

2 October 2023

Tintra plc
(“Tintra”, the “Group” or the “Company”)

Audited Accounts for the Year to 31 January 2023

The board of directors (the “Board”) of Tintra, the rapidly innovating Deep Tech & Banking business, announces the publication of its audited annual report and accounts for the year to 31 January 2023 (the “Annual Report”).

The Annual Report will be published on the Company’s website in compliance with its articles of association and the electronic communications provisions of the Companies Act 2006. A copy of the Annual Report can also be accessed through the link below.

http://www.rns-pdf.londonstockexchange.com/rns/41620_1-2023-10-2.pdf

Key extracts from the Annual Report can also be viewed below, including from the Independent Auditor’s Report as well as a summary of the primary variances from the unaudited results or the same period that were announced on 31 July 2023.

Extract from the Independent Auditor’s Report - *Basis for qualified opinion & Emphasis of Matter*

“Basis for qualified opinion

During the year, the group divested of its holding in subsidiaries, St. Daniel House Ltd (“SDH”) and Prize Provision Services Limited (“PPSL”). Following these transactions, management were unable to determine whether any adjustment to these amounts were necessary by alternative means that the classification of results for the period and the resulting gain or loss on disposal is correctly attributed to support the recognition and classification of items included in the Group’s loss for the year of £1,589,000.

Consequently, we were unable to determine whether any adjustment to these amounts were necessary.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s Responsibilities section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed entities, and we have fulfilled our ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors’ assessment of the group’s and parent company’s ability to continue to adopt the going concern

basis of accounting included reviewing forecasts, holding discussions with management and reviewing the current position of the group, for reasonableness.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions other than noted below that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Emphasis of matter

We draw attention to Page 27 to the financial statements which describes a post balance sheet event relating to the issue of two statutory demands totalling £2,936,433 against the Company. A settlement agreed with FLF had been reached whereby the Company agreed to repay £3,030,000 to fully settle its liability. As of the date of issue of this statutory report, full repayment has not yet been made to FLF by the Company. Our opinion is not modified in respect of this matter."

The full Independent Auditor's Report can be viewed in the weblink to the Annual Report above.

Summary of Primary Variances from Previously Announced Unaudited Results for the Period

The loss for the year from continuing operations was confirmed at £2.905m (compared to £2.224m in the unaudited statements), with the total comprehensive loss for the year at £1.589m (compared to (0.908m), due to increased audit costs and a loss of £360k on the fair value of financial assets (compared to a gain of £281k).

Current assets are recorded at £10.537m (compared to £10.498m), with a reclassification of £1.221m of cash and cash equivalents (£8.776m v £9.997m) to receivables (£1.761m v £0.501m). Investments in debt instruments has reduced to £1.557m (compared to £2.198m) due to a fair value reduction, as set out above. £39k was reclassified from an intangible fixed asset to a prepayment.

Net cash used in operations has increased to £4.202m (compared to £2.795m), due to the reclassification of £1.221m of cash and cash equivalents to receivables, as set out above.

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Financial Summary & Highlights

Financial Key Performance Indicators

For the year to 31 January 2023 the Group's performance was as follows:

Key Performance Indicators	2023 £'000	2022 £'000
Revenue	-	351
Gross loss	-	(118)
Loss from continuing operations	(2,905)	(954)
Normalised EBITDA loss	(1,650)	(395)

Normalised EBITDA loss consists of:	2023 £'000	2022 £'000
Operating loss	(2,972)	(895)
Less Depreciation	5	2
Less Amortisation	-	5
Exceptional items	1,317	493
Total	(1,650)	(395)

During the second full year of rationalisation of old businesses into a Research & Development business, the Company had not expected to make a profit during this transitional period, as it focuses on delivering on its mission to drive financial inclusion through the Global South and to be the first global Web 3.0 clearing bank based around artificial intelligence innovations. It does not expect to do so for the remainder of 2023.

Financial & Operational Points of Note

In addition to its rationalisation work in the prior year, in the year ending 31 January 2023 the Company:

Brought in four key, strategic investors from North America, the Gulf and Southeast Asia, setting in place its foundation for critical research and discovery work, and the start of the implementation plan that aims for initial beta go-live by calendar year 2024.

Exited its prior arrangement with Tintra Acquisitions Limited ("TAL"), a company that is outside of the Group, and which had invested £750,000 in the Group to 31 January 2022, rationalising TAL's shareholder base and maintaining any control positions at less than 29.9%

Divested the legacy business units, St Daniel House Limited and Prize Provision Services Limited

Raised seed capital and funding of £11.65million in addition to that raised to 31 January 2022, to further support Tintra during its initial Research & Development phase, including:

- Agreed a Share Placement Deed with a potential strategic investor that was then exited as a post balance sheet event in response to broader shareholder feedback.

Announced key appointments of (i) two PhD level officers to its senior leadership team, focussing on Science and Innovation, to execute its plan to build global banking infrastructure driven by Artificial Intelligence and Natural Language Processing tools and (ii) two PhD specialists in geo-politics and geo-economics to its Non-Executive Board, both bringing key advisory skills ¹

Filed more than a dozen new patent applications globally based around 4 unique inventions. that the Company has created as part of its rapid research and development program

Established footprints in key locations of Qatar, Mauritius and Singapore to supplement its ongoing work on regulatory licence applications in both the UK and Puerto Rico jurisdictions:

- Mauritius: granted permission by the Mauritius Financial Services Commission to commence business under its Payment Intermediary Services License regime.
- Qatar: Tintra Middle East LLC, a wholly owned subsidiary of the Company was granted a license by the Qatar Financial Commission to provide Professional Services – Fintech Services, to develop APIs and to develop a platform for facilitating real-time transactional capability of mobile devices and e-commerce.
- Singapore: incorporated a new subsidiary, Tintra Consult (Singapore) PTE as part of its growth strategy and to enable it to hire a small team to begin the process of understanding the regulatory landscape prior to the Company making a bank licence application there in due course.²

Continued to develop its planned regulatory licence applications in the UK (Authorised E-Money Licence, ahead of a banking licence application in future and an International Financial Entities license in Puerto Rico

Established the Tintra Foundation, whose mission is to promote awareness of the value of Indigenous knowledge and support its preservation. Through sharing and valuing indigenous knowledge, storytelling and supporting indigenous groups to preserve their culture, knowledge and language, we aim for conservation of indigenous culture, following their own methods, to become a mainstream approach.

As a post balance sheet event on 7 September 2023, the Company announced that, following a period of lengthy and extensive negotiations, it had reached an in principle agreement on the terms of a possible cash offer by LRB 35 Limited ("**LRB**"), an unquoted special purpose vehicle formed for this purpose, currently controlled by its directors, Tariq Al Abdulla and Andrew Bascombe, but with backing from other existing non-management shareholders of Tintra, to acquire the entire issued, and to be issued, share capital of the Company. In accordance with Rule 2.6(a) of the Code, LRB is required, by not later than

¹ Dr Vanessa Neumann, has taken on special advisory responsibilities for the Group; Dr. Andrew Bowen resigned from the Board in August 2023

² In March 2023, the Company also announced that is it setting up a strategic banking hub in Rwanda, following discussions with government departments, including with the Rwandan Central Bank and Rwanda Development Board

5.00 p.m. on 5 October 2023, either to announce a firm intention to make an offer for the Company in accordance with Rule 2.7 of the Code or to announce that it does not intend to make an offer for the Company, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline can be extended with the consent of the Panel on Takeovers and Mergers in accordance with Rule 2.6(c) of the Code.

As a consequence of this announcement, an "offer period" then commenced in respect of Tintra in accordance with the Code and the attention of Tintra shareholders was drawn to the disclosure requirements of Rule 8 of the Code, which are summarised below.

Shareholders should note there is no certainty any formal offer will be made, even if the pre-conditions referred to above are satisfied or waived. Accordingly, shareholders are advised to take no action at this time. Further updates shall become available on the Company's website [here](#).

Strategic Report

Chairman's Statement

During the year to 31 January 2023, the Company continued its focus on the transformative change management process, focusing the business on the one core aim of building a deep tech-based banking business of the future. The ground that the Company has covered in past 23 months since becoming Tintra plc is quite astounding, with it now being a key player in the development of banking system infrastructure.

As expected, the Company has not traded save to an extent in the discontinued operation Prize Provisions Services Limited, and as such has no material revenues during this research & development phase. The year has been driven by putting in place the essential building blocks for that technology and banking infrastructure, including key talent hiring at all levels, securing our first regulatory licences, contracting for our major banking infrastructure system and significant work that has taken place to build the functional requirements for that.

The Company is building infrastructure that has the potential to change the way the world banks. It won't happen overnight but the pace at which these innovations are happening is meaningful.

Current Trading, Outlook and Transformation

The board of directors are delighted with the significant progress that has been made in the Group's transformation during the period. The legacy issues of the past are behind us. As I stated last year, the importance of making sure the new Tintra was built on a very clean foundation remains paramount. It is important to remember that at the same time as rapid transformation in our new mission, we have had immense amounts of work to resolve old legacy matters.

We continued to build resilience in our talent pool through additions to the Group's Board and advisory team, highly skilled PhD senior management team leads and key roles throughout the business as building blocks for the new bank systems and infrastructure.

The Board are delighted with the securing of operating licences in two key jurisdictions and remain positive about ongoing work to secure operating licences in at least 3 other regions and countries.

As expected, the strategic financing and commercial agreement with Tintra Acquisitions Limited announced in March 2021 led to other substantial investments in Tintra and its exciting transformation program. In the year, the Company brought in four new strategic investors from North America, the Gulf and Southeast Asia, which set in place its foundation for critical research and discovery work.

The Company raised net seed capital and funding in the year of £11.65 million³ in addition to that from Tintra Acquisitions Limited, to further support Tintra during its initial Research & Development phase. That capital included US\$3.0 million from Fintech Leaders Fund, with which the Company later reached an agreement for full & final settlement as described in the Chief Financial Officer's report as a Post Balance Sheet Event, full repayment of which as at the date of issue of this report has not yet been made.

Discussions with the four strategic key investors continue regarding the next phase of the Company's development ahead of the platform infrastructure going live in 4th quarter of 2024.

The Company's strategic business plan and clear vision for executing on it remains in place.

Consolidated Statement of Profit and Loss and Other Comprehensive Income for year ended 31 January 2023

	Notes	2023 £000	2022 £000
Continuing operations			
Revenue	3,4	-	351
Cost of sales	3,5	-	(469)
Gross loss		-	(118)
Administrative expenses			
Other administrative expenses	3,5	(2,612)	(1,098)
Loss on disposal of fixed assets	12	-	(15)
Impairment of goodwill	15	-	(334)
Total administrative expenses		(2,612)	(1,447)
Fair value gain/(Loss) on financial assets	16	(360)	670
Operating loss		(2,972)	(895)

³ As a PBSE, a further investment from a Gulf based investor was announced which at the time of the publication of these statutory accounts was in the process of completing.

Finance expenses	7	(46)	(59)
Other income		113	-
Loss before tax		<u>(2,905)</u>	<u>(954)</u>
Income tax expense	10	-	-
Loss for the year from continuing operations		<u>(2,905)</u>	<u>(954)</u>
Discontinuing operations			
Gain from discontinued operations, net of tax	9	1,316	500
Loss for the year		<u>(1,589)</u>	<u>(454)</u>
Other comprehensive loss:			
Other comprehensive profit for the year, net of income tax		-	-
Total comprehensive loss for the year		<u>(1,589)</u>	<u>(454)</u>
Attributable to:			
Owners of Tintra PLC		(1,589)	(454)
Non-controlling interest		-	-
		<u>(1,589)</u>	<u>(454)</u>
		2023	2022
		£	£
Loss per share			
	Notes		
Basic loss per ordinary share (pence per share)	11	(0.11)	(0.05)
Diluted loss per ordinary share (pence per share)	11	(0.11)	(0.05)
Loss per share from continuing operations			
Basic loss per ordinary share (pence per share)	11	(0.19)	(0.11)
Diluted loss per ordinary share (pence per share)	11	(0.19)	(0.11)
Earnings per share from discontinued operations			
Basic earnings per ordinary share (pence per share)	11	0.09	0.06
Diluted earnings per ordinary share (pence per share)	11	0.09	0.06

Consolidated Statement of Financial Position
At 31 January 2023

	Notes	2023 £000	2022 £000
Non-current assets			
Property, plant and equipment	12	42	40
Goodwill	15	-	-
Other intangible assets	13	-	-
Non-current other receivables	18	-	35
Investments in debt instruments	16	1,557	1,917
Total non-current assets		1,599	1,992
Current assets			
Trade and other receivables	18	1,761	151
Cash and cash equivalents	19	8,776	512
		10,537	663
Disposal group classified as held for sale	14	-	367
Total current assets		10,537	1,030
Total assets		12,136	3,022
Current liabilities			
Trade and other payables	20	(11,235)	(2,126)
Bank and other borrowings	21	(7)	(7)
		(11,242)	(2,133)
Disposal group classified as held for sale	14	-	(279)
Total current liabilities		(11,242)	(2,412)
Non-current liabilities			
Bank and other borrowings	21	(428)	(434)
Total liabilities		(11,670)	(2,846)
Net assets		466	176
Equity attributable to owners of the parent			
Share capital	23	3,239	3,230
Share premium	23	7,122	5,252
Other reserves	25	141	141
Retained deficit		(10,036)	(8,447)
Total equity attributable to owners of the parent		466	176

Consolidated Cash Flow Statement
for year ended 31 January 2023

	Notes	2023 £000	2022 £000
Cash flows used in operating activities			
Profit/(loss) before tax			
Continuing operations		(2,905)	(954)
Discontinued operations	9	<u>1,316</u>	<u>500</u>
		(1,589)	(454)
Adjustments for:			
Depreciation	12	5	2
Amortisation	13	-	5
Financial expenses	7	51	(28)
Fair value adjustments	16	360	(670)
Loss on disposal of fixed assets		-	30
Gain on disposals of subsidiaries		(1,159)	848
Movement in working capital:			
Increase in trade and other receivables		(1,595)	(361)
Decrease/(increase) in non-current receivables		35	(35)
Decrease in trade and other payables		(299)	(1,880)
		<u>(4,191)</u>	<u>(2,543)</u>
Cash used in operations			
Interest paid	7	(11)	-
Net cash used in operating activities		<u>(4,202)</u>	<u>(2,543)</u>
Cash flows from/(used in) investing activities:			
Acquisition of plant and equipment	12	(7)	(40)
Proceed from disposal of subsidiaries		50	-
Net cash disposed of in subsidiaries		(5)	-
Net cash from/(used in) investing activities		<u>38</u>	<u>(40)</u>
Cash flows from financing activities:			
Issue of share capital	23	1,879	2,035
Cash from financial liabilities issued	20	10,592	-
Cash from loan notes		(31)	134
Repayment of bank loans	21	(12)	(6)
Net cash from financing activities		<u>12,428</u>	<u>2,163</u>
Net increase/(decrease) in cash and cash equivalents		8,264	(420)
Cash and cash equivalents at start of period		512	932
Cash and cash equivalents at end of period	19	<u><u>8,776</u></u>	<u><u>512</u></u>