepared in accordance with the accounting policies that will be applied in the Group's annual financial statements for the period ending 30 June 2024.

The condensed consolidated interim financial statements are presented in thousands of Pounds Sterling ("£'000"), which is the functional and presentational currency of the Group.

On 20 June 2023, the Company entered into a share-for-share agreement pursuant to which the Company acquired 100% of the share capital of Tribe Technology Group Limited in exchange for shares in the Company. This transaction was considered a combination of entities under common control and falls out of the scope of IFRS 3 'Business Combinations'. IFRS does not specifically state how combinations of entities under common control are accounted for. Therefore, in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', the Directors have considered merger accounting principles, as set out in FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under this method, the financial statements of the parties to the combination are aggregated and presented as though the combining entities had always been part of the same group, therefore the consolidated interim financial statements include the assets and liabilities of the Group as at 31 December 2023 and in the comparative period to 30 June 2023. The opening consolidated statement of changes in equity as at 1 July 2022 includes the share capital of the Company and the reserves of the combined Group. The investment by the Company in Tribe Technology Group Limited is eliminated and the difference between the fair value and nominal value of the shares was adjusted through the merger reserve in the Group statement of financial position, along with any existing share premium in Tribe Technology Group Limited.

Basis of consolidation

The consolidated interim financial statements consolidate the interim financial statements and the results of the Company and its subsidiary undertakings Tribe Technology Group Limited and Tribe Technology Group Pty Ltd, made up to 31 December 2023.

Subsidiaries are 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. Income, expenditure, unrealised gains and intra-Group balances arising from transactions within the Group are eliminated.

Going concern

The Group and Company do not yet generate significant revenue however, the Group does have signed contracts in place with customers guaranteeing a quantity of drill rig sales over the next five years which will generate trading revenues once the rigs have been delivered to external customers. To secure its working capital position the Group undertook an IPO on 5 September 2023, the proceeds from which will be applied towards the production of its automated drill rigs. Subsequent to the IPO the Group also secured an additional term debt facility of £3.0 million to further extend its working capital. This facility has covenants which periodically test Cash Balance, EBITDA, and Revenue of the Company. The Directors have prepared trading and cash flow forecasts for at least 12 months from the date of approval of these financial statements. After reviewing these forecasts and projections, the Directors continue to adopt the going concern basis of accounting in the preparation of the financial statements. The Directors note that as the Group's products are in the development stage and have not yet completed customer acceptance testing there remains a customer acceptance risk, or should negative market conditions occur or projected sales fail to materialise, or are delayed, there is a risk of the Group breaching the term debt facility covenants which would lead to an event of default or the Group needing to repay its debt facilities in full.

The interim financial statements have been prepared on a going concern basis and do not include the adjustments that would be required should the going concern basis of preparation no longer be appropriate.

3. Other operating income

	Unaudited Period ended 31 December 2023 £'000	Unaudited Period ended 31 December 2022 £'000
Grants received	92	124
Other income	12	28
	<u>104</u>	<u>152</u>

4. Expenses by nature

Operating loss is stated after charging/(crediting):

	Unaudited Period ended 31 December 2023 £'000	Unaudited Period ended 31 December 2022 £'000
Depreciation of property, plant and equipment	19	12
Amortisation of intangible assets	8	2
Amortisation of right-of-use assets	94	61
(Gain)/loss on disposal of right-of-use assets	(9)	2
Defined contribution pension plan	84	38

5. Finance income

	Unaudited Period ended 31 December 2023 £'000	Unaudited Period ended 31 December 2022 £'000
Interest received on finance leases	2	-
Bank interest	16	-
Total finance income	<u>18</u>	<u>-</u>

6. Finance expense

	Unaudited Period ended 31 December 2023 £'000	Unaudited Period ended 31 December 2022 £'000
Interest on bank loans & overdrafts	134	57
Interest on lease liabilities	17	28
Total finance expense	<u>151</u>	<u>85</u>

7. Segmental reporting

The Chief Operating Decision Maker ("CODM") has been identified as the Directors. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. The CODM has determined that there is one single operating segment, the provision of drill rigs. Whilst the Group has two separate revenue streams, in the UK and Australia, management considers its principal activity is one single operating segment, with all revenue streams and divisions of the Group having similar economic characteristics.

8. Taxation

	Unaudited Period ended 31 December 2023 £'000	Unaudited Period ended 31 December 2022 £'000
Analysis of credit in the period		
Current tax loss for the period	-	-
R&D tax credits	212	250
Total current tax	<u>212</u>	<u>250</u>
Deferred tax		
Origination and reversal of timing differences	-	-
Total deferred tax	<u>-</u>	<u>-</u>
Tax credit per statement of comprehensive income	<u>212</u>	<u>250</u>

9. Loss per share

Basic and diluted loss per share

The calculation of basic and diluted loss per share is based on the loss attributable to equity holders divided by the weighted average number of shares in issue during the period.

The loss incurred by the Group means that the effect of any outstanding warrants and options would be considered anti-dilutive and is ignored for the purposes of the loss per share calculation.

The weighted average number of ordinary shares has been adjusted in both periods presented for the effect of the 600:1 share subdivision that took place in the period to 31 December 2023.

Unaudited Period ended 31 December	Unaudited Period ended 31 December
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	2023 £'000	2022 £'000
Loss for the period from continuing activities	(2,626)	(869)
	Period ended 31 December 2023 No.	Period ended 31 December 2022 No.
Weighted average number of ordinary shares	167,618,514	121,589,400
	Period ended 31 December 2023	Period ended 31 December 2022
Basic and diluted loss per share (£)	(0.02)	(0.01)

10. Leases

The Group as a lessee

The Group leases a number of assets in the jurisdictions from which it operates in with all lease payments, in substance, fixed over the lease term. All expected future cash out flows are reflected within the measurement of the lease liabilities at each period end.

Right-of-use assets

Cost	Leasehold property £'000	Software assets £'000	Equipment £'000	Motor vehicles £'000	Total £'000
At 1 July 2022	617	23	174	96	910
Additions	10	-	18	-	28
Disposals	-	-	(36)	(32)	(68)
FX	29	(2)	(1)	(1)	25
At 30 June 2023	656	21	155	63	895
Amortisation					
At 1 July 2022	154	4	24	8	190
Charge for the period	129	5	32	9	175
Disposals	-	-	(3)	(3)	(6)
FX	13	-	-	-	13
At 30 June 2023	296	9	53	14	372
Net book amount					
At 30 June 2023	360	12	102	49	523

Cost	Leasehold property £'000	Software assets £'000	Equipment £'000	Motor vehicles £'000	Total £'000
At 1 July 2023	656	21	155	63	895
Additions	-	-	11	-	11
Disposals	(125)	-	-	-	(125)
FX	(31)	-	-	-	(31)
At 31 December 2023	500	21	166	63	750
Amortisation					
At 1 July 2023	296	9	53	14	372
Charge for the period	54	4	29	8	95
Disposals	(69)	-	-	-	(69)
FX	(17)	-	-	-	(17)
At 31 December 2023	264	13	82	22	381
Net book amount					
At 31 December 2023	236	8	84	41	369

Lease liabilities

	Leasehold property £'000	Software assets £'000	Equipment £'000	Motor vehicles £'000	Total £'000
At 1 July 2022	488	19	118	77	702
Additions	-	-	15	-	15
Remeasurement	(22)	-	-	-	(22)
Interest expense	33	2	10	7	52
FX	17	(2)	-	(2)	13
Lease payments (including interest)	(152)	(11)	(55)	(14)	(232)
Disposals	-	-	(29)	(26)	(55)
At 30 June 2023	364	8	59	42	473
At 1 July 2023	364	8	59	42	473
Additions	-	-	11	-	11
Interest expense	11	1	3	2	17

Interest expense	22	1	5	2	27
FX	(16)	-	-	-	(16)
Lease payments (including interest)	(75)	(5)	(26)	(5)	(111)
At 31 December 2023	<u>284</u>	<u>4</u>	<u>47</u>	<u>39</u>	<u>374</u>

Reconciliation of minimum lease payments and present value

	31 December 2023 £'000	30 June 2023 £'000
Within 1 year	118	224
Later than 1 year and less than 5 years	291	300
After 5 years	-	-
Total including interest cash flows	<u>409</u>	<u>524</u>
Less: interest cash flows	<u>(35)</u>	<u>(51)</u>
Total principal cash flows	<u>374</u>	<u>473</u>

Classification of current and non-current lease liabilities

	31 December 2023 £'000	30 June 2023 £'000
Current	177	209
Non-current	197	264
Total	<u>374</u>	<u>473</u>

The Group as a lessor

The Group sublets a leased property which is accounted for as a finance lease.

Lease receivable

	Leasehold property £'000
At 1 July 2023	-
Additions	65
Interest income	2
Lease payments received	(13)
FX	2
At 31 December 2023	<u>56</u>

Reconciliation of minimum lease payments receivable and present value

	31 December 2023 £'000	30 June 2023 £'000
Within 1 year	32	-
Later than 1 year and less than 5 years	29	-
After 5 years	-	-
Total including interest cash flows	<u>61</u>	<u>-</u>
Less: interest cash flows	<u>(5)</u>	<u>-</u>
Total principal cash flows	<u>56</u>	<u>-</u>

11. Trade and other payables

	31 December 2023 £'000	30 June 2023 £'000
Amounts falling due within one year:		
Trade payables	486	698
Social security and other taxes	74	149
Contract liabilities	1,075	800
Other payables	208	274
	<u>1,843</u>	<u>1,921</u>
Amounts falling due after one year:		
Contract liabilities	1,054	1,054
Other provisions	647	629
Deferred tax	54	54
	<u>1,755</u>	<u>1,737</u>

A provision has been made for an amount of £647k (30 June 2023: £629k) by the Group resulting from an onerous contract. This amount will be released over the remainder of the contract in line with the accounting

policy.

Contract liabilities includes deferred income relating to advance contract payments.

12. Borrowings

	31 December 2023 £'000	30 June 2023 £'000
Current:		
Bank loans	112	220
Non-current:		
Bank loans	2,789	359
Total borrowings	<u>2,901</u>	<u>579</u>

Bank loans include a facility entered into in the period of which £3m was drawn down prior to the period end, bearing interest of 13% per annum and repayable over 5 years, with payments of interest only for the first twelve months. Transaction costs of £120k have been included. Amounts related to this loan due less than one year total £96k with the remainder being repaid post year end. A bank loan with a total principal amount of £500k, partly drawn down in 2022 (£250k) and in 2023 (£250k), was repaid in full in the period. The bank loans are secured by fixed and floating charges over the Company's assets.

	31 December 2023 £'000	30 June 2023 £'000
Opening balance	579	1,180
Proceeds from bank loans	2,880	740
Interest expense	134	106
Repayment of bank loans (including interest)	(692)	(1,447)
Closing balance	<u>2,901</u>	<u>579</u>

13. Share capital

	31 December 2023 Number	30 June 2023 Number
Allotted, called up and fully paid		
Ordinary shares of £0.0005 each	221,947,771	116,587,800
A Ordinary shares of £0.0005 each	-	5,000,400
Deferred shares of £0.0001 each	-	7,334
Total share capital	<u>221,947,771</u>	<u>121,595,534</u>

The number of Ordinary and A Ordinary shares at 30 June 2023 have been adjusted to reflect the 600:1 share subdivision that took place in the period to 31 December 2023.

During the period ended 31 December 2023, the A Ordinary shares were converted into Ordinary shares.

Deferred shares entitle shareholders to £0.01 in aggregate upon winding up the Company but carry no voting rights. During the period ended 31 December 2023, the deferred shares were cancelled.

	Number of shares	Number of shares	Share capital	Share premium
Movement in ordinary shares				
	£0.30 ordinary shares	£0.0005 ordinary shares	£	£
At 01 July 2022	2	-	1	-
Issue of shares	202,647	-	60,794	-
Cancellation of shares	(2)	-	(1)	-
At 30 June 2023	<u>202,647</u>	<u>-</u>	<u>60,794</u>	<u>-</u>
Effect of 600:1 share subdivision	(202,647)	121,588,200	-	-
Bonus issue of shares	-	28,411,801	14,206	-
Issue of shares - cash	-	71,947,770	35,974	6,638,429
	-	221,947,771	110,974	6,638,429
Cost of share issue	-	-	-	(369,314)
At 31 December 2023	<u>-</u>	<u>221,947,771</u>	<u>110,974</u>	<u>6,269,115</u>

13. Reserves

Share capital

Share capital represents the nominal value of shares that have been issued.

Share premium

Share premium represents any premiums received on issue of share capital. Any transaction costs associated with the issue of shares are deducted from share premium.

Shares to be issued

Shares to be issued represents cash received in advance of 26,018,710 shares being issued in relation to advanced subscription agreements which are considered equity, as the holders have no option to convert these back to cash. They were settled on IPO of the Company at £0.08 per ordinary share.

these back to equity may, were valued on the date the Company received per ordinary share.

Merger reserve

On 20 June 2023, Tribe Technology Plc acquired the 202,647 ordinary shares (100% of the share capital) in Tribe Technology Group Limited, in return for the issue of 202,647 ordinary shares with a nominal value of £0.3 each (refer note 2). This transaction falls under section 612 of the Companies Act and merger relief was applied.

On consolidation, the Company's investment in Tribe Technology Group Limited is eliminated and the difference between the fair value of the consideration and the share capital and share premium of Tribe Technology Group Limited is recognised in the merger reserve, resulting in a merger reserve of £3,183,000.

Share-based payments reserve

Cumulative fair value of options charged to the consolidated income statement net of transfers to the profit or loss reserve on exercised and cancelled/lapsed options.

Foreign exchange reserve

Exchange reserve represents the differences arising on translation of foreign assets and liabilities.

Accumulated losses

Accumulated losses relate to cumulative net gains and losses less distributions made.

14. Share-based payments

Share options

Tribe Technology Group Limited operated an equity-settled share-based remuneration scheme for employees. These options were to lapse if the individual leaves within 10 years from the date of grant if all vesting conditions had not been met earlier. These options were superseded, and all options were transferred into new options held by Tribe Technology Plc as part of the share-for-share transaction that took place on 20 June 2023. The exercisable options held were transferred to equivalent options.

The terms and conditions of the grants outstanding as at 31 December 2023 are detailed below:

Date of grant	No. of options	Exercise price £	Vesting conditions	Contractual life of options
30 June 2023	3,206,560	0.0005	See below*	10 years

*The options vest on the earlier of 2 years from the date of grant, or an exit event, such as a sale or takeover.

The number of options and exercise price above have been adjusted for the effect of a 600:1 share subdivision.

The fair value of options granted and outstanding were measured using the Black-Scholes model, with the following inputs:

	2023
Fair value at grant date	£0.101
Share price	£0.101
Exercise price	£0.005
Expected volatility	56.5%
Option life	2 years
Risk free interest rate	4.97%

Details of the number of share options granted, exercised, lapsed and outstanding at the end of each period as well as the weighted average exercise prices in £ ("WAEP") are as follows:

	31 December 2023	WAEP	30 June 2023	WAEP
Outstanding at beginning of period	3,206,560	0.0005	-	-
Granted during the period	-	-	3,206,560	0.0005
Outstanding at year end	<u>3,206,560</u>	<u>0.0005</u>	<u>3,206,560</u>	<u>0.0005</u>

The number of share options and WAEP have been adjusted in all periods presented for the effect of a 600:1 share subdivision which occurred during the period.

As at 31 December 2023, the remaining contractual life for the options outstanding is 9.47 years (30 June 2023: 9.98 years).

During the period, a share-based payment expense of £81k (31 December 2022: £Nil) has been recognised in the statement of comprehensive income.

15. Share-based payments (continued)

Warrants

The Company grants warrants at its discretion to certain investors.

On 20 June 2023, as part of the share-for-share exchange, warrant holders agreed to cancel the warrants in Tribe Technology Group Limited in consideration of the issue by the Company of new warrants to subscribe for shares in the Company.

The warrants granted in the period ended 31 December 2023 have an exercise price of £0.07914 and may be exercised at any time until 1 June 2026.

Details of the number of warrants granted, exercised, lapsed and outstanding at the end of each period as well as the WAEP in £ are as follows:

31 December

30 June

	31 December 2023	WAEP	30 June 2023	WAEP
Outstanding at beginning of period	4,478,229	0.07914	-	-
Granted during the period	-	-	4,478,229	0.07914
Outstanding at year end	<u>4,478,229</u>	<u>0.07914</u>	<u>4,478,229</u>	<u>0.07914</u>

The number of warrants and WAEP have been adjusted in all periods presented for the effect of a 600:1 share subdivision which occurred during the period.

The remaining contractual life for the warrants outstanding is 2.42 years (30 June 2023: 2.92 years).

16. Events after the reporting period

There have been no significant events since the end of the reporting period.



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