

Press Release

This announcement contains information which, prior to its disclosure, was inside information as stipulated under Regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310 (as amended). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

28 June 2024

StreaksAI PLC

("StreaksAI" or "the Company")

Annual results

StreaksAI PLC (LSE: STK), a UK-based generative AI platform, announces its audited results for the 12 months ended 29 February 2024. The full audited financial statements will be uploaded to the Company website: www.streaks.ai.

The Directors of StreaksAI take responsibility for this announcement.

For further information please contact:

| | |
|------------------------------------|--|
| StreaksAI PLC | |
| Mike Edwards Interim CEO | via First Sentinel (Corporate Advisor) +44 20 3855 5551 |
| Financial Adviser | |
| Brian Stockbridge (First Sentinel) | +44 20 3855 5551 |

About Streaks:

StreaksAI PLC is a provider of AI based conversational technologies. The Company offers two core products in the gaming and conversational AI space.

For more information on the Conversational Gaming AI product, please visit www.playstreaks.com.

For more information on the Conversational AI product, please visit www.streaks.ai

Chairman's Report

The Company is an AI-focused, full-stack technology company involved in every aspect from training the language models to constructing the user interface. Given the nature of the fast moving Artificial Intelligence sector, it must quickly adapt to market changes. As such, the Company identified an opportunity to utilise its technology to develop interactive, customisable "chatbots" and launched this product during the financial period. The chatbots are free for limited use and are available at a subscription for wider use. This change in direction of the Company was reflected in the change of registered company name from Streaks Gaming Plc to StreaksAI Plc on the 4th July 2023.

In addition, this technology is suitable for B2B applications and the Company is working on the development of products to fit into the music management, sports management and celebrity sectors to enable them to increase fan interaction and engagement.

Mr M Edwards

Non-Executive Chairman

Strategic Report

Principal activity

The Company's principal activity is that of a global AI-focused software development company, led by a team experienced in this sector and in the development of technology businesses. It is based in UK and its shares are listed on the main market of the London Stock Exchange (ticker:STK) .

Review of the business

Streaks Social is live and allows users to use and customise chatbots for their own experiences. This is free to use in a limited way and greater functionality is available at a subscription.

In addition, the creation of LLM-based chat technology and voice replication has allowed the Company to develop products that are suited to the music management, sports management and celebrity sectors which aid fan interaction and engagement.

Current trading and outlook

StreaksAI has generated a small amount of revenue from its interactive, customizable chatbots. This technology is well suited to B2B fan engagement platforms and the Company will be focusing on this area in the future.

Key Performance Indicators

| Focus | Aim and Intention |
|---|--|
| Meetings with Music Managers/Sports Clubs/Celebrities | This is how we monitor the success of our commercial offering |
| Accuracy of AI chatbots | Release of chatbots with inaccurate content is a big problem so we carefully monitor this |
| Cash burn | Inevitably this is a key metric and getting it to a minimum level is crucial to the business |

Principal risks and uncertainties

The Board consider that the principal risks revolve around the ability to create and monetise opportunities within the AI sector.

The Company operates in a changing environment and is subject to a number of risk factors. The Board consider the following to be of particular relevance but this is by no means an exhaustive list, as there may be other risk factors not currently known.

Risks Relating to the AI Sector

Whilst forecasts suggest that the AI sector will grow quickly in the coming years, there is no guarantee that this is the case. At some point, growth will slow and this may lead to stagnation of revenues and aggressive competition.

Whilst relatively immature, the AI sector is becoming increasingly competitive new entrants are often well resourced and this may lead to difficulties in competing with marketing expenditure to attract participants.

The Company relies up on 3rd party developers to produce the "full stack" and has relationships with several of these. The use of 3rd party developers means that the Company has a risk that the development may not be done in a timely or accurate manner.

Risks Relating to the Company's Business Strategy

The Company is an early stage business. The Company's competition may be more established companies who may have more resources and a more recognisable brand presence in the market. The Directors believe that the Company's team has the experience and connections to ensure that the business is able to compete with established rivals and take advantage of market opportunities they have identified.

Attracting high profile individuals to Streaks Social requires careful negotiation and popular celebrities may be presented with multiple offers, not just from the Company. As such, this competitive environment may lead to a slower than forecasted take up rate of subscribers.

For all other risks, please see note 15.

Company's S172 Statement

The Directors believe they have acted in the way most likely to promote the success of the Company for the benefit of its members as a whole, as required by s172 of the Companies Act 2006.

The requirements of s172 are for the Directors to:

- Consider the likely consequences of any decision in the long term,
- Act fairly between the members of the Company,
- Maintain a reputation for high standards of business conduct,
- Consider the interests of the Company's employees,
- Foster the Company's relationships with suppliers, customers and others, and

- Foster the Company's relationships with suppliers, customers and others, and
- Consider the impact of the Company's operations on the community and the environment.

The Company operates as an organisation within a fast-growing and developing AI environment, and at times may be dependent on fund-raising for continued operation and/or growth. The nature of the business is understood by the Company's members, employees and suppliers, and the Directors are transparent about the cash position and funding requirements. The Company's employees are fundamental to the success of the business.

The directors understand that it is critical to engage with and understand their views and to ensure that all employees' interests are considered. To strengthen employee engagement, the Directors promote and encourage all employees to raise any concerns or suggestions with senior management without hesitation. Stakeholder engagement is fundamental to the Company's strategy. The application of the s172 requirements can be demonstrated in relation to the some of the key decisions made during the period:

| Significant Events/Decisions | Key S172 Matters affected | Actions and Consequences |
|---|---|---|
| Strategy of signing multiple deals with music management, sports management and celebrities | Shareholders and business relationships | Increasing the awareness of the Company on a global scale |
| Investment into software development to produce AI driven platforms in the fan engagement sectors | Shareholders and business relationships | To ensure that the Company has the platform to allow it to expand on a global scale |

This the strategic report is only part of the Company's annual accounts and reports and should be read as part of the whole annual report.

Michael Edwards : Non-Executive Chairman

STATEMENT OF COMPREHENSIVE INCOME

| | | Year ended 29 February 2024 £'000 | Year ended 28 February 2023 £'000 |
|--|------|--|--|
| | Note | | |
| Continuing Operations | | | |
| Revenue | | 1 | - |
| Cost of sales | | - | - |
| Gross profit | | - | - |
| Administrative expenses | 4 | (1,513) | (3,351) |
| Write down / impairment | | (63) | - |
| Operating loss | | (1,575) | (3,351) |
| Finance income | | - | - |
| Finance costs | | - | - |
| Loss before taxation | | (1,575) | (3,351) |
| Taxation | 7 | - | - |
| Loss after taxation | | (1,575) | (3,351) |
| Other comprehensive income | | - | - |
| Total comprehensive loss for the year attributable to shareholders from continuing operations | | (1,575) | (3,351) |
| Basic and diluted earnings per share - pence | 8 | (0.42) | (1.24) |

STATEMENT OF FINANCIAL POSITION

| | | As at 29 February 2024 | As at 28 February 2023 |
|-------------------------------------|------|---------------------------|---------------------------|
| | Note | £'000 | £'000 |
| NON-CURRENT ASSETS | | | |
| Intangible assets | 9 | - | 63 |
| TOTAL NON-CURRENT ASSETS | | - | 63 |
| CURRENT ASSETS | | | |
| Trade and other receivables | 11 | 55 | 196 |
| Cash and cash equivalents | 10 | 565 | 2,070 |
| TOTAL CURRENT ASSETS | | 620 | 2,266 |
| TOTAL ASSETS | | 620 | 2,329 |
| EQUITY | | | |
| Share capital | 13 | 379 | 378 |
| Share premium | 13 | 4,880 | 4,880 |
| Share based payment reserve | 14 | 704 | 704 |
| Retained earnings | | (5,527) | (3,951) |
| TOTAL EQUITY | | 436 | 2,011 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 12 | 184 | 318 |
| Deferred revenue | | - | - |
| Lease liability | | - | - |
| TOTAL CURRENT LIABILITIES | | 184 | 318 |
| TOTAL LIABILITIES | | 184 | 318 |
| TOTAL EQUITY AND LIABILITIES | | 620 | 2,329 |

STATEMENT OF CHANGES IN EQUITY

| | Issued Share Capital £'000 | Share Premium £'000 | SBP Reserve £'000 | Retained Earnings £'000 | Total Equity £'000 |
|---------------------------------------|----------------------------------|---------------------------|-------------------------|-------------------------------|--------------------------|
| As at 1 March 2022 | 154 | 449 | 25 | (600) | 28 |
| Loss for the year | - | - | - | (3,351) | (3,351) |
| Total comprehensive loss for the year | - | - | - | (3,351) | (3,351) |
| Shares issued during the year | 224 | 4,432 | - | - | 4,656 |
| Share-based payments | - | - | 679 | - | 679 |
| Total transactions with owners | 224 | 4,432 | 679 | - | 5,355 |
| As at 28 February 2023 | 378 | 4,880 | 704 | (3,951) | 2,011 |
| | Issued Share Capital £'000 | Share Premium £'000 | SBP Reserve £'000 | Retained Earnings £'000 | Total Equity £'000 |
| As at 1 March 2023 | 378 | 4,880 | 704 | (3,951) | 2,011 |
| Loss for the year | - | - | - | (1,576) | (1,576) |
| Total comprehensive loss for the year | - | - | - | (1,576) | (1,576) |
| Shares issued during the year | 1 | 12 | - | - | 13 |
| Share-based payments | - | - | - | - | - |
| Share issue costs during the year | - | (12) | - | - | (12) |
| Total transactions with owners | - | - | - | - | - |
| As at 29 February 2024 | 379 | 4,880 | 704 | (5,527) | 436 |

STATEMENT OF CASHFLOW

Year ended Year ended

| | | Year ended 29 February 2024 £'000 | Year ended 28 February 2023 £'000 |
|---|-----------|--|--|
| | Note | | |
| Cash flow from operating activities | | | |
| Loss for the financial year | | (1,576) | (3,351) |
| Adjustments for: | | | |
| Write down / Impairment | | 63 | - |
| Services settled by issue of warrants | | - | 679 |
| Changes in working capital: | | | |
| Decrease / (Increase) in trade and other receivables | | 141 | (144) |
| Increase / (decrease) in trade and other payables | | (133) | 186 |
| Net cash used in operating activities | | (1,505) | (2,631) |
| Cash flows from investing activities | | | |
| Purchase of intangible assets | | - | - |
| Net cash used in investing activities | | - | - |
| Cash flows from financing activities | | | |
| Proceeds from issue of shares | | - | 4,656 |
| Net cash (used in)/generated from financing activities | | - | 4,656 |
| Net (decrease)/increase in cash and cash equivalents | | (1,505) | 2,025 |
| Cash and cash equivalents at beginning of the period | | 2,070 | 45 |
| Cash and cash equivalents at end of the period | 10 | 565 | 2,070 |

For full audited results: www.streaks.ai .

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