

30 September 2022

Catena Innovation PLC
("Catena", the "Company" or the "Group")

Half Year Results
Convertible Loan

Catena Innovation PLC (AIM: CTEA), the AIM quoted provider of digital media and technology, announces its half-yearly report for the six months ended 31 March 2022.

Financial overview

- Loss of £287,168 in the period under review (2021: £586,798) with revenues of £17,500 (2021: £12,308).
- Net asset position £110,033 (2021: £1,035,493).

Operational overview

- In January 2022, the Company completed the ISO 27001 accreditation audit on behalf of the International Standards Organisation (ISO), ensuring that the Company retained its accreditation.
- In March 2022, the Company secured the renewal of the Charlton Athletic Community Trust 'On Side' licence and support agreement with a contract value of £37,500 to be paid over the next three years. The Company received an additional £1,000 upfront payment for the migration to a new server.
- The Company continued its participation with the UK Government's Department for Digital, Culture, Media and Sport ("DCMS") in the development of the Digital Identity and Trust Attributes Framework Policy.
- The Company also promoted itself at Construction Industry events in London and Birmingham, focusing on its digital identity solutions.

Post period end

- In May 2022, the Company secured a c.£95,000 Digital Technology Solution purchase order with Saxavord UK Space Port. It is anticipated that c.£66,400 of this purchase order will be recognised as revenue in the second half of the current financial year.

Convertible Loan

The Company also announces that, post period end, it has entered into an agreement for a convertible loan facility for up to £250,000 ("Convertible Loan") with Sanderson Capital Partners Limited ("Sanderson Capital"), which will consist of an initial drawdown of £125,000 followed by a further drawdown expected three months thereafter.

At each drawdown, the Company will issue new ordinary shares to Sanderson Capital equal to 10 percent of the drawdown value at an issue price of the 10-day volume weighted average price prior to the date of drawdown. A further announcement will be made on the date of each drawdown event.

Sanderson Capital will be able to convert part or all of the Convertible Loan facility in minimum increments of £5,000, with the conversion price being fixed at the lower of i) 0.25p; or ii) 90% of the

5-day volume weighted average price from the first day of dealings of the Company's restoration to trading on AIM. The Convertible Loan facility is interest-free.

As part of the Convertible Loan facility agreement, Sanderson Capital will be issued new ordinary shares and a warrant over new ordinary shares in the Company, of which the issue price and exercise price will be the closing mid-price of the Company's ordinary shares on the first day of dealings following the lifting of the suspension and restoration to trading of the Company's ordinary shares on AIM.

The new ordinary shares and warrant over new ordinary shares will be issued after the next general meeting of the Company and a further announcement setting out the details will be made at the time of issue.

Guy Meyer, Chief Executive Officer of Catenae, said:

"Given the challenging trading conditions as a result of the Covid-19 pandemic and market uncertainty, the Company has been very prudent with our resources and has focused on securing contract wins.

"Our acquisition of Hyperneph has proved disappointing, but the board remains optimistic about the prospects of recouping monies committed as a result of that transaction.

"Catenae's ongoing consultation with DCMS in the development of the Digital Identity and Trust Attributes Framework Policy reflects the Company's standing in the sector. Our investment in software IP development also contributes to the future-proofing of our competitive product set offerings, not just within the Geo-spatial sector.

"We look forward to keeping the market updated on how these opportunities progress."

This announcement contains inside information for the purposes of the UK Market Abuse Regulation. The person who arranged for release of this announcement on behalf of the Company was Guy Meyer, Chief Executive Officer of the Company and the Directors of the Company are responsible for the release of this announcement.

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Notes to Editors:**About Catenae Innovation PLC**

Catenae Innovation is an AIM quoted provider of digital media and technology services. The Company specialises in Distributed Ledger Technology solutions that solve commercial challenges and create opportunities for its clients. The Company has an experienced IT team of project managers and integrators who have deployed systems across corporate, government and educational sectors.

www.catenaeinnovation.com

**Consolidated Statement of Comprehensive Income
For the Period Ended 31 March 2022**

	Unaudited six months ended 31 March 2022	Unaudited six months ended 31 March 2021	Audited year ended 30 Sept 2021
	£	£	£
Revenue	17,500	12,308	30,210
Cost of sales	(6,000)	-	(14,400)
Gross profit	11,500	12,308	15,810
Administrative expenses	(298,668)	(599,116)	(939,027)
Impairment losses	-	-	(318,629)
Loss from operations	(287,168)	(586,808)	(1,241,846)
Net Finance income/(expense)	-	10	(10)
Loss before taxation	(287,168)	(586,798)	(1,241,836)
Taxation	-	-	(5,112)
Total comprehensive loss for the year	(287,168)	(586,798)	(1,246,948)
Loss attributable to:			
Owners of the parent	(280,260)	-	(1,257,149)
Non-controlling interest	(6,908)	-	10,201

**Consolidated Statement of Financial Position
For the Period Ended 31 March 2022**

	Unaudited six months ended 31 March 2022	Unaudited six months ended 31 March 2021	Audited year ended 30 Sept 2021
	£	£	£
Non-current assets			
Tangible Assets	6,518	-	6,828
Intangible assets	1	1	1
	6,519	1	6,829
Current assets			
Trade and other receivables	30,514	47,475	45,236
Cash and cash equivalents	337,183	1,254,445	605,082
	367,697	1,301,920	650,318
Current liabilities			
Trade and other payables	(264,183)	(248,428)	(275,221)
	(264,183)	(248,428)	(275,221)
Non-current liabilities			
Interest-bearing loans	-	(18,000)	-
Total Liabilities	(264,183)	(266,428)	(275,221)
Net Assets/(Liabilities)	110,033	1,035,493	381,926
Non-controlling Interest	4,610	-	11,518
Capital and reserves attributable to equity holders of the company			
Ordinary share capital	570,078	551,773	562,441
Deferred share capital	3,159,130	3,159,130	3,159,130
Share premium account	19,665,458	19,663,223	19,657,821
Share reserve	(83,333)	(83,333)	(83,333)
Merger reserve	11,119,585	11,119,585	11,119,585
Capital Redemption Reserve	2,732,904	2,732,904	2,732,904
Retained losses	(37,058,399)	(36,107,789)	(36,778,140)
Total Equity	110,033	1,035,493	381,926

**Consolidated Statement of Cash Flows
For the Period Ended 31 March 2022**

	Unaudited six months ended 31 March 2022	Unaudited six months ended 31 March 2021	Audited year ended 30 Sept 2021
	£	£	£
Loss for the period	(287,168)	(586,798)	(1,246,948)
<i>Adjustments for:</i>			
Impairment of investments	-	-	318,629
Net bank and other interest (income) / charges	-	(10)	(10)
Issue of share options / warrant charge	-	-	-
Services settled by the issue of shares	-	48,000	72,704
Net (loss) before changes in working capital	(287,168)	(538,808)	(855,625)
(Increase) / decrease in trade and other receivables	15,034	(34,766)	(24,633)
(Decrease) / increase in trade and other payables	(11,038)	(5,898)	(112,896)
Cash from operations	(283,172)	(579,472)	(993,154)
Interest received	-	10	10
Interest paid	-	-	-
Net cash flows from operating activities	(283,172)	(579,462)	(993,144)
Investing activities			
Investment in subsidiary	-	-	217,500
Net cash flows from investing activities	-	-	(217,500)
Financing Activities			
Issue of ordinary share capital	15,273	1,119,864	1,119,683
Repayment of loans	-	-	(18,000)
New loans raised	-	-	-
Net cash flows from financing activities	15,273	1,119,864	1,101,683
Net increase / (decrease) in cash	(267,899)	540,402	(108,961)
Cash and cash equivalents at beginning of period	605,082	714,043	714,043
Cash and cash equivalents at end of period	337,183	1,254,445	605,082

**Company Statement of Financial Position
For the Period Ended 31 March 2022**

	Unaudited six months ended 31 March 2022	Unaudited six months ended 31 March 2021	Audited year ended 30 Sept 2021
	£	£	£
Non-current assets			
Intangible assets	1	1	1
	1	1	1
Current assets			
Trade and other receivables	24,242	47,475	45,237
Cash and cash equivalents	332,209	1,254,445	539,842
	356,451	1,301,920	585,079
Current liabilities			
Trade and other payables	(255,828)	(248,428)	(226,660)
	(255,828)	(248,428)	(226,660)
Non-current liabilities			
Interest-bearing loans	-	(18,000)	-
Total Liabilities	(255,828)	(266,428)	(226,660)
Net Assets/(Liabilities)	100,624	1,035,493	358,420
Capital and reserves attributable to equity holders of the company			
Ordinary share capital	570,078	551,773	562,441
Deferred share capital	3,159,130	3,159,130	3,159,130
Share premium account	19,665,457	19,663,223	19,657,821
Share reserve	(83,333)	(83,333)	(83,333)
Merger reserve	11,119,585	11,119,585	11,119,585
Capital Redemption Reserve	2,732,904	2,732,904	2,732,904
Retained losses	(37,063,197)	(36,107,789)	(36,790,128)
Total Equity	100,624	1,035,493	358,420

**Company Statement of Cash Flows
For the Period Ended 31 March 2022**

	Unaudited six months ended 31 March 2022	Unaudited six months ended 31 March 2021	Audited year ended 30 Sept 2021
	£	£	£
Loss for the period	(273,069)	(586,798)	(1,269,137)
<i>Adjustments for:</i>			
Impairment of investment			320,000
Net bank and other interest (income) / charges	-	(10)	(10)
Issue of share options / warrant charge	-	-	-
Services settled by the issue of shares	-	48,000	72,704
Net (loss) before changes in working capital	(273,069)	(538,808)	(876,443)
(Increase) / decrease in trade and other receivables	20,995	(34,766)	(24,633)
(Decrease) / increase in trade and other payables	29,168	(5,898)	(157,318)
Cash from operations	(222,906)	(579,472)	(1,058,394)
Interest received	-	10	10
Interest paid	-	-	-
Net cash flows from operating activities	(222,906)	(579,462)	(1,058,384)
Investing activities			
Investment in subsidiary	-	-	(217,500)
Net cash flows from investing activities	-	-	(217,500)
Financing Activities			
Issue of ordinary share capital	15,273	1,119,864	1,119,683
Repayment of loans	-	-	(18,000)
New loans raised	-	-	-
Net cash flows from financing activities	15,273	1,119,864	1,101,683
Net increase / (decrease) in cash	(207,633)	540,402	(174,201)
Cash and cash equivalents at beginning of period	539,842	714,043	714,043
Cash and cash equivalents at end of period	332,209	1,254,445	539,842

Caution regarding forward looking statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should" "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.