THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF REGULATION 2014/596/EU, WHICH IS PART OF DOMESTIC LAW OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND ("UK") PURSUANT TO THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS (*SI 2019/310*) ("UK MAR"). UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION (AS DEFINED IN UK MAR) IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

30 September 2024

Supply@ME Capital plc

(the "**Company**", "**Supply@ME**" or "**SYME**" and, together with its subsidiaries, the "**Group**")

Unaudited interim results for the six months ended 30 June 2024 and extension to the draw down period under the Top-Up Shareholder Loan Agreement

SYME, the fintech business which provides an innovative fintech platform (the "**Platform**") for use by manufacturing and trading companies to access Inventory Monetisation© ("**IM**") solutions enabling their businesses to generate cashflow, announces its unaudited results for the six months ended 30 June 2024 ("**H1 2024**") and entry into a deed of amendment to the Top-Up Shareholder Loan Agreement which extends the final draw date from 30 June 2025 through to 31 December 2025 ("**Extension Deed of Amendment**") – details of which are set out in Appendices 1 and 2 to this announcement, respectively.

Financial summary from the H1 2024 interim results:

- Group operating loss from continuing operations of £1.4 million in H1 2024 compared to £2.3 million in the six months ended 30 June 2023 ("**H1 2023**").
- This reduction of £0.9 million in the operating loss is due to a significant focus on cost saving efforts by the Company which largely commenced in the second half of 2023, together with a lower level of corporate activities than took place during H1 2023.
- New equity funding executed during May 2024 resulted in gross proceeds received of £1.6 million.
- The AvantGarde Group S.p.A ("**TAG**") has continued to make progress with payments to the Group in connection with the amounts owed in line with the various contractual funding arrangements in place between itself and the Company. During H1 2024, a total of £1.2 million was received by the Group from TAG demonstrating TAG's continued performance against its contractual commitments to the Group, albeit on a delayed basis.

Operational Highlights

- The client company pipeline KPI has increased from £330.7 million as at 19 April 2024 to £391.0 million as at 20 September 2024, this represents the potential value of warehoused goods inventory to be monetised rather than pipeline revenue expected to be earned by the Group.
- £124.0 million (32%) of the current pipeline KPI number as at 20 September 2024 is supported by signed letters of interest or term sheets, this compares to 9% of the pipeline number reported at 19 April 2024.
- Growth of the pipeline KPI has been focused on Italian client companies, which comprise 97% of the above pipeline KPI number reported at 20 September 2024.
- Progress has been made in increasing the efficiency and client experience of our due diligence processes, particularly for those clients with 'generic goods' (finished goods, which these client companies purchase and resell as part of their business model).

- The monitoring and reporting capabilities of the Group have been developed through improvements made to the monitoring module and the strategic alliance with p-Chip Corporation ("**p-Chip**").
- Tools to manage and monitor the processes supporting the trading of inventory using the Supply@ME Platform have also been developed.
- Discussions have commenced with the Italian neo banking group with regard to a programme of plain-vanilla inventory financing transactions using the Supply@ME Platform, in addition to continued consideration of the delivery of Inventory Monetisation transactions as previously announced on 29 April 2024.
- The roll out of the security token framework is currently on hold, awaiting further interest from inventory funders interested in digital assets. This is due to the high costs associated with the launch of this type of funding framework .
- Supply@ME, Banco BPM S.p.A ("**BBPM**") and the existing client of BBPM (being a leading producer of the famous Italian cheeses within the agrifood supply chain) ("**WL Client Company**") continue to work closely together towards the delivery of the White-Label transaction announced on 3 January 2024. Delays have occurred whilst the parties collaborate to propose a scalable solution in relation to the remarketing framework. This framework is required to mitigate against the risk of unsold inventory that could potentially arise from IM transactions with client companies within the agrifood supply chains.
- There have been a number of team changes to date during 2024 which are outlined below.

Summary of H1 2024 financial results

The below unaudited financial summary is taken of the Group's condensed consolidated financial statements for the six month period ended 30 June 2024. The numbers in this summary and the financial review section (included in Appendix 1 to this announcement) have been rounded to the nearest million or thousand as appropriate.

Unaudited consolidated financial summary:

	6 months to 30 June 2024 Unaudited £m	**6 months to 30 June 2023 Unaudited £m**
Continuing operations		
Revenue from continuing operations	**0.1**	0.1
Adjusted operating loss[1] from continuing operations	**(1.3)**	(2.0)
Operating loss from continuing operations	**(1.4)**	(2.3)
Loss from continuing operations	**(1.4)**	(2.4)
Loss from discontinued operations[2]	**-**	(0.2)
Total loss for the period	**(1.4)**	(2.6)
	As at 30 June 2024 Unaudited £m	**As at 31 December 2023 Audited £m**
Total assets	**2.1**	2.2
Net liabilities	**(2.8)**	(3.8)

[1] Adjusted operating loss is the operating (loss) from continuing operations before impairment charges and fair value adjustments.

[2] The discontinued operations reported in the comparative interim six month period ended 30 June 2023 relates to the operations of the TradeFlow Capital Management Pte. Ltd. ("**TradeFlow**") and its subsidiaries (the "**TradeFlow Group**"). The disposal of 81% of the TradeFlow operations (the "**TradeFlow Restructuring**") was completed on 30 June 2023.

Operational Pipeline KPI

	As at 20 September 2024 Unaudited	**As at 19 April 2024 Unaudited**
Warehoused Goods monetisation pipeline	£391.0m	£330.7m
Percentage of the pipeline figure reported above which is supported by a signed letter of interest or a signed term sheet	*32%*	*9%*
Percentage of the pipeline figure contributed by the single largest potential client	*21%*	*57%*

The pipeline KPI shown above represents the current potential value of warehoused goods inventory to be monetised rather than pipeline revenue expected to be earned by the Group. As such, this provides a good indicator of the level of demand for the Group's warehoused goods monetisation services. This pipeline represents the value as at the most practical date possible prior to the issue of this interim report (being 20 September 2024). The Company expects that the increase of the pipeline will be reflected in new due diligence activities over the coming months and, accordingly, additional due diligence fees for the Group's subsidiaries. In the case of positive due diligence outcomes, such pipeline would then be expected to move into IM phase at which stage the Group's subsidiaries will be able to charge its IM fees (including origination fees, fees for the usage of the Platform and IM servicing fees).

Entry into the Extension Deed of Amendment

On 28 September 2023, the Company and TAG entered into an English law governed top-up unsecured shareholder loan agreement, pursuant to which TAG (an entity ultimately beneficially wholly-owned and controlled by Alessandro Zamboni, Chief Executive Officer of the Company) agreed to provide the Company with a further facility of up to £3,500,000 to cover the Company's working capital and growth needs up to 30 June 2025 (the "**Top-Up Shareholder Loan Agreement**").

On 30 September 2024, the Company and TAG entered into an English law governed deed of amendment, which extended the final draw date under the Top-Up Shareholder Loan Agreement from 30 June 2025 to 31 December 2025 (the "**Extension Deed of Amendment**").

The entry by the Company and TAG into the Extension Deed of Amendment constituted a material related party transaction for the purposes of DTR 7.3 and was, accordingly, voted upon by the independent Directors (excluding Alessandro Zamboni, who, constituted a "related party" (as such term is defined in IFRS)), and the independent Directors consider the material related party transaction in respect of the Extension Deed of Amendment to be fair and reasonable from the perspective of the Company and its Shareholders who are not a related party.

Alessandro Zamboni, CEO, Supply@ME Capital plc, said:

"Over the last six months the team has focused on improving processes, particularly those that have been the focus of discussions with potential inventory funders, for example monitoring and tracking of inventory once it has been monetised and ensuring the operational resilience of the Platform. The alliance with p-Chip is a concrete example. These evolutions will help the business move forward in developing a business line of pure technology which can be offered to banks who wish to provide inventory-based financial products to their clients. The increases to the pipeline KPI number, has been driven largely from Italian client companies and this continues to demonstrate that there is a need for

off-balance sheet facilities, in particular for capital-intensive supply chains. I am looking forward to the completion of the first White-Label transaction which will improve the confidence of our various stakeholders in our innovative IM model, and will create the basis for stable partnerships with commercial and investment banks".

- Ends -

For the purposes of UK MAR, the person responsible for arranging release of this announcement on behalf of SYME is Alessandro Zamboni, CEO.

Enquiries

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APPENDIX 1 – CEO REPORT AND INTERIM FINANCIAL STATEMENTS

Chief Executive's report

Delivery Model and Platform Updates

Supply@ME provides its innovative fintech Platform for use by manufacturing and trading companies to access IM solutions enabling their businesses to generate cashflow without incurring debt. This is achieved by their existing eligible inventory being added to the Platform and then monetised via purchase by an independent stock (trading) company, who are in turn is funded by a third party inventory funders ("**IM Transactions**").

The Group, through its subsidiaries, provides the following pre and post inventory monetisation services from which it generates revenues:

- Pre-Inventory Monetisation activities carried out directly with the client company wishing to have their inventory monetised, including due diligence in respect of the client company itself and its potential eligible inventory, and origination of the IM contracts between the client companies and the relevant independent stock company; and
- Post-Inventory Monetisation activities carried out directly with the relevant independent stock company including the usage of the Supply@ME Platform under a Software as a Service ("**SaaS**") contract and the support and administration activities such as the monitoring, controlling, and reporting on the inventory monetised.

The elements of the model can be flexed and adapted based on the requirements of the inventory funders, particularly in the case of White-Label partners. For example the level of due diligence required on a particular client company may vary if it is already a client of a White-Label inventory funder, or they may not require the use of a stock company in a particular structure, in which case some of the post-inventory monetisation fees (such as the SaaS license fee) may be charged directly to the White-Label inventory funder rather than to the relevant independent stock company.

Pre-Inventory Monetisation Activities

During the first half of 2024, the Supply@ME team have been focused on increasing the efficiency and client experience of our due diligence processes. Inventory assessment of a company with generic goods, once the client company has shared all required data, can now be delivered significantly faster than previously due to process refinements. This has been achieved through using the unique abilities of Supply@ME to analyse a client company's business, and inventory, in a more efficient and targeted manner, to meet the requirements of the Inventory Monetisation business model.

As outlined in the 2023 Annual Report and Accounts, generic goods as referenced here are finished goods which client companies purchase and resell as part of their business model.

Post Inventory Monetisation Activities

Post Inventory monetisation activities within the Supply@ME business model have also been improved to date during 2024. This has been achieved by the build out of Group's monitoring and reporting capabilities through the development of the monitoring module, the scoping and building out of the formal workflow associated with the trading of inventory using the Platform, and the formation of the strategic alliance with p-Chip[1] which was announced by the Company on 21 May 2024.

[1] Home - p-ChipHome - p-Chip

The monitoring module is capable of digesting and conducting automated multi-dimension analysis of the inventory data exported from the client company's Enterprise Resource Planning ("**ERP**") system to allow for comparison to Key Performance Indicators ("**KPIs**") and Key Risk Indicators ("**KRIs**"). These KPIs and KRIs are identified by the Group's internal monitoring team using the in-depth knowledge of the client's business model and the eligible inventory items gained during the due diligence process. Additionally, the KPIs & KRIs are agreed with the director of the independent stock company to ensure any specific requirement of the inventory funder are also fulfilled. The overall goal of monitoring activities is to enable Supply@ME to provide data to the stock company director and the inventory funder, if applicable, to make data driven decisions on a monthly basis with respect to the items of inventory already monetised and which the client company may request to be monetised in the future. The Platform is able to provide this data at a detailed level, for example, at the individual stock keeping unit ("**SKU**") level of inventory.

Another focus during the first half of 2024 is the development of tools to manage and monitor the Supply@ME processes supporting trading of inventory using the Platform. This includes workflows related to the step-by-step processes to deliver the inventory monetisation trading processes. These processes are automated (where possible) to reduce human error and encompass the required tasks to deliver our unique trading services.

Additionally, following the announcement made on 21 May 2024, the Company continues to work with p-Chip to formalise and finalise a strategic alliance aimed at establishing a framework for collaboration between the parties to study the integration of the respective technologies. p-Chip is an innovative identity solutions Company based in Chicago, specialising in the development and application of micro transponder technology for tracking physical products and materials.

The agreement between the two companies aims to deliver, through the co-development of ad hoc intellectual property:

- the integration of p-Chip's indexing platform (hardware and software) with Supply@ME processes and systems;
- the development of several use cases, pilot programmes and go-to-market strategies.

The combination of p-Chip's technology with the Platform will further strengthen the role of Supply@ME, as the Platform and inventory service provider within the Inventory Monetisation transactions, by further developing the ability to monitor and inspect, with improved accuracy and new anti-fraud enhancements, each inventory item monetised.

Business Lines Update

Open Market Inventory Monetisation

Open Market IM transactions are those originated by the Group from its internal pipeline and which are funded by the independent stock company through use of funds from third party investors.

On 29 April 2024, the Company announced that it had entered into an agreement with Société Financière Européenne S.A. ("**SFE**") and an Italian neo banking group aimed at deploying an Inventory Monetisation programme. In particular, the Italian neo banking group, through its investment banking division, acting as arranger and, following the necessary internal approvals, was expected to fund the senior notes and part of the junior notes issued by securitisation special purpose entities formed directly by the bank. Progress has been made regarding the analysis of the IM model and how the securitisation vehicle can fund the programme.

The Italian neo banking group has recently also commenced discussions with the Group regarding first prioritising a programme of plain-vanilla inventory financing transactions using the Supply@ME

Platform. This proposal has been made by the banking group considering the expected increase in appetite of some Italian corporates regarding inventory-backed financing facilities that will leverage the Italian legislation *pegno non possessorio* (the "**PNP Regulation**"). By taking advantage of this expected increase in demand, the aim is to speed up the first transactions by the neo banking group using the Platform. Following this, the volumes (including both the number of transactions and value of inventory) would be expected to scale and the bank also plans to evaluate the possibility to promote this unique inventory financing facility via their digital marketplaces.

In parallel, the neo banking group will continue to work with Supply@Me with regard to deploying an IM transaction programme as outlined in the RNS of 29 April 2024, however they have recently indicated a preference to prioritise the programme of plain-vanilla inventory financing activities as set out above. More details will be provided in due course.

Additionally, to date during 2024 there has been an increase in funders interested in discussing the potential of leveraging Supply@ME's unique business model to access the relatively untapped asset of inventory. Momentum with these potential inventory funders is supported by the structures and processes established by Supply@ME in particular around the Company's ability to effectively identify and monitor inventory suitable for the requirements of specific inventory funders. Progress in turning this increased interest into formal commitments is taking time due to this being an innovative and a new asset class. Despite this, Supply@ME perceives confidence from potential inventory funders to be growing, albeit that most new inventory funders are interested to first test the inventory monetisation process with an initial single-name transaction or by funding an initial small portfolio with just a few client companies that meet their requirements.

Digital Assets & Tokenisation

On the 5 April 2024 the Company advised the market of the commitment achieved from an asset manager specialised in digital assets to subscribe the first tranche of an overall security token issuance to a value of USD$5 million. The intent being to structure a security token framework with the CH Trading Hub, owned by SFE, which will allow a first security token issuance up to USD$100 million to be subscribed in tranches, largely by institutional investors who are active in the digital asset markets.

Research since this announcement has highlighted that the digital asset market is still in its infancy, with global governance protocols still being developed and regulations evolving. This currently leads to high costs associated with the launch of any new product. As such, at this stage further commitments and subscription to the targeted security token above the initial USD$5 million, are required to further develop this business line and ensure its profitability for all parties involved. The Group will provide further updates as they become available.

White Label

The Group's first White-Label IM agreement with BBPM was announced by the Company on 3 January 2024. The commitment provided by BBPM is to fund an initial IM transaction with an inventory value to be monetised up to €10million of the WL Client Company.

Supply@ME, BBPM and the WL Client Company are still working towards delivery of this programme. The time since the agreement has been signed has been focused on ensuring a sustainable and scalable remarketing solution for the above transaction and, more extensively, to establish a scalable IM product considering the important demand for off balance sheet working capital facilities requested by the capital intensive agrifood supply chain. The establishment of the remarketer for this specific transaction has taken longer than anticipated due to the desire to establish a remarketer relationship with a cheese producer of a similar credit worthiness as the client company.

The Client Company Origination Update

In the 2023 Annual Report and Accounts the pipeline KPI figure was £330.7m as at 19 April 2024, noting that within this number there is one single client that accounts for approximately 57% of the total pipeline. This pipeline KPI represents the potential value of warehoused goods inventory to be monetised rather than pipeline revenue expected to be earned by the Group. As such, it provides an indicator of the level of demand for the Group's warehoused goods monetisation services.

It was also outlined in the 2023 Annual Report and Accounts and the funding update of 28 February 2024, that the Group has been conducting a full review of its pipeline and is progressing with requesting a formal letter of interest ("**LOI**") from each client company in its pipeline for which there is currently not a signed term sheet in place. This process has commenced in order to allow the Group to focus on those client companies within its pipeline who have signed one of these two documents and to demonstrate a level of commitment from both sides to move forwards with the onboarding process. As at 19 April 2024 approximately 9% of the £330.7m pipeline figures was supported by either signed term sheets or the new signed letter of interest.

For the purpose of this interim report both comparisons will be shared. The total pipeline KPI figure as at 20 September 2024 is £391.0m, this pipeline is comprised of 25 different client companies and it is worthy of note that the single client referenced above now comprises 21% of the total pipeline as at 20 September 2024. The client companies making up the total pipeline KPI figure come from a variety of different industries.

Of the total pipeline KPI number £124.0 million (32%) of the inventory is supported by either a letter of interest or signed term sheet. This demonstrates client companies progressing through the Supply@ME process towards either the signing of a term sheet, commencement of the due diligence process and finally Inventory Monetisation. Consideration should be given to the fact that throughout the sales and onboarding process there maybe reasons client companies do not continue in the process and/or the volume of eligible inventory reduces. For example, they may be unable to supply the detail of ERP inventory data required to support the level of analysis underpinning the Supply@ME due diligence service or, once this ERP data is supplied and analysed, the volume of eligible inventory SKUs may reduce hence decreasing the value of inventory in the Supply@ME pipeline in relation to this client company.

Italy

During the first half of 2024, the main focus of client company origination has continued to be Italy. The eco-system of originator's who look to support their clients with funding solutions is being further developed, especially given the relationships the Company is developing with inventory funders and the preferences they are expressing for client companies with specific types of inventory. Over time this will be further honed and developed.

This focus on Italy is demonstrated by £381.1 million, (97%) of the overall pipeline KPI figure and 100% of the LOIs and term sheets signed, is inventory from Italian companies, as at 20 September 2024. There is breadth to the inventory types and business models within these client companies. As outlined in the 2023 Annual Report and Accounts there are a number of client company business models which are targets for the Supply@ME model.

Generic Goods: Client companies who trade finished goods, so purchase and resell specific goods.

Orders Based Model: Client companies who create or manufacture products "to order".

Maturing Goods: Client companies with goods that mature over time and whose price appreciates or gathers wealth as they mature, typically in the agri-food sector such as cheese, wine or cured meats.

Manufacturing: Where a client company takes raw materials and transforms them into finished goods, Supply@ME has developed a methodology to identify eligible items that includes both the raw materials (before transformation) and the finished goods (after transformation).

UK

The focus on Italy as outlined above has impacted on the value of the UK pipeline. This focus has partly been driven by the interest demonstrated by inventory funders with whom the Company is discussing the model, and balancing their preferences in terms of client companies to fund with the constraints

Supply@ME has around costs. As such, the Group has needed to be strategic and specific in its focus. As such, the UK pipeline as at 20 September 2024 currently comprises of less than 1% of the overall pipeline number.

The ability for Supply@ME to deliver in the UK has been advanced through development of the UK compliant standard legal framework and the establishment of the UK based stock company.

Once a larger amount of the Italian pipeline has been monetised, it is anticipated that interest from UK based companies will increase.

Rest of Europe

The Group is able to deliver Inventory Monetisation transaction in France, facilitated through development of the French compliant standard legal framework and the establishment of a French based stock company. Of the overall pipeline KPI number as at 20 September 2024, £8.4 million (2%) of the inventory to be monetised is in France. When there is an inventory funder identified with appetite for this exposure, client company and the associated return, focus will return to progressing with this client.

As opportunities to expand into other areas of Europe arise, Supply@Me will consider setting up the necessary frameworks to allow the IM model to be used in other European jurisdictions.

Team changes

During the first half of 2024 there has been a reduction in the Group's overall cost base, some of which has been supported by reduced staff costs. The departure of Nicola Bonini, previous Group Head of Origination, in January 2024 has led to an increase in the prioritisation of generating a strong sustainable client base in Italy, given this is where the members of our sales and marketing team are currently based. A greater focus has been placed on the originator eco-system and support of an external contractor to build the pipeline, which assists in the cash constrained environment as originators are rewarded on a commission basis.

Stuart Nelson has retired on 30 September 2024. His responsibilities as Head of Enterprise Risk Management have been redistributed within the Leadership Team. This includes the other members of the Leadership Team taking responsibility for risk in their respective specialist areas, with the risk being assessed and reviewed regularly, including changes to risk levels, along with current and potential mitigants.

On 30 September 2024, Enrico Camerinelli will depart the board of directors of the Company (the "**Board**"). Enrico has been a valuable Non-Executive Director since March 2020 and departs the Board in order to be free to pursue other interests and opportunities. The Board does not intend to replace Enrico at this time in view of maintaining control over costs and considering that after Enrico's departure the Board will still consist of a majority of independent directors. An additional change made to the governance procedures of the Company is Alexandra Galligan joining the Disclosure Committee as a result of feedback from shareholders at the 2023 Annual General Meeting.

Corporate Funding

Details of the progress of the TAG funding and new equity funding received during the six month period 30 June 2024 can be found in the Financial Review section of this interim report.

Outlook

The goal for the Group is to start generating a greater level of consistent revenue flow. In the coming months, Supply@ME will look to finalise the first transaction with BBPM aligned to the White-Label go to market strategy. The discussions with the Italian neo banking group with regard to initial inventory financing transactions being delivered using the Supply@ME Platform will continue with the aim of further progress with this banking group during the remainder of 2024. It is expected that the Italian client company pipeline will start to be serviced through the increased interest of inventory funders set out above.

Financial review

	6 months to 30 June 2024 Unaudited £000	6 months to 30 June 2023 Unaudited £000	Movement Unaudited £000
Continuing operations			
Revenue from continuing operations	39	77	(38)
Operating loss from continuing operations before impairment charges and fair value adjustments	**(1,339)**	**(1,981)**	**642**
Fair value adjustment to investments	(47)	-	(47)
Impairment charges	(31)	(349)	318
Operating loss from continuing operations	**(1,417)**	**(2,330)**	**913**
Finance costs	(51)	(22)	(29)
Loss before tax from continuing operations	**(1,468)**	**(2,352)**	**884**
Income tax	97	(24)	121
Loss after tax from continuing operations	**(1,371)**	**(2,376)**	**1,005**
Discontinuing operations			
Loss from discontinued operations	-	(185)	185
Total loss for the year	**(1,371)**	**(2,561)**	**1,190**

	6 months to 30 June 2024 Unaudited Pence	6 months to 30 June 2023 Unaudited Pence	Movement Pence
Total basic and diluted loss per share ("**EPS**")	(0.0022)	(0.0046)	0.0024

The Group's unaudited condensed consolidated interim financial statements for the six month period ended 30 June 2024 ("**H1 2024**") have been prepared in line with International Accounting Standard IAS 34 ("Interim Financial Reporting"). In the comparative period for the six month ended 30 June 2023 ("**H1 2023**"), the operations of TradeFlow Capital Management Pte. Limited (**"TradeFlow**") continued to be classified as discontinued operations and assets held for resale in line with the requirements of IFRS 5 ("Non-current Assets Held for Sale and Discontinued Operations") from 1 January 2023 until the date of completion of the disposal of the Company's 81% stake in the ownership of TradeFlow (the **"TradeFlow Restructuring"**), being 30 June 2023.

Revenue from continuing operations

	6 months to 30 June 2024 Unaudited £000	6 months to 30 June 2023 Unaudited £000	Movement Unaudited £000
Revenue			
Due Diligence fees	13	40	(27)
Inventory Monetisation fees	26	37	(11)
Total revenue from continuing operations	**39**	**77**	**(38)**

The table above provides a break down of the Group’s revenue from Inventory Monetisation activities during H1 2024. Revenue is recognised in accordance with IFRS 15 ("Revenue from Contracts with Customers") and more details on the Group's revenue recognition policies can be found in the note 2 to the Group’s consolidated financial statements for the year ended 31 December 2023 (the "**2023 Annual Report**").

During H1 2024, the Group recognised £39,000 (H1 2023: £77,000) of Inventory Monetisation revenue, which it split 33% (H1 2023: 52%) related to due diligence fees, and the remaining 67% (H1 2023: 48%) relating to Inventory Monetisation fees.

In line with IFRS 15 ("Revenue from Contracts with Customers") the Group recognised the due diligence revenues when the due diligence services have been delivered and the Group’s performance obligation has been satisfied. During H1 2024, the Group has continued to carry out, and charge for due diligence activities, and the £13,000 recognised as revenue reflects the value of those due diligence activities completed during H1 2024 (H1 2023: £40,000).

Following the announcement of the first Italian IM transactions during 2022 and 2023, which were facilitated using the Group’s Platform, the Group recognised Inventory Monetisation fees of £26,000 during H1 2024 (H1 2023: £26,000). These fees related to the following activities:

1) ***IM Platform usage fees*** - usage of the Group’s IM Platform, under a Software as a Service ("**SaaS**") contract, by the independent stock (trading) company to facilitate the purchase of the inventory from the client company. In line with IFRS 15 ("Revenue from Contracts with Customers") the Group recognised these revenues over the time period they related to; and
2) ***IM service fees*** - the support and administration activities, such as the monitoring of the inventory purchased, that the Group performs in connection with the use of the Group’s IM Platform. In line with IFRS 15 ("Revenue from Contracts with Customers") the Group recognised these revenues over the time period they related to.

There were no origination fees recognised during H1 2024 (H1 2023: £11,000 which were also included in the Inventory Monetisation fee category in the table above).

These revenues are expected to grow in future accounting periods in line with expected growth in both the number of IM transactions that are facilitated using the Group’s IM Platform and, the quantum of inventory monetised by the independent stock (trading) companies per transaction, increases.

Operating loss from continuing operations before impairment charges and fair value adjustments

During H1 2024, the Group has continued to focus on improving the processes and workflows required for due diligence, monitoring and reporting of the inventory monetised over the Platform, as well as to support the sale and purchase of the inventory using the Platform. A significant amount of time and effort has also been spent in discussions and collaborations with BBPM and the WL Client Company in order to finalise the framework needed to deliver the Group’s first White-Label IM transaction and wider White-Label go-to-market strategy. In addition, the Group has been working with a number of different potential inventory funders who have shown interest in the Group’s business model and to gain a detailed understanding / explore options for funding this new asset class. These activities have been set out in more detail within the Chief Executive’s report section of this interim report.

The Group recorded an operating loss from continuing operations before impairment charges and fair value adjustments for H1 2024 of £1,339,000 (H1 2023: £1,981,000 loss). The major contributing factors that resulted in the reduction of the operating loss from continuing operations before impairment charges and fair value adjustments of £642,000 are described below:

- an aggregate decrease in the loss from gross profit and administration expenses of £893,000 from £1,473,000 recognised in H1 2024, compared to £2,366,000 recognised in the H1 2023. This decrease largely resulted from focused cost saving efforts that were implemented during 2023, in particular in the second half of the year when the Group experienced cash flow pressures as a result of delayed contractual funding amounts due to the Group. In particular:

- the professional and legal fees reduced by £766,000 during H1 2024 compared to H1 2023 as management made an effort to bring certain activities in house, together with the fact that there were less corporate activities undertaken compared to the same period in 2023, which saw the completion of the TradeFlow Restructuring on 30 June 2023, fund raising activities, and the issue of two supplementary prospectus during the first half of 2023;
- staff costs reduced by £40,000 during H1 2024 compared to H1 2023 as certain staff members who left during the period were not replaced; and
- contractor costs reduced by £153,000 in H1 2024 compared to H1 2023 as the Group ended certain agreements with contractors during the second half of 2023 as the specific activities that were being worked on came to an end.
- When the Group has sufficient cash balances in the future, management will look to increase some of the above costs again in order to support and drive growth and expansion.
- The decreases set out above were partially higher interest and penalty costs incurred across the Group due to late payments being made as a result of the delayed revenue generation and contractual funding being received by the Group.

• A decrease of £251,000 in other operating income recognised during H1 2024 of £134,000 compared to £385,000 recognised in H1 2023. The explanation for this decrease is set out as follows:
  - The majority of the H1 2023 other operating income arose as a result of a settlement agreement reached with an existing supplier to reduce the total amount payable by the Group in exchange for payment of a lower agreed amount by a specific date. The difference in the previous amount owed and the agreed final settlement amount resulted in a gain recognised in the income statement of £376,000 in this period. There was no similar balance recorded in H1 2024; and
  - Instead, the other operating income recognised in H1 2024 related to £134,000 of interest income accrued from late payments received from TAG in respect of the various contractual funding arrangements currently in place with the Group. These funding arrangements with TAG are set out in more detail in notes 3 and 24 to the interim financial statements that form part of this interim report.

Impairment charges and fair value adjustments from continuing operations

	6 months to 30 June 2024 Unaudited £000	**6 months to 30 June 2023 Unaudited £000**
Impairment charges	31	349
Fair value adjustments to investments	47	-
	78	**349**

The impairment charges from continuing operations of £31,000 recognised during H1 2024 (H1 2023: £349,000) relate to the impairment of the Group's internally developed IM platform as at 30 June 2024 in line with the requirements of IAS 36 ("Impairment of Assets"). This followed the conclusion that indicators of impairment were present, which included the losses that continued to be generated by the assets held by the Group's Italian operating subsidiaries. In line with the going concern statement, set out in note 4 to the unaudited condensed consolidated interim financial statements for the six month period ended 30 June 2024, there is currently a material uncertainty with respect to both the future timing and growth rates of the forecast cash flows arising from the use of the internally developed IM Platform intangible asset. As such, the Directors have prudently decided to continue to impair the full carrying amount of this asset of £31,000 as at 30 June 2024 (31 December 2023: £349,000). The reduction in the impairment charges in H1 2024 compared to H1 2023, is consistent with the general cost control being exercised by the Group, particularly since the second half of 2023, and the fact that no contractual frameworks for new geographical regions have needed to be developed during the first six months of 2024 together with the standard Italian contractual framework now being in a more stable state.

The fair value adjustment to the investment in TradeFlow of £47,000 recognised during H1 2024 (H1 2023: £nil) reflects the worsening of the net liability position of TradeFlow from 31 December 2023 to 30 June 2024, being the date at which the last fair value adjustment was recorded, and the current period end balance sheet date of 30 June 2024. The quantum of the fair value adjustment has been determined with reference to the change in value of the net liabilities of TradeFlow between these two dates.

Taxation

The income tax credit of £97,000 recognised in H1 2024 represents a Research & Development Tax Credit claimed by the Company under the UK SME tax credit scheme during the first half of 2024, but which was received in cash post 30 June 2024. This tax credit related to the financial year ended 31 December 2022 and the related claim was submitted and finalised in the six month period ended 30 June 2024. The Company is in the process of assessing a further claim related to the financial year ended 31 December 2023, however, as this is yet to be finalised and submitted the impact has not been recognised in these interim financial statements for the six month period ended 30 June 2024.

The income tax expense for the period ended 30 June 2023 primarily represents a tax charge of £21,000 arising in respect of the gain on settlement of outstanding creditor balance that has been referred to above.

Discontinued Operations included in H1 2023

As detailed above, the TradeFlow operations have been classified as discontinued operations and assets held for resale in line with the requirements of IFRS 5 ("Non-current Assets Held for Sale and Discontinued Operations") in the comparative six month period ended 30 June 2023. Following the date of completion of the TradeFlow Restructuring, being 30 June 2023, the Company's ownership in TradeFlow reduced from 100% to 19%. As a result, from this date, the results of the TradeFlow operations are no longer included within the Group's consolidated financial income statement and the assets and liabilities of TradeFlow, including the intangible assets acquired on the acquisition of TradeFlow in July 2021, are no longer included with the consolidated assets and liabilities of the Group.

Instead, following 30 June 2023, the fair value of the remaining 19% ownership in TradeFlow is recognised as an investment in the Group's balance sheet. As at 30 June 2024, this remaining investment in TradeFlow had a fair value of £237,000 (31 December 2023: £284,000). This decrease of £47,000 has been detailed above.

Details of the results and net cash flows from the TradeFlow operations which were included in the comparative six month period ended 30 June 2023 are set out in detail in note 26 to the 2023 Annual Report and Accounts. Details of the profit on disposal of the 81% of TradeFlow as at 30 June 2023 are set out in note 22 to the condensed consolidated interim financial statements for the six month period ended 30 June 2024.

Contractual funding facilities agreed with TAG

During H1 2024, TAG continued to perform against its contractual funding commitments to the Group, albeit on a delayed basis. A total of £1,220,000 was received by the Group from TAG during H1 2024 including:

- The remaining £550,000 that was due to the Company in respect of the TAG unsecured working capital facility that was initially agreed on 28 April 2023, and subsequently amended on 30 June 2023 (H1 2023: £nil). Following this, the full amount of £800,000, that had been drawn down by the Company during 2023, had been fulfilled by TAG. This facility was repaid by the Company in March 2024, through the issue of 1,500,000,000 new ordinary shares issued to TAG in exchange

for the repayment of the principal amount due. These new ordinary shares issued had a fixed subscription price of 0.053 pence per share; and
- Amounts totalling £670,000 that were due to the Company in respect of the £2,000,000 receivable that was assumed by TAG as a result of the TradeFlow Restructuring completed on 30 June 2023 (H1 2023: £nil). Of this amount, £570,000 was received in cash and the remaining £100,000 was received by way of offset against amounts owed by the Group to TAG including an amount of £58,000 that had been accrued as at 31 December 2023. It should be noted that the amounts offset were based on the total invoice amount including VAT, compared to the amounts accrued and recognised as expenses which exclude VAT.

It should be noted that late payment interest is also still due to be paid by TAG. The total late payment interest due from TAG which was outstanding as at 30 June 2024 was £136,000.

The delays in the payments due to the Group from TAG has continued to put cash flow pressures on the Group to date during 2024. The Board is continuing to closely monitor the payments received from TAG and the representations made to them by TAG, via Alessandro Zamboni. These representations include information as to the expected timing of the continued future fulfilment of the amounts due to the Group from TAG under the contractual funding commitments currently in place, and the actions that TAG itself is putting in place to allow them to demonstrate their ongoing commitment to support the Company and to provide the contractual payments. The delayed contractual payments resulted from TAG experiencing delays in receiving expected funding.

New Equity Subscription Agreement

In addition to the TAG funding outlined above, on 14 May 2024, the Company entered into a new equity subscription agreement with a UK investment firm, pursuant to which the UK investment firm committed to subscribe for 9,000,000,000 new ordinary shares of nominal value £0.00002 each (the "**Subscription Shares**"), on behalf of its private clients, at 0.01725 pence per Subscription Share (the "**New Equity Subscription Agreement**"). The issue of the Subscription Shares raised gross proceeds of £1,552,500 (or £1,428,300 net of an 8% commission charge). These Subscription Shares were admitted to standard segment of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange on 28 May 2024.

Cash flow

The Group increased its net cash balance (prior to any foreign exchange differences on consolidation) by £399,000 during H1 2024 (H1 2023: £465,000 decrease) due to a combination of the following cash inflows and outflows:
- cash inflow of £1,429,000, net of commission, during H1 2024 as receipts from the issue of new ordinary shares during H1 2024 under the New Equity Subscription Agreement referred to above;
- inflows of £670,000 during H1 2024 from TAG in relation to the repayment of the outstanding cash consideration that was due, and which had been assumed by TAG, as a result of the TradeFlow Restructuring; and
- cash inflows from long-term borrowing £447,000, net of repayments, predominantly due to amounts received under the amended TAG unsecured working capital facility agreed during 2023, less the cash repayments made during H1 2024 in relation to the other long-term bank borrowings held by the Group.

These net cash inflows were then offset by the following items:
- net outflows from operating activities of £2,132,000 (H1 2023: £2,143,000 net outflow); and
- net outflows due to net movements in non-current assets of £15,000 during H1 2024, being the increased investment in the Group's IM Platform of £34,000 (H1 2023: £388,000) offset by the write off of other non-current assets of £19,000 (H1 2023: £nil);

	6 months to 30 June 2024 Unaudited	**6 months to 30 June 2023 Unaudited**

	£000	£000
Net cash flows from operating activities	(2,132)	(2,143)
Net cash flows from investing activities	655	(712)
Net cash flows from financing activities	1,876	2,390
Net movement in cash and cash equivalents	**399**	**(465)**
Foreign exchange differences to cash and cash equivalents on consolidation	-	(19)
Cash and cash equivalents at 1 January	5	581
Cash and cash equivalents as at 30 June	**404**	**97**

Net liabilities

As at 30 June 2024 net liabilities were £2,792,000 (31 December 2023: net liabilities of £3,807,000).

The £1,015,000 decrease in net liability position at 30 June 2024 compared to 31 December 2023 is due to the following:

- the increase in cash and cash equivalents of £399,000 during H1 2024 as a result for the factors referred to in the cash flow section above;
- an increase in the trade and other receivables of £138,000 as at 30 June 2024. The largest single movement related to the £97,000 Research & Development Tax Credit claimed by the Company under the UK SME tax credit scheme during the first half of 2024, but which was received in cash post 30 June 2024;
- a decrease in trade and other payables of £730,000 as at 30 June 2024, largely as a result of an effort to settle a number of the balances outstanding at 31 December 2023 using the cash inflows received during H1 2024; and
- A decrease in long-term borrowings of £370,000 as at 30 June 2024, due to the repayment of the TAG unsecured working capital facility during H1 2024, the balance of which was £250,000 as at 31 December 2023, and the continued repayment of the long-term loan facility in place with Banco BPM S.p.A via the Group's subsidiary, Supply@ME Technologies S.r.l.

These increases in assets / decreases in liabilities compared to 31 December 2023 were then offset by:

- the decrease in the receivable from related party of £563,000 as at 30 June 2024 compared by 31 December 2023, largely due to the repayments totalling £670,000 received from TAG during H1 2024 in relation to the outstanding cash consideration that was due, and which had been assumed by TAG, as a result of the TradeFlow Restructuring. This was partially offset by the increase in interest receivable from TAG as a result of continued late payments against the contractually agreed payment dates;
- the decrease in the fair value of the remaining 19% investment in TradeFlow of £47,000 as at 30 June 2024. This fair value adjustment reflects the worsening of the net liability position of TradeFlow from 31 December 2023 to 30 June 2024; and
- other small movements which net to an overall increase in net liabilities of £12,000 as at 30 June 2024.

Going Concern

The Board's assessment of going concern and the key considerations thereto are set out in the note 4 to the unaudited condensed consolidated interim financial statements for the six month period ended 30 June 2024.

Related Parties

Note 24 to the unaudited condensed consolidated interim financial statements for the six month period ended 30 June 2024 contains details of the Group's related parties.

Subsequent events

Note 25 to the unaudited condensed consolidated interim financial statements for the six month period ended 30 June 2024 contains details of all material subsequent events post 30 June 2024.

Principal Risks and Uncertainties

Principal risks and uncertainties which could have a material impact on the long-term performance of the Company and its subsidiaries were set out in the Annual Report and Accounts for the year ending 31 December 2023 and remain valid at the date of this report.

The impact, likelihood, vulnerability and speed of onset of each risk is regularly reviewed, scored and ranked. The results of this assessment of current risks and changes are then reported to and discussed at the Audit Committee and reported to the Board, who have ultimate responsibility in this area.

The risks and uncertainties at the date of this report where the impact continues to be assessed as 'major' and the likelihood of the event occurring is assessed as either 'possible', 'likely' or 'frequent' were:

Strategic Risk

Future development and strategy

It has been assessed that there is no change to the classification of this risk since the 2023 Annual Report and Accounts. As the business model becomes more established it is expected that this risk will reduce. Since the 2023 Annual Report and Accounts there has been continued interest in the IM model from both client companies seeking novel working capital solutions and inventory funders interested in a new asset class.

Inventory funding Risk

It has been assessed there is no change to the classification of this risk since the 2023 Annual Report and Accounts. Funders interested in providing capital for inventory monetisation transactions is crucial to the Supply@ME's business model. Despite there being no concrete announcements in this area the team are in conversations with multiple inventory funders as outlined elsewhere in this interim report.

Financial Risk

Group funding risk

The ability for the Company to continue to fund its operations whilst on its journey to break even and beyond remains a key risk, and a risk which it is viewed has increased since the 2023 Annual Report and Accounts. Required increases in revenue flow are not yet present and there have been significant delays in the flow of funding from the TAG contractual funding facilities that are currently in place. In addition, the current share price makes it more challenging to find meaningful and prudent funding options for the Group at this time.

Additionally, it has also been assessed that the following risks have increased in either their likelihood of occurrence or their potential impact on the business since the publication of the 2023 Annual Report and Accounts:

Commercial legal risk and corporate legal and regulatory risk have both increased due to the cost constrained environment that the Group is currently operating within, leading to reduced use of external lawyers. Once the funding position of the Company improves this risk is expected to reduce again.

Talent and diversity risk has increased, there have been some senior departures to date during 2024 which have been outlined in the Team Changes section of this interim report above. Also, the cost constrained environment is impacting the tools available to reward and retain the current employees. However, this view is slightly tempered with the level of commitment to the Group of the remaining team and an increase in engagement scores in the most recent employee engagement survey.

It is considered that *business continuity risk* has reduced due to a significant amount of work conducted in this area during H1 2024.

Directors Responsibility Statement

The Directors are responsible for preparing the unaudited condensed consolidated interim financial statements for the six month period ended 30 June 2024 in accordance with applicable law and regulations. The Directors confirm that, to the best of their knowledge, the unaudited condensed consolidated interim financial statements have been prepared in accordance with IAS 34 ("Interim Financial Reporting"), as issued by the International Accounting Standards Board as contained in UK-adopted International Financial Reporting Standards, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, or the undertakings included in the consolidation as a whole, as required by DTR 4.2.4R of the FCA's Disclosure Guidance and Transparency Rules ("**DTRs**").

The Directors further confirm that the unaudited condensed consolidated interim financial statements include a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R namely:

- an indication of important events that have occurred during the six month period ended 30 June 2024 and their impact on the condensed consolidated interim financial statements for this period, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related party transactions in the six month period ended 30 June 2024 and any material changes in the related party transactions described in the last annual report

In accordance with the DTR Rule 4.2.9(2)R, the Directors confirm that these unaudited interim condensed consolidated financial statements have not been audited or reviewed by auditors pursuant to the Financial Reporting Council guidance on Review of Interim Financial Information.

The current directors are listed below all of whom were directors during the whole of the period, except as noted:
Albert Ganyushin
Alessandro Zamboni
Alexandra Galligan
David Bull
Enrico Camerinelli (resigned 30 September 2024)

By Order of the Board

Alessandro Zamboni

Chief Executive Officer

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2024

	Notes	6 months to 30 June 2024 Unaudited £ '000	6 months to 30 June 2023 Unaudited £ '000
Continuing operations			
Revenue	5	39	77
Cost of sales	7	(232)	(185)
Gross loss		**(193)**	**(108)**
Administrative expenses	7	(1,280)	(2,258)
Other operating income	8	134	385
Operating loss from continuing operations before impairment charges and fair value adjustments		**(1,339)**	**(1,981)**
Impairment charges	12	(31)	(349)
Fair value adjustments to investments	23	(47)	-
Operating loss from continuing operations		**(1,417)**	**(2,330)**
Finance costs	6	(51)	(22)
Loss before tax from continuing operations		**(1,468)**	**(2,352)**
Taxation	9	97	(24)
Loss for the period from continuing operations		**(1,371)**	**(2,376)**
Discontinuing operations			
Loss for the period from discontinuing operations	22	-	(185)
Total loss for the period		**(1,371)**	**(2,561)**
Other comprehensive income			
Exchange differences on translating foreign operations		142	415
Total comprehensive loss for the period		**(1,229)**	**(2,146)**
Loss per share		**Pence**	**Pence**
Basic and diluted loss per share – continuing operations	11	(0.0022)	(0.0043)
Basic and diluted loss per share – discontinued operations	11	-	(0.0003)
Basic and diluted loss per share – total	11	**(0.0022)**	**(0.0046)**

The above unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Notes	30 June 2024 Unaudited £ '000	31 December 2023 Audited £ '000
Non-current assets			
Intangible assets and goodwill	12	-	-
Investment	23	237	284
Property, plant and equipment		1	3
Other non-current assets		-	19
Total non-current assets		**238**	**306**
Current assets			
Trade and other receivables	13	1,164	1,026
Cash and cash equivalents		404	5
Receivable from related party	14	284	847
Total current assets		**1,852**	**1,878**
Total assets		**2,090**	**2,184**
Current liabilities			
Trade and other payables	15	3,839	4,569
Total current liabilities		**3,839**	**4,569**
Net current liabilities		**(1,987)**	**(2,691)**
Non-current liabilities			
Long-term borrowings	16	470	840
Provisions	17	568	575
Deferred tax liabilities		5	7
Total non-current liabilities		**1,043**	**1,422**
Net liabilities		**(2,792)**	**(3,807)**
Equity attributable to owners of the parent			
Share capital	18	6,199	5,989
Share premium		27,363	25,396
Share-based payment reserve	21	8,036	7,969
Other reserves		(10,906)	(11,048)
Retained losses		(33,484)	(32,113)
Total equity		**(2,792)**	**(3,807)**

The above unaudited condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2023

	Share capital £ '000	Share premium £ '000	Other reserves* £ '000	Share-based payment reserve £ '000	Merger relief reserve* £ '000	Reverse takeover reserve* £ '000	Foreign currency reserve* £ '000	Retained earnings £ '000	Total £ '000
As at 1 January 2023	5,897	25,269	37	5,871	226,905	(237,834)	(521)	(27,649)	(2,025)
Loss for the 6-month period	-	-	-	-	-	-	-	(2,561)	(2,561)
Forex retranslation difference	-	-	-	-	-	-	415	-	415
	5,897	25,269	37	5,871	226,905	(237,834)	(106)	(30,210)	(4,171)
Credit to equity for issue of warrants	-	-	-	1,717	-	-	-	-	1,717
Exercise of Open Offer warrants	1	23	-	(29)	-	-	-	29	24
Issuance of new shares	90	2,160	-	-	-	-	-	-	2,250
Increase in fair value of previously issued warrants	-	(132)	-	346	-	-	-	(214)	-
Costs incurred in connection with the issuance of new ordinary shares	-	(1,972)	-	-	-	-	-	-	(1,972)
Equity settled employee share-based payment schemes	-	-	-	44	-	-	-	-	44
As 30 June 2023	**5,988**	**25,348**	**37**	**7,949**	**226,905**	**(237,834)**	**(106)**	**(30,395)**	**(2,108)**

*The "other reserves" balance in the unaudited condensed consolidated statement of financial position represents an aggregate of other reserves, the merger relief reserve, the reverse takeover reserve and the foreign currency reserve.

The above unaudited condensed consolidated statement of changes in equity should be read in conjunction with the accompany notes.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2024

	Share capital £ '000	Share premium £ '000	Other reserves* £ '000	Share-based payment reserve £ '000	Merger relief reserve* £ '000	Reverse takeover reserve* £ '000	Foreign currency reserve* £ '000	Retained earnings £ '000	Total £ '000
As at 1 January 2024	5,989	25,396	36	7,969	226,905	(237,834)	(155)	(32,113)	(3,807)
Loss for the 6-month period	-	-	-	-	-	-	-	(1,371)	(1,371)
Forex retranslation difference	-	-	-	-	-	-	142	-	142
	5,989	25,396	36	7,969	226,905	(237,834)	(13)	(33,484)	(5,036)
Credit to equity for issue of warrants	-	-	-	52	-	-	-	-	52
Exercise of Open Offer warrants	-	-	-	-	-	-	-	-	-
Issuance of new shares	210	2,143	-	-	-	-	-	-	2,353
Costs incurred in connection with the issuance of new ordinary shares	-	(176)	-	-	-	-	-	-	(176)
Equity settled employee share-based payment schemes	-	-	-	15	-	-	-	-	15
As 30 June 2024	6,199	27,363	36	8,036	226,905	(237,834)	(13)	(33,484)	(2,792)

*The "other reserves" balance in the unaudited condensed consolidated statement of financial position represents an aggregate of other reserves, the merger relief reserve, the reverse takeover reserve and the foreign currency reserve.

The above unaudited condensed consolidated statement of changes in equity should be read in conjunction with the accompany notes.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2024

	6 months to 30 June 2024 Unaudited £ '000	6 months to 30 June 2023 Unaudited £ '000
Cash flows from operating activities		
Loss before interest and tax from continuing operations	(1,417)	(2,330)
Loss before interest and tax from discontinued operations	-	(115)
Total loss for the period before interest and tax	**(1,417)**	**(2,445)**
Adjustments for non-cash acquisition related costs		
Amortisation of intangible assets arising on acquisition	-	442
Adjustment for impairment charge		
Impairment charges	31	349
Adjustment for fair value on investments		
Fair value adjustments to investments	47	-
Adjustments for non-cash costs related to the disposal of the discontinued operations		
Foreign currency translation reserve reclassified to other comprehensive income	-	62
Gain arising on restructuring of discontinued operations	-	(718)
	78	**135**
Other non-cash adjustments	69	86
Other depreciation and amortisation	5	43
Increase /(decrease) in provisions	7	(21)
(Increase)/decrease in accrued income	(2)	5
(Increase)/decrease in trade and other receivables	(51)	426
(Decrease) in trade and other payables	(661)	(572)
Other (increases) / decreases in net working capital	(107)	224
Cash flows from operations	**(2,079)**	**(2,119)**
Interest paid	(53)	(24)
Net cash flows from operating activities	**(2,132)**	**(2,143)**
Cash flows from investing activities		
Purchase of intangible assets	(34)	(388)
Other movements in non-current assets	19	-
Consideration received from related party on disposal of discontinued operations	670	-
Cash outflow on disposal of discontinued operations	-	(324)
Net cash flows from investing activities	**655**	**(712)**
Cash flows from financing activities		
Net cash inflow from new long-term borrowings	550	405
Cash repayment of existing long-term borrowings	(103)	(33)
Cash inflow from issue of new ordinary shares	1,553	2,274
Other finance costs paid in cash	-	(1)

Share issue costs paid in cash	(124)	(255)
Cash flows from financing activities	**1,876**	**2,390**
Net movement in cash and cash equivalents	399	(465)
Foreign exchange differences to cash and cash equivalents on consolidation	-	(19)
Cash and cash equivalents as at 1 January	5	581
Cash and cash equivalents at the end of the period	**404**	**97**

The above unaudited condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2024

1 Company information

Supply@ME Capital plc (the "**Company**") is a public limited company incorporated in England and Wales. The address of its registered office 27/28 Eastcastle Street, London, W1W 8DH, United Kingdom. Supply@ME Capital's ordinary shares are admitted to listing on the standard segment of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange.

These unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (the "**Group**") have been approved for issue by the board of directors of the Company (the "**Board**") on 30 September 2024.

2 Basis of preparation

Accounting convention

These unaudited condensed consolidated interim financial statements for the six month reporting period ended 30 June 2024 have been prepared in accordance with Accounting Standard IAS 34 ("Interim Financial Reporting"*)* as contained in UK-adopted International Accounting Standards.

The interim report does not include all the notes of the type normally included in annual audited financial statements. Accordingly, this report is to be read in conjunction with the annual report and accounts for the year ended 31 December 2023 (the "**2023 Annual Report**"), which was prepared in accordance with UK-adopted International Accounting Standards, and any public announcements made by the Company during the interim reporting period.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates, and will seldom equal the estimated results. In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies were the same as those that applied to the 2023 Annual Report.

New and amended standards adopted by the group

No new or amended standards became applicable that have a significant impact on the Group's interim condensed consolidated financial statements for the six month period ended 30 June 2024. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting any new or amended standards in the current interim reporting period.

3 Significant changes in the current reporting period

Below provides a summary of the significant changes and events that occurred during the six month period ended 30 June 2024.

New Equity Subscription Agreement

On 14 May 2024, the Company entered into a new equity subscription agreement with a UK investment firm, pursuant to which the UK investment firm committed to subscribe for 9,000,000,000 new ordinary shares of nominal value £0.00002 each (the "**Subscription Shares**"), on behalf of its private clients, at 0.01725 pence per Subscription Share (the "**New Equity Subscription Agreement**"). The issue of the Subscription Shares raised gross proceeds of £1,552,500 (or £1,428,300 net of 8% commission charged). These Subscription Shares were admitted to standard segment of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange on 28 May 2024.

In addition to the commission charged on the issue on the Subscription Shares, 450,000,000 new warrants were required to be issued under the New Equity Subscription Agreement (the "**New Warrants**"). The New Warrants are each exercisable into one new ordinary share at a price equal to 0.01725 pence each up to a final exercise date of 28 May 2029.

As at 30 June 2024, the Group had a total of 450,000,000 warrants remaining outstanding as there had been no conversion of the New Warrants into new ordinary shares between the date of issue and 30 June 2024.

The AvantGarde Group S.p.A ("TAG") unsecured Working Capital loan agreement

On the 28 April 2023, the Company and TAG, the Group's major shareholder, entered into a fixed term unsecured working capital loan agreement (the **"TAG Unsecured Working Capital facility"**). Under the TAG Unsecured Working Capital facility, TAG committed to provide, subject to customary restrictions, a facility of up to £2,800,000, in tranches up to 31 January 2024, to cover the Company's interim working capital and growth needs. Following this, in conjunction with the disposal of the 81% stake in ownership of TradeFlow Capital Management Pte. Limited (**"TradeFlow"**) (the **"TradeFlow Restructuring"**), which was completed on 30 June 2023, the £2,000,000 receivable by the Company that was assumed by TAG from the Buyers, was offset against the obligations of TAG under TAG Unsecured Working Capital facility. The amendment to the TAG Unsecured Working Capital facility was agreed on 30 June 2023 and this reduced the obligations to fund the Company under the TAG Unsecured Working Capital facility to up to £800,000 (the "**amended TAG Unsecured Working Capital facility**").

On 30 June 2023, the Company issued a draw down notice to TAG under the amended TAG Unsecured Working Capital facility for the full £800,000 available. As at 31 December 2023, £250,000 had been received from TAG in respect of this facility, and during the current interim six month period ended 30 June 2024, the remaining £550,000 was received from TAG.

Subsequent to TAG satisfying the full amount of £800,000 drawn down by the Company under the amended TAG Unsecured Working Capital facility, the Company and TAG signed a second deed of amendment agreement dated 26 March 2024, which allowed the full outstanding amount of the amended TAG Unsecured Working Capital facility to be extinguished by the issue of 1,500,000,000 new ordinary shares of nominal value £0.00002 each, which were issued to TAG on 28 March 2024. These new ordinary shares issued had a fixed subscription price of 0.053 pence per share.

The sums drawn under the amended TAG Unsecured Working Capital facility attracted a non-compounding interest rate of 10% per annum. The interest payable by the Company to TAG as at 26 March 2024 was £20,000 and this was settled on 26 March 2024 through the offset of interest receivable by the Company from TAG under the other contractual funding arrangements currently in place with TAG.

Top-Up Shareholder Loan Agreement

On 28 September 2023, the Company and TAG entered into an English law governed top-up unsecured shareholder loan agreement (the "**Top-Up Shareholder Loan Agreement**"), pursuant to which TAG agreed to provide the Company with a further facility of up to £3,500,000 to cover the Company's working capital and growth needs up to 30 June 2025 (the "**Top-Up Facility**"). Details of this Top-Up Facility are set out in the 2023 Annual Report.

During the six month period ended 30 June 2024 the Company issued draw down notices to TAG for an aggregate amount of £1,073,000, bringing the total amount drawn down under the Top-Up Shareholder Loan Agreement to £2,042,000 as at 30 June 2024 (31 December 2023: amount drawn down of £969,000). The total amount drawn remained unpaid as at 30 June 2024, and no amounts have been received prior to the release of these interim financial statements.

In addition, on 30 September 2024, the Company and TAG entered into an English law governed deed of amendment, which extended the final date that the Company is able to issue a draw down notice under the Top-Up Shareholder Loan Agreement from 30 June 2025 to 31 December 2025 (the "**Extension Deed of Amendment**").

The Company has been charging a late fee calculated at a compounding rate of 15% per annum on any amounts that have been drawn down by the Company but not received by the relevant due date, in accordance with the contractual arrangements. As a result of the late payment by TAG of the amounts drawn down, the Group recognised interest income of £111,000 in the six month period ended 30 June 2024 in relation to the Top-Up Shareholder Loan Agreement.

TAG and TradeFlow Restrucutring

As set out above, on 30 June 2023, TAG assumed the remaining £2,000,000 consideration arising from the TradeFlow Restructuring, to be receivable by the Group from the Buyers, by way of a debt novation deed (the **"Deed of Novation"**). The £2,000,000 was to be repaid by TAG to SYME in multiple tranches, with the final tranche being payable by 31 January 2024. As at 30 June 2024 an amount of £102,000 remained outstanding under the Deed of Novation (31 December 2023: outstanding amount of £772,000).

The total payment of the £1,898,000 received prior to 30 June 2024 (including £1,228,000 received during 2023 and £670,000 received during the first half of 2024), was paid through a split of £1,341,000 in cash, £421,000 by way of formal debt novation agreements with specific suppliers whereby the debt held by the Group was novated to TAG with no recourse to the Group, and £136,000 by way of offset against amounts owed by the Group to TAG.

As set out in note 25, subsequent to 30 June 2024 and prior to release of these interim financial statements TAG has repaid a further £24,000 under the Deed of Novation through offsets against invoiced amounts owed by the Group to TAG.

The Company has been charging a late fee to TAG in terms of overdue payments of this particular receivable balance, and this late fee is calculated at a compounding rate of 15% per annum on any amounts of the instalments not transferred to the Company by the relevant due date, in accordance with the contractual arrangements. During the six month period ended 30 June 2024, the Group recognised £23,000 of interest income in relation to the late payments by TAG in respect of this particular receivable balance.

4 Going Concern

At the 30 June 2024 the Group had cash and cash equivalents of £404,000 (31 December 2023: £5,000 cash and cash equivalents) and consolidated net current liabilities of £1,987,000 (31 December 2023: £2,691,000). The Group has posted a total loss for the six month period ended 30 June 2024 of £1,371,000 (for the six month period ended 30 June 2023: total loss £2,561,000) and the retained losses were £33,484,000 as at 30 June 2024 (31 December 2023: retained losses £32,113,000).

During the six month period ended 30 June 2024 the Company continued to source additional funding with the primary aim of allowing it to meet its ongoing working capital requirements as it seeks to deploy an increasing number of IM transactions. In sourcing this new funding, the Company has also sought to improve the Company's overall capitalisation by raising the additional funding through a new subscription of equity, details of which have been set out in note 3 above.

In addition, the Company and its Board has continued to work closely with TAG to ensure delivery against the contractual funding commitments that were agreed during 2023, albeit on a delayed basis. Details of these contractual commitments, being a) the amended TAG Unsecured Working Capital facility, b) the Top-Up Shareholder Loan Agreement and c) the Deed of Novation, and of the amounts received from TAG, totalling £1,220,000, during the six month period ended 30 June 2024 can be found in note 3 above and also in note 24 to these condensed consolidated interim financial statements.

The Board believe that the continued delivery of funds from TAG demonstrates the ongoing commitment from TAG to support the Group and to provide the funds due under its contractual commitments with the Company, albeit on a delayed payment schedule. The Board is continuing to closely monitor the payments received from TAG and the representations made to them by TAG, via Alessandro Zamboni. These representations include information as to the expected timing of the continued future fulfilment of the amounts due to the Group from TAG under the contractual funding commitments currently in place, and the actions that TAG itself is putting in place to allow them to demonstrate their ongoing commitment to support the Company and to provide the contractual payments. The delayed contractual payments resulted from TAG experiencing delays in receiving expected funding.

Taking into account the factors above and in order to consider their assessment of the Group as a going concern, the Directors have reviewed the forecast cashflows for the next 12 months from approval of these condensed consolidated interim financial statements. The cashflow forecasts take into account that the Group meets its day to day working capital requirement through its available and committed cash resources. The Directors have prepared the forecast using their best estimates, information and judgements at this time, including the receipt of any outstanding contractual funding amounts to be received from TAG under the TAG Top-Up Shareholder Loan Agreement and the Extension Deed of Amendment.

The Directors have also considered the expected cashflows arising from the use of the Group's innovative Platform to facilitate inventory monetisation transactions. This reflects the fact that the Directors expect the Group to continue to prove the concept of its business model and to fully operationalise in the near future.

Despite the facts outlined above, there is currently an absence of a historical track record relating to multiple Inventory Monetisation transactions being facilitated by the Group's Platform and the Group being cash flow positive. As such the Directors have prudently identified uncertainty in the cash flow model. This uncertainty arises with respect to both the future timing and growth rates of the forecast cashflows arising from the Group's multiple Inventory Monetisation revenue streams. In this regard, if these future revenues are not secured as the Directors envisage, it is possible that the Group will have a shortfall in cash and require additional funding during the forecast period. In addition, the cash inflows from the TAG Top-Up Shareholder Loan Agreement have not yet been fully received. These amounts have been factored into the cash flow forecasts in line with contractual commitments received from the counterparties and/or the latest updates from TAG. As such there is a risk that these cash flows might not be received or might not reach the Group in the time frame expected despite the contractual commitments in place.

On the basis of the factors identified in the above paragraph, the Directors believe there are material uncertainties which may cast significant doubt upon the entities ability to continue as a going concern.

The Directors do however remain confident in the business model and believe the Group could be managed in a way to allow it to meet its ongoing commitments and obligations through mitigating actions including cost saving measures and securing alternative sources of funding should this be required.

As such the Directors consider it appropriate to prepare these interim unaudited condensed consolidated financial statements on a going concern basis, taking into account the material uncertainties noted above, and have not included the adjustments that would result if the Company and Group were unable to continue as a going concern.

5 Revenue and operating segments

IFRS 8 ("Operating segments") requires the Group's operating segments to be established on the basis of the components of the Group that are evaluated regularly by the chief operating decision maker, which has been determined to be the Board of Directors. At this early stage of development, the Group's structure and internal reporting are continually developing.

For the current and comparative six month periods ended 30 June 2024 and 30 June 2023 respectively, the Board considered that the Group has operated in a single business segment from its continuing operations, being Inventory Monetisation, alongside the head office costs (largely compromising the Company). This follows the classification of the TradeFlow operations as being discontinued under IFRS 5 ("Non-current assets held for sale and discontinued operations") for the purposes of the consolidated annual financial statement for the year ended 31 December 2022 and through to 30 June 2023, which was the point in time that the TradeFlow Restructuring was completed. Further details of the discontinued operations and the TradeFlow Restructuring can be found in note 22 to these unaudited condensed consolidated interim financial statements.

The key metrics assessed by the Board include revenue and operating loss from continuing operations before impairment charges and fair value adjustments which are presented below. Revenue is presented on basis of IFRS 15 ("Revenue from Contracts") revenue recognition and by service line.

Six months to 30 June 2024	**Inventory Monetisation Unaudited £'000**	**Head office Unaudited £'000**	**Consolidated Group – continuing operations Unaudited £'000**
Revenue from continuing operations			
Due Diligence fees	13	-	13
Inventory monetisation fees	26	-	26
Revenue from continuing operations	**39**	**-**	**39**
Operating loss from continuing operations before impairment charges and fair value adjustments	**(481)**	**(858)**	**(1,339)**

As at 30 June 2024	**Inventory Monetisation Unaudited £'000**	**Head office Unaudited £'000**	**Consolidated Group – continuing operations Unaudited £'000**
Balance sheet			
Assets	1,083	1,007	2,090
Liabilities	(3,842)	(1,040)	(4,882)
Net (liabilities)	**(2,759)**	**(33)**	**(2,792)**

All the Group's revenue from due diligence fees is recognised at a point in time. All of the revenue generated from inventory monetisation fees in the six month period ended 30 June 2024 is generated from usage of the Group's IM Platform and services provided by the Group in connection with the IM transaction. The £26,000 of inventory monetisation fees is recognised over time and the amount recognised in the current financial period relates to the performance obligations satisfised during the six month period ended 30 June 2024.

Geographical analysis

The Group's inventory monetisation operation is currently predominately located in Europe, while the investment advisory operations (classified as a discontinued operation) were predominately located in Singapore for the six months ended 30 June 2023.

Comparative segmental reporting

Six months to 30 June 2023	**Inventory Monetisation Unaudited £'000**	**Head office Unaudited £'000**	**Consolidated Group - continuing operations Unaudited £'000**
Revenue from continuing operations			
Due Diligence fees	40	-	40
Inventory monetisation fees	37	-	37
Revenue from continuing operations	**77**	**-**	**77**
Operating loss from continuing operations before impairment charges	**(489)**	**(1,492)**	**(1,981)**

As at 30 June 2023	**Inventory Monetisation Unaudited £'000**	**Head office Unaudited £'000**	**Consolidated Group - continuing operations Unaudited £'000**
Balance sheet			
Assets	852	2,554	3,406
Liabilities	(4,332)	(1,182)	(5,514)
Net assets /(liabilities)	**(3,480)**	**1,372**	**(2,108)**

All the Group's revenue from due diligence fees is recognised at a point in time. Of the revenue generated from inventory monetisation fees, £11,000 is generated from origination fees which is recognised at a point in time, and the remaining £26,000 is generated from usage of the Group's IM Platform and services provided by the Group in connection with the IM transaction. This £26,000 of inventory monetisation fees is recognised over time and the amount recognised in the current financial period relates to the performance obligations satisfised during the six month period ended 30 June 2023.

As at 31 December 2023	**Inventory Monetisation Audited £ 000**	**Head office Audited £ 000**	**Consolidated Group - continuing operations Audited £ 000**
Balance sheet			
Assets	971	1,213	2,184
Liabilities	(4,321)	(1,670)	(5,991)
Net (liabilities)	**(3,350)**	**(457)**	**(3,807)**

Geographical analysis

The Group's inventory monetisation operation is currently predominately located in Europe, while the investment advisory operations (classified as a discontinued operation) were predominately located in Singapore for the six month period ended 30 June 2023.

6 Finance costs from continuing operations

	6 months to 30 June 2024 Unaudited £ '000	6 months to 30 June 2023 Unaudited £ '000
Interest expense – long-term borrowings	42	21
Other interest expense	9	1
Total finance costs	**51**	**22**

Included with the interest expense related to long-term borrowings is an amount of £13,000 (six month period ended 30 June 2023: £nil) accrued in relation to the TAG Unsecured Working Capital facility.

7 Operating loss from continuing operations

The Group's operating loss from continuing operations before impairment charges and fair value adjustments has been arrived at after charging:

	6 months to 30 June 2024 Unaudited £ '000	6 months to 30 June 2023 Unaudited £ '000
Amortisation of internally developed IM platform	3	39
Depreciation	2	2
Staff costs	872	912
Professional and legal fees	299	1,065
Contractor costs	30	183
Insurance	48	46
Training and recruitment costs	3	2
Long-term incentive plan ("**LTIP**")	15	44

In addition to the above, the Group incurred the following costs from continuing operations relating to impairment charges and fair value adjustments as detailed below:

	6 months to 30 June 2024 Unaudited £ '000	6 months to 30 June 2023 Unaudited £ '000
Impairment charges (note 12)	31	349
Fair value adjustments to investments (note 23)	47	-
Total impairment charges and fair value adjustments	**78**	**349**

The following acquisition related costs, impairment charges, and costs/(gains) relating to the restructuring of the TradeFlow ownership, have been recognised in the discontinued operations during the comparative six month period ended 30 June 2023:

	6 months to 30 June 2024 Unaudited	6 months to 30 June 2023 Unaudited

	£ '000	£ '000
Amortisation of intangible assets arising on acquisition	-	442
Foreign currency translation gain reclassified to other comprehensive income	-	62
Profit on disposal of 81% of TradeFlow	-	(718)
	-	**(214)**

8 Other operating income from continuing operations

	6 months to 30 June 2024 Unaudited £ '000	6 months to 30 June 2023 Unaudited £ '000
Interest income	134	9
Gain arising on settlement of outstanding creditor balance	-	376
Total other operating income from continuing operations	**134**	**385**

The interest income of £134,000 recognised in the current six month period ended 30 June 2024 relates to interest accrued as receivable from TAG as a result of the late payments received in connection with the TAG Top-Up Shareholder Loan Agreement and the Deed of Novation.
The interest income of £9,000 recognised in the comparative six month period ended 30 June 2023 related to late payment interest accrued as receivable from a third party. The £376,000 gain arising on settlement of outstanding creditor balance recognised in the six month period ended 30 June 2023 related to a settlement agreement reached with an existing creditor. Further details of this amount can be found in note 5 of the 2023 Annual Report.

9 Taxation from continuing operations

The income tax credit of £97,000 recognised for the six month period ended 30 June 2024 represents a Research & Development Tax Credit claimed by the Company under the UK SME tax credit scheme. This tax credit related to the financial year ended 31 December 2022 and the related claim was submitted and finalised in the six month period ended 30 June 2024, with the cash being received post the period end. The Company is in the process of assessing a further claim related to the financial year ended 31 December 2023, however, as this is yet to be finalised and submitted the impact has not been recognised in these interim financial statements for the six month period ended 30 June 2024.

The income tax expense for the period ended 30 June 2023 primarily represents a tax charge of £21,000 arising in respect of the gain on settlement of outstanding creditor balance as described in note 8 above.

To date any accumulated tax losses resulting from net losses generated have not been recognised in the statement of financial position given the Group does not have a track record of generating profits against which these accumulated losses could be offset.

10 Dividends

During the six month period ended 30 June 2024 the Group did not pay a dividend (six month period ended 30 June 2023: no dividend).

The Directors do not foresee a dividend being payable in the next financial year as the Group will be concentrating on growing its market share and enhancing its technology and capabilities.

11 Earnings / (loss) per share

The calculation of the basic earnings/(loss) per share ("**EPS**") is based on the loss for the six month period of £1,371,000 (H1 2023 - loss £2,561,000) and on a weighted average number of ordinary shares in issue of 63,638,729,365 (H1 2023: 55,136,008,130). The basic EPS is (0.0022) pence (H1 2023: (0.0046)).

The calculation of the basic EPS from continuing operations is based on the loss for the six month period from continuing operations of £1,371,000 (H1 2023 - loss £2,376,000) and on a weighted average number of ordinary shares in issue of 63,638,729,365 (H1 2023: 55,136,008,130). The basic EPS from continuing operations is (0.0022) pence (H1 2023 – (0.0043) pence).

The calculation of the basic EPS from discontinued operations is based on the loss for the six month period from discontinued operations of £nil (H1 2023 - loss £185,000) and on a weighted average number of ordinary shares in issue of 63,638,729,365 (H1 2023: 55,136,008,130). The basic EPS from discontinued operations is nil pence (H1 2023 - (0.0003) pence).

The Company has share warrants and employee share scheme options in issue as at 30 June 2024, which would dilute the EPS if or when they are exercised in the future. A summary of these is set out below and further detail of these share warrants and employee share options can be found in note 21.

	30 June 2024 Unaudited No.	**30 June 2023 Unaudited No.**
Warrants and employee share options		
Share warrants - issued	9,747,605,235	9,372,584,030
Share warrants - to be issued	2,250,000,000	2,250,000,000
Long-term incentive plan (**"LTIP"**) options	1,075,128,404	1,195,831,529
Total	**13,072,733,639**	**12,818,415,559**

No dilution per share was calculated for either period in the table above as with the reported loss they are all anti-dilutive.

12 Intangible assets

	Internally developed IM platform £'000
Cost or valuation	
At 1 January 2023	3,669
Additions	388
At 30 June 2023	**4,057**
Amortisation	
At 1 January 2023	818
Charge for the period	39
At 30 June 2023	**857**
Impairment	
At 1 January 2023	2,851
Impairment charges	349
At 30 June 2023	**3,200**
Net book value	
At 30 June 2023 (Unaudited)	**-**
Cost or valuation	
At 1 January 2024	4,127

Additions	34
At 30 June 2024	**4,161**
Amortisation	
At 1 January 2024	892
Charge for the period	3
At 30 June 2024	**895**
Impairment	
At 1 January 2024	3,235
Impairment charges	31
At 30 June 2024	**3,266**
Net book value	
At 30 June 2024 (Unaudited)	**-**

Impairment assessment – Internally developed IM Platform

The Directors considered the continued current period losses of the Group's Italian subsidiary, to which the Internally developed IM platform relates, and the full impairment of this intangible asset in the prior years, as impairment indicators and therefore, in accordance to IAS 36 ("Impairment of Assets"), considered if at 30 June 2024 this intangible asset required further impairment in relation to the additions made during the period, or if some so the prior impairment charges could be reversed.

The full going concern statement, set out in note 4 to these unaudited condensed consolidated interim financial statements, noted there is currently an absence of a historical recurring track record relating to inventory monetisation transactions being facilitated by the Group's Platform, the generation of the full range of fees from the use of its Platform from more than a limited number of inventory monetisation transactions, and the Group being cash flow positive. As such the Directors have identified a material uncertainty in relation to the going concern statement. The Directors have also concluded that these uncertainties also apply to the discounted cash flow model used in this impairment test also. In particular, there is uncertainty that arises with respect to both the future timing and growth rates of the forecast discounted cash flows arising from the use of the Internally developed IM Platform intangible asset.

As such, the Directors have decided to continue to impair the full carrying amount of this asset as at 30 June 2024. This impairment loss may subsequently be reversed and if so, the carrying amount of the asset will be increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the investment in prior years.

13 Trade and other receivables

	30 June 2024 Unaudited £ '000	31 December 2023 Audited £ '000
Trade receivables	26	15
Other receivables	1,108	976
Prepayments	30	35
Total trade and other receivables	**1,164**	**1,026**

14 Receivable from related party

	30 June 2024 Unaudited	31 December 2023

		Audited
	£ ‘000	£ ‘000
Receivable from related party	102	772
Interest receivable from related party	136	22
Other related party receivable	46	53
Receivables from related party	**284**	**847**

Receivable from related party

This balance represents the amount receivable from TAG under the Deed of Novation which created the obligation for TAG to settle the £2,000,000 cash payment that was due from the buyers to the Company as a result of the sale of the 81% majority stake in TradeFlow.

Total payments of £1,898,000 received prior to 30 June 2024 (including £1,228,000 received during 2023 and £670,000 received during the first half of 2024), was paid through a split of £1,341,000 in cash, £421,000 by way of formal debt novation agreements with specific suppliers whereby the debt held by the Group was novated to TAG with no recourse to the Group, and £136,000 by way of offset against amounts owed by the Group to TAG

As set out in note 25, subsequent to 30 June 2024 and prior to release of these interim financial statements TAG has repaid a further £24,000 under the Deed of Novation through offsets against invoiced amounts owed by the Group to TAG.

Interest receivable from related party

This represents the interest that is receivable from TAG relating to the late payments under both the TAG Top-Up Shareholder Loan Agreement and the Deed of Novation. These interest amounts have been calculated at a compounding rate of 15% per annum on the individual overdue amounts. As at 30 June 2024, the full amount of this interest receivable from the related party remained outstanding.

Other related party receivable

In relation to the Group debt that was formally novated to TAG in lieu of a cash payment under the Deed of Novation, as at 30 June 2024, the Group held an amount receivable from TAG for the value of £46,000 (31 December 2023: £53,000). This primarily related to withholding tax amounts on certain “proforma” invoices that had been novated, as the supplier invoice settled by TAG was net of the withholding tax amount and such remains due from TAG to the Group as at 30 June 2024.

15 Trade and other payables

	30 June 2024 Unaudited £ ‘000	31 December 2023 Audited £ ‘000
Trade payables	872	1,314
Other payables	739	943
Current portion of long-term bank borrowings	192	192
Social security and other payroll taxes	1,798	1,566
Accruals	193	488
Contract liabilities	45	59
Accrued interest payable to related party	-	7
Total trade and other payables	**3,839**	**4,569**

16 Long-term Borrowings

	30 June 2024 Unaudited £ '000	31 December 2023 Audited £ '000
Non-current portion of long-term bank borrowings	470	590
Working capital loan due to TAG	-	250
Total long-term borrowings	**470**	**840**

Non-current portion of long-term bank borrowings

During October 2022, the Company announced that its subsidiary, Supply@ME Technologies S.r.l, had entered into a new long-term loan facility with Banco BPM S.p.A (the "**Banco BPM Facility**"). The obligations of Supply@ME Technologies S.r.l under the Banco BPM Facility are guaranteed by the Company. The key commercial terms of the Banco BPM Facility include:

a. €1 million in principal amount;

b. 275 basis points over Euribor interest rate; and

c. a five-year repayment term (the final payment to be made on 11 October 2027), including an initial six months of interest only repayments, followed by 54 months of combined principal and interest repayments.

Fees totalling €52,000 were incurred in connection with the arrangement of the Banco BPM Facility. These costs have been capitalised and will be spread over the term of the Banco BPM Facility. The amount include in the table above represents the non-current portion of the Banco BPM Facility. The current portion is set out in note 15 above.

Working capital loan due to TAG

On the 28 April 2023, the Company and TAG, the Group's major shareholder, entered into a fixed term unsecured working capital loan agreement (the **"TAG Unsecured Working Capital facility"**). Under the TAG Unsecured Working Capital facility, TAG committed to provide, subject to customary restrictions, a facility of up to £2,800,000, in tranches up to 31 January 2024, to cover the Company's interim working capital and growth needs.

Following this, in conjunction with the TradeFlow Restructuring, which was completed on 30 June 2023, the £2,000,000 receivable by the Company that was assumed by TAG from the buyers, was offset against the obligations of TAG under TAG Unsecured Working Capital facility. The amendment to the TAG Unsecured Working Capital facility was agreed on 30 June 2023 and this reduced the obligations to the Company under the TAG Unsecured Working Capital facility to up to £800,000 (the "**amended TAG Unsecured Working Capital facility**").

On 30 June 2023, the Company issued a draw down notice to TAG under the amended TAG Unsecured Working Capital facility for the full £800,000 available. As at 31 December 2023, £250,000 had been received from TAG in respect of this facility, and during the six month period ended 30 June 2024, the remaining £550,000 was received from TAG.

Subsequent to TAG satisfying the full amount of £800,000 drawn down by the Company under the amended TAG Unsecured Working Capital facility, the Company and TAG signed a second deed of amendment agreement dated 26 March 2024, which allowed the full outstanding amount of the amended TAG Unsecured Working Capital facility to be extinguished by the issue of 1,500,000,000 new ordinary shares of nominal value £0.00002 each, which were issued to TAG on 28 March 2024. These new ordinary shares issued had a fixed subscription price of 0.053 pence per share.

17 Provisions

	Post-employment benefits	Provision for risks and charges	Provision for VAT and penalties	Total

	£'000	£'000	£'000	£'000
At 31 December 2023 (Audited)	44	194	337	575
Fx translation adjustment	-	(5)	(8)	(13)
Carrying amount at 1 January 2024	44	189	329	562
Released to profit and loss	-	-	-	-
Provided for during the period	9	-	-	9
Paid at the end of the employment relationship	(3)	-	-	(3)
At 30 June 2024 (Unaudited)	**50**	**189**	**329**	**568**

Post-employment benefits

Post-employment benefits include severance pay and liabilities relating to future commitments to be disbursed to employees based on their permanence in the company. This entirely relates to the Italian subsidiary where severance indemnities are due to each employee at the end of the employment relationship. Post-employment benefits relating to severance indemnities are calculated by estimating the amount of the future benefit that employees have accrued in the current period and in previous years using actuarial techniques. The calculation is carried out by an independent actuary using the "Projected Unit Credit Method".

Provision for risks and charges

Provision for risks and charges includes the estimated amounts of penalties for payment delays in connection with the tax and social security payables recorded in the Italian subsidiary financial statements which, at the period end date, are overdue.

Provision for VAT and penalties

In advance of the Group's first monetisation transaction, a number of advance payments have been received by the Group's Italian subsidiary from potential client companies in accordance with agreed contractual terms. These payments have been recognised as revenue in accordance with local accounting rules. These advance payments, for which an invoice has not yet been issued, have been made exclusive of VAT. As at 30 June 2024, the Group has included a provision relating to a potential VAT liability, including penalties, in respect of these advance payments of £191,000 (31 December 2023: £196,000).

At the point in the future when the associated monetisation transaction takes place, the potential VAT liability will be settled by the Group. At this same point in time, the Directors expect to be able to recover the VAT from the client companies as invoices in respect of the monetisation transactions are issued. The timing of these future monetisation transactions currently remains uncertain and as such no corresponding VAT receivable has been recognised as at 30 June 2023, however there is a contingent asset of £137,000 as at 30 June 2024 (31 December 2023: £140,000) in respect of this.

An additional amount of £144,000 was added to the provision during the second half of 2022 to reflect the fact that the Italian intercompany invoice was issued late, and this balance reflects potential VAT penalties that may arise due to the timing of the invoice. This balance remains provided for at 30 June 2024, however has been revalued to £138,000 as at 30 June 2024 (31 December 2023: revalued to £141,000).

From time to time, during the course of business, the Group maybe subject to disputes which may give rise to claims. The Group will defend such claims vigorously and provision for such matters are made when costs relating to defending and concluding such matters can be measured reliably. There were no cases outstanding as at 30 June 2024 that meet the criteria for a provision to be recognised.

18 Share capital

Allotted, called up and fully paid shares

	30 June 2024 Unaudited		31 December 2023 Audited	
	No. 000	**£ '000**	**No. 000**	**£ '000**
Ordinary shares of £0.00002 each	71,732,142	1,434	61,232,096	1,224
Deferred shares of £0.04000 each	63,084	2,523	63,084	2,523
2018 deferred shares of £0.01000 each	224,194	2,242	224,194	2,242
Total	**72,019,420**	**6,199**	**61,519,374**	**5,989**

New shares allotted during the six month period ended 30 June 2024

New ordinary shares issued to TAG in connection with the settlement of the TAG Unsecured Working Capital facility

Subsequent to TAG satisfying the full amount of £800,000 drawn down by the Company under the amended TAG Unsecured Working Capital facility, the Company and TAG signed a second deed of amendment agreement dated 26 March 2024, which allowed the full outstanding amount of the amended TAG Unsecured Working Capital facility to be extinguished by the issue of 1,500,000,000 new ordinary shares of nominal value £0.00002 each, which were issued to TAG on 28 March 2024. These new ordinary shares issued had a fixed subscription price of 0.053 pence per share.

New ordinary shares issued in connection with New Equity Subscription Agreement

On 14 May 2024, the Company entered into a new equity subscription agreement with a UK investment firm, pursuant to which the UK investment firm committed to subscribe for 9,000,000,000 new ordinary shares of nominal value £0.00002 each (the "**Subscription Shares**"), on behalf of its private clients, at 0.01725 pence per Subscription Share. The issue of the Subscription Shares was made for gross proceeds of £1,552,500 (or £1,428,300 net of a 8% commission charged). These Subscription Shares were admitted to standard segment of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange on 28 May 2024.

New ordinary shares issued to fulfil the conversion of Open Offer warrants

Further to the issue of new ordinary shares on the 18 August 2022 as a result of the Open Offer, the Company also issued 320,855,008 warrants to certain qualifying shareholders who participated in its open offer (the "**Open Offer Warrants**"). Following the issue of the Open Offer Warrants, certain holders have elected to exercise their Open Offer Warrants and this resulted in a total of 45,827 new ordinary shares being issued during the six month period to 30 June 2024 in relation to Open Offer Warrant conversion.

Rights, preferences and restrictions

Ordinary shares have the following rights, preferences, and restrictions:

The ordinary shares carry rights to participate in dividends and distributions declared by the Company and each share carries the right to one vote at any general meeting. There are no rights of redemption attaching to the ordinary shares.

Deferred shares have the following rights, preferences, and restrictions:

The deferred shares carry no rights to receive any dividend or distribution and carry no rights to vote at any general meeting. On a return of capital, the Deferred shareholders are entitled to receive the amount paid up on them after the Ordinary shareholders have received £100,000,000 in respect of each share held by them. The Company may purchase all or any of the Deferred shares at an appropriate consideration of £1.

2018 Deferred shares have the following rights, preferences, and restrictions:

The deferred shares carry no rights to receive any dividend or distribution and carry no rights to vote at any general meeting.

Reconciliation of allotted, called up and fully paid shares

	As at 30 June 2024	
	No. 000	**£ 000**
As at 1 January 2024 (Audited)	61,519,374	5,989
New ordinary shares issued to TAG in connection with the settlement of TAG Working Capital facility	1,500,000	30
New ordinary shares issued in connection with the New Equity Subscription Agreement dated 14 May 2024	9,000,000	180
New ordinary shares issued to fulfil the conversion of Open Offer Warrants during the period	46	-
As at 30 June 2024 (Unaudited)	**72,019,420**	**6,199**

19 Financial instruments

Financial assets at amortised cost

	Carrying value		**Fair value**	
	30 June 2024 Unaudited £'000	**31 December 2023 Audited £'000**	**30 June 2024 Unaudited £'000**	**31 December 2023 Audited £'000**
Cash and cash equivalents	404	5	404	5
Trade receivables	26	15	26	15
Receivable from related party	284	847	284	847
Other receivables	1,101	974	1,101	974
	1,815	**1,841**	**1,815**	**1,841**

***Valuation methods and assumptions**:*
The directors believe due to their short term nature, the fair value approximates to the carrying amount.

Financial liabilities at amortised cost

	Carrying value		**Fair value**	
	30 June 2024 Unaudited £'000	**31 December 2023 Audited £'000**	**30 June 2024 Unaudited £'000**	**31 December 2023 Audited £'000**
Long-term borrowings	662	1,032	662	1,032
Trade payables	872	1,314	872	1,314
Other payables	739	943	739	943
	2,273	**3,289**	**2,273**	**3,289**

Valuation methods and assumptions:
The directors believe that the fair value approximate to their carrying values.

The Group has no derivative financial instruments as at 30 June 2024 (31 December 2023: £nil) .

20 Financial risk management

Note 22 to the 2023 Annual Report includes the Group's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and its exposure to interest rate risk, credit risk, foreign exchange risk and liquidity risk.

21 Share-based payments

Share warrants issued in connection with the New Equity Subscription Agreement

As set out in note 3 to these interim condensed consolidated financial statements, on the 14 May 2024, the Company announced it had and entered into the New Equity Subscription Agreement with a UK investment firm, pursuant to which the UK investment firm committed to subscribe for 9,000,000,000 Subscription Shares. Under the New Equity Subscription Agreement, new warrants were required to be issued to the UK investment firm at a ratio of one warrant for every twenty subscription shares issued under the New Equity Subscription Agreement. This resulted in an obligation for the Group to issue 450,000,000 new warrants to the UK investment firm ("**New Warrants**") which existed at 30 June 2024. These New Warrants are each exercisable into one new ordinary share at a price equal to 0.01725 pence per share up to a final exercise date of 28 May 2029.

As these share warrants were issued as a cost of issuing new ordinary shares to the UK investment firm they fall into of scope of IFRS 2 ("Share-based payments"). As such, the Directors were required to determine the fair value of the equity-settled share-based payments at the date on which they were granted. The fair value was determined using a Black-Sholes model which required certain judgements to be made in determining the most appropriate inputs to be used. The key judgemental point was the expected volatility rate of the Company's share price over the relevant period prior to the grant of the warrants. The volatility rate assumption applied in the model for the New Warrants was 82.5%. This was based on the actual volatility of the Company's shares over the historical period from March 2020 (the date of the reverse take over) to the valuation date.

The total fair value of the New Warrants was £52,000 and this amount has been fully recognised during the six month period ended 30 June 2024. Given this amount directly related to the cost of issuing new ordinary shares to the UK investment firm, the total amount of £52,000 was offset against the share premium balance specifically created in connection with the relevant issue of Subscription Shares in accordance with IAS 32 ("Financial Instruments").

Share warrants issued to Mercator

During 2021 the Group entered into a funding facility with Mercator Capital Management Fund LP (**"Mercator"**) which required share warrants to be issued representing 20% of the face value of any loan notes or convertible loans issued in connection with this facility. These warrants have a term of 3 years from issue and an exercise price of 130% of the lowest closing VWAP over the ten trading days immediately preceding the issue of the warrants. Further details of this funding facility can be found in the notes 17 and 24 to the 2023 Annual Report.

The total number of share warrants issued under the arrangement with Mercator during the years ended 31 December 2021 and 2022 was 961,832,433 (the "**Mercator Warrants**"). Details of the outstanding Mercator Warrants are set out in the table below. There have been no movement in these Mercator Warrants during the six month period ended 30 June 2024, however as announced by the Company on 23 November 2023 and further on 28 March 2024 the Company approved the transfer of Mercator Warrants from Mercator to independent third-party purchasers.

Date of issue	**Number of warrants outstanding at 30 June 2024 Unaudited No.**	**Exercise price**	**Expiry date**
1 October 2021	443,726,031	£0.00316	1 October 2024
1 November 2021	29,197,856	£0.00314	1 November 2024
1 December 2021	49,867,625	£0.00184	1 December 2024
4 January 2022	77,763,767	£0.00174	4 January 2025
2 February 2022	79,179,799	£0.00171	2 February 2025

4 March 2022	105,948,198	£0.00128	4 March 2025
10 June 2022	176,149,158	£0.00085	10 June 2025
Total	**961,832,433**		

The total fair value of the above Mercator Warrants has been fully expensed in the prior periods. No further costs have been recognised in the six month period ended 30 June 2024 (six months ended 30 June 2023: £nil), and none of these warrants have been converted during the current interim period (six months ended 30 June 2023: nil converted).

Share warrants issued to Venus Capital under 2022 Capital Enhancement Plan

On the 27 April 2022, the Group announced it had entered into a subscription agreement with Venus Capital S.A ("**Venus Capital**"). Under the terms of this subscription agreement the Group issued a total of 8,175,000,000 share warrants to Venus Capital during the year ended 31 December 2022, and as at the 30 June 2024, these all remain outstanding. The initial terms of the warrants specified that they could be exercised at any time up to 31 December 2025 and have an exercise price of 0.065 pence per warrant, however this expiry date was extended to 31 December 2026 through a deed of amendment dated 26 April 2023.

As these share warrants were issued as a cost of issuing new ordinary shares to Venus Capital, they fall into of scope of IFRS 2 ("Share-based payments") and the total fair value of these was fully recognised during 2022. No further costs have been recognised in the six month period ended 30 June 2024 (six months ended 30 June 2023: £nil).

Share warrants issued to retail shareholders under the Open Offer

On 22 July 2022, the Group announced an Open Offer, giving existing shareholders the opportunity to subscribe for up to 641,710,082 new ordinary shares in the Group. Following the closing of the Open Offer, on 18 August 2022, the Group announced it would allot and issue 641,710,082 new ordinary shares to those qualifying shareholders.

In addition, the Group also issued 320,855,008 warrants to the qualifying shareholders on the basis of one warrant for every two ordinary shares received as a result of the Open Offer. The initial terms of the warrants specified that they could be exercised at any time up to 31 December 2025 and have an exercise price of 0.065 pence per warrant, however this expiry date was extended to 31 December 2026 through a deed of amendment dated 26 April 2023.

As these share warrants were issued as a cost of issuing the new Open Offer ordinary shares they fall into of scope of IFRS 2 ("Share-based payments") and the total fair value of these was fully recognised during 2022. No further costs have been recognised in the six month period ended 30 June 2024 (six months ended 30 June 2023: £nil).

Subsequent to the issue of the Open Offer warrants, and prior to 30 June 2024, a cumulative amount of 160,082,206 (31 December 2023:160,036,379) of these warrants have been converted in exchange for new ordinary shares and as at 30 June 2024 there is a balance of 160,772,802 (31 December 2023: 160,818,629) Open Offer warrants which remained outstanding. On the exercise of the Open Offer warrants, the fair value amount is reclassified from the share-based payment reserve to retained losses in the relevant period in the Groups statement of changes in equity.

Share warrants issued to Venus Capital under April 2023 Equity Subscription Agreement

On the 28 April 2023, the Company announced it had and entered into a new subscription agreement with Venus Capital details of which are set out in note 15 to the 2023 Annual Report. Under this subscription agreement, 2,250,000,000 new warrants were required to be issued to Venus Capital ("**New Venus Warrants**"). This resulted in an obligation for the Group to issue the New Venus Warrants which existed at 30 June 2024. These New Venus Warrants are each exercisable into one new ordinary share at a price equal to 0.065 pence per share up to a final exercise date of 31 December 2026.

As these share warrants were issued as a cost of issuing new ordinary shares to Venus Capital they fall into of scope of IFRS 2 ("Share-based payments"). As such, the Directors were required to determine the fair value of the equity-settled share-based payments at the date on which they were granted. The total fair value of the New Venus Warrants was £1,717,000 and this amount has been fully recognised during the six month period ended 30 June 2023.

Given this amount directly related to the cost of issuing new ordinary shares to Venus Capital, the total amount of £1,717,000 was offset against the share premium balance during the financial year ended 31 December 2023 in accordance with IAS 32 ("Financial Instruments"). This amount was offset against the related share premium that was created in connection with the relevant issue of ordinary share to Venus Capital. No further amounts have been recognised in the six month period ended 30 June 2024.

Extension to the expiry date of the warrants issued in connection with the Open Offer carried out on 17 August 2022 and the warrants issued to Venus Capital during 2022

As outlined above, both of these warrants had been valued previously in line with IFRS 2 ("Share-based payments"). The modification to the expiry date was also valued in line with IFRS 2. The change in the fair value due to the extension of the expiry date on those warrants still outstanding at the time of modification of £346,000 was fully recognised during the six month period ended 30 June 2023.

Given this amount directly related to the cost of issuing new ordinary shares in the past to Venus Capital or under the Open Offer, the amount of £132,000 was offset against the share premium balance in accordance with IAS 32 ("Financial Instruments") and the remaining fair value amount of £214,000 was recognised in retained losses during the six month period ended 30 June 2023. No further amounts have been recognised in the six month period ended 30 June 2024.

Further details can be found in the notes 24 to the 2023 Annual Report.

A summary of the share warrants outstanding as at 30 June 2024 is detailed in the table below:

	Number of warrants outstanding at 30 June 2024 No. Unaudited	**Number of warrants outstanding at 31 December 2023 No. Audited**
Share warrants issued to Mercator	961,832,433	961,832,433
Share warrants issued to Venus Capital	8,175,000,000	8,175,000,000
Share warrants to be issued to Venus Capital	2,250,000,000	2,250,000,000
Share warrants issued to retail shareholders	160,772,802	160,818,629
Share warrants issued in connection with May 2024 New Equity Subscription Agreement	450,000,000	-
Total	**11,997,605,235**	**11,547,651,062**

A summary of the fair value of the share warrants recorded during the period are detailed in the table below:

	6 months to 30 June 2024 Unaudited £'000	**6 months to 30 June 2023 Unaudited £'000**
Share warrants to be issued to Venus Capital	-	1,717
Increase in fair value of outstanding warrants issued to Venus Capital and retail shareholders as a result of expiry date extension	-	346
Share warrants issued in connection with New Equity Subscription Agreement dated May 2024	52	-

Total	**52**	**2,063**

Employee share scheme awards

October 2022 Employee share scheme
On 31 October 2022, the Group awarded an long-term incentive plan (**"LTIP"**) conditional on performance conditions to certain employees, being the achievement of specified Total Shareholder Return ("**TSR**") (market condition) performance, as well as continued employment. Full details of these October 2022 share awards including the targets, vesting period and determination of the fair value at grant date can be found in note 24 to the 2023 Annual Report.

These awards will be equity-settled by award of ordinary shares. The total share-based payment charge recognised in the condensed consolidated statement of comprehensive income for the six month period ended 30 June 2024 in relation to the October 2022 employee share scheme options is £29,000 (six month period ended 30 June 2023: £33,000). As all social security charges with respect to the share awards will be the responsibility of the employee, no expense has been recognised by the Group in respect of these charges.

May 2023 Employee share scheme
On 19 May 2023, the Group awarded its second LTIP conditional on performance conditions to certain employees, being the achievement on continued employment, the achievement of performance conditions relating to the specified Total Shareholder Return ("**TSR**") (market condition) performance (50%) and the specific GBP amount of inventory monetised (non-market condition) (50%). Each of the performance conditions relate to a three-year period over the 2023, 2024 and 2025 financial years and the required performance is as follows:

- with respect to the TSR element the adjusted share price measurement period is the average closing mid-market price of the share price over a three-month period ending on the last dealing day of the performance period, being 31 December 2025. If the average share price during the measurement period is 0.15p then 25% of the aware will vest, and this increases on a straight-line basis to 0.3p for 100% of vesting; and
- with respect to the GBP amount of Inventory Monetised the measurement period is by the end of the performance period, being 31 December 2025. 25% of the award will vest if £300m of inventory is monetised (in aggregate) over the three year performance period, increasing on a straight line to 100% of the award to vest if £400m of inventory is monetised (in aggregate) over the same three year performance period.

As with the October 2022 LTIP award in addition to the satisfaction of the performance conditions set out above, the Group's Remuneration Committee must also be satisfied that the potential level of vesting of the LTIP is appropriate in all circumstances.

The vesting date of these share awards is 19 May 2026, and the continued employment covers up until this date. The share awards issued to the Chief Executive Officer are subject to an additional two years holding period following the vesting date.

For those share schemes with market related vesting conditions, the fair value is determined using the Monte Carlo model at the grant date. For those share schemes with non-market vesting conditions, the fair value is determined using the Black Scholes model at the grant date. The additional holding period applicable to the share awards issued to the Chief Executive Officer have been valued using the Finnerty model. Further details of the inputs to the models used for these May 2023 share awards be found in note 24 to the 2023 Annual Report.

These awards will be equity-settled by award of ordinary shares. The total share-based payment amount recognised consolidated statement of comprehensive income for the six month period to 30 June 2024 in relation to the May 2023 employee share scheme options was a credit of £14,000 (six month period ended 30 June 2023: a debit of £11,000). As all social security charges with respect to the share awards will be the responsibility of the employee, no expense has been recognised by the Group in respect of these charges.

In calculating the credit recognised in comprehensive income for the current interim period, the Board made the judgement that the Inventory Monetisation target of the May 2023 LTIPs was highly unlikely to be met by the end of the performance period, and as such a true up adjustment was required to ensure the cumulative amounts charged to comprehensive income since grant date reflected this judgement. This resulted in a credit of £14,000 to comprehensive income for the six month period to 30 June 2024.

22 Discontinued operations and TradeFlow Restructuring

During the second half of 2022, the Board began the process of the TradeFlow Restructuring, and as such in the financial statements for the year ended 31 December 2022 it was considered that the TradeFlow operations meet the criteria to be classified as held for sale at the balance sheet date in accordance with IFRS 5 ("Non-current Assets Held for Sale and Discontinued Operations") for the first time. This is due to the fact that as at this date the details of the TradeFlow Restructuring had all been agreed in principle between the parties and was expected to be completed post year-end. As a result, the TradeFlow operations were available for immediate sale in its present condition, and it was highly probably that that sale would be completed at 31 December 2022. With the classification as discontinued operations, the TradeFlow operations have been excluded from the segmental reporting note (note 5).

Subsequently, on 30 June 2023 the Company announced that had entered into relevant binding commercial agreements to complete the TradeFlow Restructuring. The rationale behind the completion of the TradeFlow Restructuring is to better serve the needs of the Group's client companies and funders of both businesses, and to create value for the Company's shareholders by eliminating any perception of conflicts of interest between the two businesses and provide both businesses with greater commercial opportunities through the clear differentiation of responsibilities of the individual entities.

The TradeFlow Restructuring resulted in the Group reducing its ownership in TradeFlow from 100% to 19% by selling 81% of the issued share capital in TradeFlow to the Buyers. The consideration for the Group's 81% stake in TradeFlow was £14,386,100 of which £12,386,100 was netted off against potential future amounts owed by the Group to the buyers under the terms of an earn-out letter relating to the original acquisition of TradeFlow in July 2021.

This resulted in a remaining £2,000,000 consideration to be receivable by the Group. On the 30 June 2023, the Group's major shareholder, TAG, assumed the obligation of the buyers to pay the Company the remaining £2,000,000 by way of the Debt Novation Deed. The £2,000,000 was to be repaid by TAG to SYME in multiple tranches, with the final tranche being payable by 31 January 2024. In consideration for assuming the £2,000,000 obligation of the Buyers, TAG acquired 1,026,525,520 existing ordinary shares of nominal value £0.00002 each in the capital of the Company from the Buyers.

The accounting for the TradeFlow Restructuring was reflected in the comparative condensed consolidated financial statements for the six month period ended 30 June 2023 and in note 26 of the 2023 Annual Report. During the period from 1 January 2023 and up until the date of completion of the TradeFlow Restructuring, being 30 June 2023, the TradeFlow operations continued to meet the criteria to be classified as held for sale in accordance with IFRS 5 ("Non-current Assets Held for Sale and Discontinued Operations"). The TradeFlow operations contributed a loss of £185,000 (inclusive of the profit on disposal of 81% of TradeFlow referred to below) in the period from 1 January 2023 to 30 June 2023.

From 30 June 2023, the assets and liabilities of TradeFlow, including the intangible assets acquired on the acquisition of TradeFlow in July 2021, are no longer consolidated by the Group, and instead fair value of the remaining 19% investment of £352,000 was recognised on the balance sheet, together with the outstanding consideration to be received from TAG as at 30 June 2023. The difference between these items resulted in profit on disposal of 81% of TradeFlow recorded in the condensed consolidated financial statements for the six month period ended 30 June 2023 of £718,000.

The results, and net cash flows, from the TradeFlow operations which were included in the comparative six month period ended 30 June 2023 are set out in detail in note 26 to the 2023 Annual Report.

The calculation of the profit on disposal of the 81% of as at 30 June 2023 is shown below:

	6 months to 30 June 2023 £ '000
Accounting fair value of the 81% ownership of the TradeFlow operations disposed of by the Group	2,000
Accounting fair value of 19% ownership of the TradeFlow operations retained by the Group	352
	2,352
Less:	
Accounting fair value of net assets disposed of by the Group	(1,634)
Profit on disposal of 81% of TradeFlow	**718**

In relation to the items set out in the table above, further details regarding the calculation of the fair value of the 19% ownership of the TradeFlow operations retained by the Group, and the major classes of assets and liabilities of the TradeFlow operations as at 30 June 2023, immediately prior to the finalisation of the TradeFlow Restructuring, are set out in detail in notes 27 and 26 to the 2023 Annual Report.

23 Investments

The fair value of the 19% investment in the equity instruments of TradeFlow was initially recorded at 30 June 2023 having regard to the accounting consideration received for the disposal of 81% of the Groups holding in TradeFlow as adjusted for an appropriate discount for loss of control. Further details of this calculation are included within note 26 to the 2023 Annual Report.

At the 31 December 2023, a fair value adjustment of £68,000 was recorded on the basis of the movement in TradeFlow's net liabilities between 30 June 2023 and 31 December 2023. During the six month period ended 30 June 2023, an additional fair value adjustment of £47,000 was recorded following the same basis of the movement in TradeFlow's net liabilities between 31 December 2023, and the balance sheet date, being 30 June 2024.

24 Related party transactions

During the six month period to 30 June 2024, the following are treated as related parties:

Alessandro Zamboni

Alessandro Zamboni is the Chief Executive Officer of the Group and is also the sole director of the AvantGarde Group S.p.A ("**TAG**") as well as holding numerous directorships across companies including RegTech Open Project plc.

TAG and the Group's operating subsidiaries

Alessandro Zamboni is the CEO of the Group and is also the sole director of TAG. As at 30 June 2024 TAG held 22.58% of the total ordinary shares in issued in Supply@ME Capital plc (as at 31 December 2023: 24.00%).

Following the reverse takeover in March 2020, the Group entered into a Master Service Agreement with TAG in respect of certain shared service to be provided to the Group. During the six month period ended 30 June 2024, the Group incurred expenses of £23,000 (six month period ended 30 June 2023: £25,000) to TAG in respect of this agreement. Additionally, during the six month period ended 30 June

2024, the Group also incurred costs of £13,000 from TAG (six month period ended 30 June 2023: £8,000) in relation certain ICT services provided.

As at 30 June 2024 there is an outstanding amount owed by the Group of £11,000 to TAG in relation to the services outlined above (31 December 2023: outstanding amount owed to TAG of £58,000).

TAG and TradeFlow Restrucutring

As set out in notes 3, 14 and 22 of these interim condensed consolidation financial statements, on 30 June 2023, TAG assumed the remaining £2,000,000 consideration arising from the TradeFlow Restructuring, to be receivable by the Group, from the buyers of TradeFlow, by way of a debt novation deed ("**Deed of Novation**"). The £2,000,000 was to be repaid by TAG to the Company in multiple tranches, with the final tranche being payable by 31 January 2024. As at 30 June 2024 an amount of £102,000 remained outstanding (31 December 2023: £772,000).

The cumulative payment of £1,898,000 received prior to 30 June 2024 (including £1,228,000 received during 2023 and £670,000 received during the first half of 2024), was paid through a split of £1,341,000 in cash, £421,000 by way of formal debt novation agreements with specific suppliers whereby the debt held by the Group was novated to TAG with no recourse to the Group, and £136,000 by way of offset against amounts owed by the Group to TAG.

As set out in note 25, subsequent to 30 June 2024 and prior to release of these interim financial statements TAG has repaid a further £24,000 under the Deed of Novation through offsets against invoiced amounts owed by the Group to TAG.

In relation to the Group debt that was novated to TAG in lieu of a cash payment, as at 30 June 2024 the Group held an amount receivable from TAG on its balance sheet for the value of £46,000 (31 December 2023: £53,000). This primarily related to withholding tax amounts on certain “proforma” invoices that had been novated, as the supplier invoice settled by TAG was net of the withholding tax amount and such remains due from TAG to the Group as at 30 June 2024.

The Company has been charging a late fee to TAG in terms of overdue payments of this particular receivable balance, and this late fee is calculated at a compounding rate of 15% per annum on any amounts of the instalments not transferred to the Company by the relevant due date. During the six month period ended 30 June 2024, the Group recognised £23,000 of interest income (six month period ended 30 June 2023: £nil) in relation to the late payments by TAG of this particular receivable balance. As at 30 June 2024, a combined amount of £136,000 of late payment interest remained outstanding from TAG (31 December 2023: £22,000).

TAG Unsecured Working Facility

As set out in note 3 above, on the 28 April 2023, the Company and TAG entered into a fixed term unsecured working capital loan agreement (the "**TAG Unsecured Working Capital facility**"). Under the TAG Unsecured Working Capital facility, TAG was to provide, subject to customary restrictions, a facility of up to £2,800,000, in tranches up to 31 January 2024, to cover the Company's interim working capital and growth needs. In conjunction with the TradeFlow Restructuring, which was completed on 30 June 2023, the £2,000,000 receivable by the Company that was assumed by TAG, was offset against the current obligations of TAG under TAG Unsecured Working Capital facility. The amendment to the TAG Unsecured Working Capital facility was agreed on 30 June 2023 and this reduced the obligations to the Company under the TAG Unsecured Working Capital facility to up to £800,000.

Subsequent to TAG satisfying the full amount of £800,000 drawn down by the Company under the amended TAG Unsecured Working Capital facility, on 26 March 2024, the Company and TAG signed a second deed of amendment agreement, which allowed the full outstanding amount of the amended TAG Unsecured Working Capital facility to be extinguished by the issue of 1,500,000,000 new ordinary shares of nominal value £0.00002 each which were issued to TAG on 28 March 2024. These new ordinary shares issued had a fixed subscription price of 0.053 pence per share.

At the time of settlement an amount of £20,000 in interest was due to TAG in respect of the Working Capital facility. This was agreed to be offset against the interest receivable due from TAG in relation to late payment of Top-Up Shareholder Loan Agreement and Deed of Novation.

Top-Up Shareholder Loan Agreement

On 28 September 2023, the Company and TAG entered into an English law governed top-up unsecured shareholder loan agreement (the "**Top-Up Shareholder Loan Agreement**"), pursuant to which TAG agreed to provide the Company with a further facility of up to £3,500,000 to cover the Company's working capital and growth needs up to 30 June 2025 (the "**Top-Up Facility**"). Details of this Top-Up Facility are set out below:

- The Company has the ability to draw down up to £3.5 million in monthly instalments over the period to 30 June 2025;
- On a monthly basis the Board will assess (acting in good faith and in its sole and absolute discretion) if the Group's projected cash balance on the last business day of the coming calendar month will be less than £250,000 following the Group's scheduled balance of receipts and payments for the next month by reference to, inter alia, the Group's contracted receivables, revenues and payables due for receipt or payment in the next month, the Group's contracted fixed operating expenditure and/or capital expenditure due for payment in the next month, the cash inflows in the next month arising from any warrants that have been contractually exercised and any projected unrestricted cash amounts resulting from any contractually agreed alternative equity, debt or hybrid financing (including, but not limited to, pursuant to a pre-emptive offering of ordinary shares and a non-pre-emptive offering of ordinary shares) for such month;
- If the above assessment results in the Group's projected cash balance on the last business day of the coming calendar month being less than £250,000, the Company may draw down an amount under the TAG Top-Up Shareholder Loan Agreement which is no greater than the GBP amount to ensure that the Group's bank balances in the coming month shall be equal to £250,000;
- Repayment of any sum drawn down under the TAG Top-Up Shareholder Loan Agreement will be due five calendar years (calculated on the basis of a year of 360 days) from the date which funds are received by the Company subject to the relevant draw down request;
- Any sums drawn down by the Company under the TAG Top-Up Unsecured Shareholder Loan will attract a non compounding interest rate of 10% per annum, and any principal amount (excluding accrued interest) outstanding on a relevant due date shall attract a compounding rate of 15% per annum thereafter. Interest will be due to be paid annually on 31 March of each relevant calendar year.

During the six month period ended to 30 June 2024 the Company issued draw down notices to TAG for an aggregate amount of £1,073,000, bringing the total amount drawn down under the Top-Up Shareholder Loan Agreement to £2,042,000 (31 December 2023: amount drawn down of £969,000). The total amount drawn remained unpaid as at 30 June 2024, and no amounts have been received prior to the release of these interim financial statements.

As a result of the late payment of the amounts drawn down by TAG, the Group recognised an interest income of £111,000 in the six month period ended 30 June 2024 (six month period ended 30 June 2023: £nil). As set out above, as at 30 June 2024, a combined amount of £136,000 of late payment interest remained outstanding from TAG (31 December 2023: £22,000).

TradeFlow Capital Management Pte. Ltd. ("TradeFlow")

On 30 June 2023, TradeFlow entered into a three-year White-Label licence agreement with Supply@ME Technologies S.r.l., a wholly owned subsidiary of the Group, with respect to use of the Platform, on a non-exclusive basis and limited to the Asia Pacific region, for a total consideration of £1,000,000 payable over a three-year period. As at 31 December 2023, no amounts had been billed in respect of this contract, and no revenues have been recognised as the two parties had been undergoing discussions regarding the point in time when the access to the Platform would be activated.

During the current six month period ended 30 June 2024, TradeFlow have provided a termination notice to the Supply@ME Technologies S.r.l. in respect of the this contract. The Board are currently evaluating the cost / benefit analysis of challenging this notice of termination, including the likely recoverability of amounts should any challenge be successful in the future. As such, during the six month period ended 30 June 2024, no amounts have been billed in respect of this contract, and no revenues have been recognised.

SFE Société Financière Européenne SA

Commencing in 2023, the Group has been collaborating with a group of private investors and subject matter experts of working capital solutions to launch an independent Swiss-based trading business (the "**the CH Trading Hub**") which has replaced the Cayman-based global inventory fund ("**GIF**"), previously advised by TradeFlow Capital Management Pte. Ltd. The CH Trading Hub, owned by Société Financière Européenne S.A. ("**SFE**"), has assumed control of the independent stock companies from the GIF and will purchase / set up additional stock companies in order to manage the overall trading businesses using the Platform and the associated services provided by the Group.

Alessandro Zamboni, the CEO of SYME Group, has, along with a number of other investors, a personal non-controlling interest in SFE. During the year ended 31 December 2023, no transactions were directly entered into between the Group and SFE. During the six month period ended 30 June 2024, this also continued to be the case, however it is noted that:

- in early January 2024, both the Group and SFE where parties to the term sheet that was signed with respect to the commitment for the first White-Label transaction;
- in late April 2024, both the Group and SFE where parties to an agreement that was signed with an Italian neo banking group to launch an Inventory Monetisation programme; and
- SFE now owns the Stock Company that has monetised the inventory from the first two IM transactions that have been facilitated over the Group's Platform.

25 Events occurring after the reporting period

Shares issued post 30 June 2024 relating to Open Offer Warrant Conversions

On 9 July 2024, the Company announced the exercise of 8,869 Open Offer Warrants by certain Qualifying Shareholders, and the issue of 8,869 Open Offer Warrant Shares.

TAG and TradeFlow Restrucutring

Subsequent to 30 June 2024 and prior to release of these interim financial statements TAG has repaid a further £24,000 under the Deed of Novation through offsets against invoiced amounts owed by the Group to TAG.

Top-Up Shareholder Loan Agreement

Subsequent to 30 June 2024, and prior to the release of these interim financial statements no payments have been received by the Company from TAG. During this same period, the Company issued no further draw down notices to TAG.

In addition, on 30 September 2024, the Company and TAG entered into an English law governed deed of amendment, which extended the final date that the Company is able to issue a draw down notice under the Top-Up Shareholder Loan Agreement from 30 June 2025 to 31 December 2025 (the "**Extension Deed of Amendment**").

Cautionary Statement

These Interim Results have been prepared in accordance with the requirements of English Company Law and the liabilities of the Directors in connection with these Interim Results shall be subject to the limitations and restrictions provided by such law.

These Interim Results are prepared for and addressed only to the Group's shareholders as a whole and to no other person. The Group, its Directors, employees, agents, or advisers do not accept or assume responsibility to any other person to whom these Interim Results are shown or into whose hands it may come, and any such responsibility or liability is expressly disclaimed.

These Interim Results contain forward looking statements, which are unavoidably subject to risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. It is believed that the expectations set out in these forward-looking statements are reasonable, but they may be affected by a wide range of variables which could cause future outcomes to differ from those foreseen. All statements in these Interim Results are based upon information known to the Group at the date of this report. Except as required by law, the Group undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

APPENDIX 2 - ENTRY INTO EXTENSION DEED OF AMENDMENT

On 28 September 2023, the Company and TAG entered into an English law governed Top-Up Shareholder Loan Agreement pursuant to which TAG shall provide, subject to customary restrictions, the top-up loan facility of up to £3,500,000 to cover the Company's working capital and growth needs up to 30 June 2025 ("**Top-Up Shareholder Loan Agreement**").

The Company may draw down under the Top-Up Shareholder Loan Agreement on a monthly basis if the Board assess (acting in good faith and in its sole and absolute discretion) that the Group's projected cash balance on the last Business Day of the coming calendar month will be less than £250,000 following the Group's scheduled balance of receipts and payments for the next month by reference to, inter alia, the Group's contracted receivables, revenues and payables due for receipt or payment in the next month, the Group's contracted fixed operating expenditure and/or capital expenditure due for payment in the next month, the cash inflows in the next month arising from any warrants that have been contractually exercised and any projected unrestricted cash amounts resulting from any contractually agreed alternative equity, debt or hybrid financing (including, but not limited to, pursuant to a pre-emptive offering of Ordinary Shares and a non-pre-emptive offering of Ordinary Shares) for such month. In such circumstances, the Company may draw down an amount under the Top-Up Shareholder Loan Agreement which is no greater than the GBP amount to ensure that the Group's bank balances in the coming month shall be equal to £250,000.

The due date for repayment by the Company of each respective amount (if any) drawn under the Top-Up Shareholder Loan Agreement shall be five calendar years (calculated on the basis of a year of 360 days) from the day on which the funds are received by the Company subject to the relevant drawn down request. Any sums drawn under the Top-Up Shareholder Loan Agreement shall attract a non-compounding interest rate of 10% per annum, and any principal amount (excluding accrued interest) outstanding on the relevant due date shall attract a compounding interest rate of 15% per annum thereafter.

Additionally, a late payment fee shall be calculated at a compounding rate of 15% per annum on any amounts that have been drawn down by the Company under the Top-Up Shareholder Loan Agreement but not received by the relevant due date.

Pursuant to the Top-Up Shareholder Loan Agreement, the Company gave certain customary warranties and undertakings to TAG, and TAG gave certain customary warranties to the Company.

On 30 September 2024, the Company and TAG entered into an English law governed deed of amendment, which extended the final date that the Company is able to issue a draw down notice under the Top-Up Shareholder Loan Agreement from 30 June 2025 to 31 December 2025 (the "**Extension Deed of Amendment**").