Thrive Tribe Technologies

# Appendix 4E & Annual Report | 30 August 2023
# Thrive Tribe Technologies Limited (ASX:1TT)

**Thrive Tribe Technologies Limited** ("**1TT"** or the "**Company"**) provides the attached Appendix 4E and Annual Report for the year ended 30 June 2023.

**-ENDS-**

**This ASX announcement has been authorised by Thrive Tribe Technologies Limited's Board of Directors**

**For further information, please contact:**

**Thrive Tribe Technologies Limited**

**Wes Culley**
Executive Director
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## About Us

Thrive Tribe Technologies Limited (Thrive Tribe) is here to create a connected world of thriving humans, inspired by impact-driven business. Extending beyond just the workplace, we want to inspire healthy and happy individuals and communities everywhere.

To achieve this, we'll create a community where individuals can interact with, consume from and be inspired by individuals and businesses trailblazing new paths in their respective industries. Our health and wellness app, Sixty, provides a platform to achieve these goals. We partner with change-makers and disruptive brands to build a better future. Sixty will enable trailblazing businesses and thought leaders to make a positive impact on our community. Our team comprises experienced thought leaders, investors, industry experts, and passionate people committed to real social impact.

We have a wealth of experience when it comes to identifying exciting opportunities and a deep understanding of the start-up, entrepreneurial and health and wellness industries. No one is better placed to help small, purpose-led businesses thrive than our tribe.

To learn more, please visit: [www.thrivetribetech.com](http://www.thrivetribetech.com)

## 1. Company details

| | |
|---|---|
| Name of entity: | Thrive Tribe Technologies Limited |
| ABN: | 64 600 717 539 |
| Reporting period: | For the year ended 30 June 2023 |
| Previous period: | For the year ended 30 June 2022 |

## 2. Results for announcement to the market

| | | | | $ |
|---|---|---|---|---|
| Revenues from ordinary activities | down | 0.3% | to | 478,436 |
| Loss from ordinary activities after tax attributable to the owners of Thrive Tribe Technologies Limited | down | 34.1% | to | (1,432,463) |
| Loss for the year attributable to the owners of Thrive Tribe Technologies Limited | down | 34.1% | to | (1,432,463) |

*Dividends*
There were no dividends paid, recommended or declared during the current financial period.

*Comments*
The loss for the Group after providing for income tax amounted to $1,432,463 (30 June 2022: $2,173,316).

The attached financial statements detail the performance and financial position of the Group for the financial year ended 30 June 2023.

Refer to 'Review of operations' in the Directors' report for further commentary.

## 3. Net tangible assets

| | Reporting period Cents | Previous period Cents |
|---|---|---|
| Net tangible assets per ordinary security | 0.29 | 0.50 |

The net tangible assets per ordinary shares has been calculated based on 296,621,519 ordinary shares being on issue. The net tangible assets per ordinary share reported in the comparative period (30 June 2022) has been calculated based on 191,108,137 ordinary shares being on issue. This is the number of shares that would have been in existence at the end of that reporting period had the consolidation of shares, which occurred in the current period, taken place as at 1 July 2021.

## 4. Control gained over entities

Not applicable.

## 5. Loss of control over entities

Not applicable.

## 6. Dividends

*Current period*
There were no dividends paid, recommended or declared during the current financial period.

*Previous period*
There were no dividends paid, recommended or declared during the previous financial period.

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## 7. Dividend reinvestment plans

Not applicable.

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## 8. Details of associates and joint venture entities

Not applicable.

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## 9. Foreign entities

*Details of origin of accounting standards used in compiling the report:*

Not applicable.

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## 10. Audit qualification or review

*Details of audit/review dispute or qualification (if any):*

The financial statements have been audited and an unmodified opinion has been issued. The auditor's report contains a paragraph addressing material uncertainty related to going concern.

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## 11. Attachments

*Details of attachments (if any):*

The Annual Report of Thrive Tribe Technologies Limited for the year ended 30 June 2023 is attached.

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## 12. Signed

As authorised by the Board of Directors

Signed ______________________________ Date: 30 August 2023

Joshua Quinn
Non-Executive Director and Company Secretary
Sydney

# Thrive Tribe Technologies Limited

**(Formerly known as Wooboard Technologies Limited)**

**ABN 64 600 717 539**

# Annual Report - 30 June 2023

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group' or 'Thrive Tribe') consisting of Thrive Tribe Technologies Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2023.

**Directors**
The following persons were directors of Thrive Tribe Technologies Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Rumi Guzder - Non-Executive Chairman
Joshua Quinn - Non-Executive Director
Wesley Culley - Executive Director

**Principal activities**
During the financial year, the principal continuing activities of the Group consisted of the development of cloud based Software as a Service ('SaaS') products that enabled subscribed companies to communicate with their employees in an innovative, engaging and effective manner.

**Dividends**
There were no dividends paid, recommended or declared during the current or previous financial year.

**Review of operations**
The loss for the Group after providing for income tax amounted to $1,432,463 (30 June 2022: $2,173,316).

*Rebrand to Thrive Tribe Technologies*
The Company changed its name and commenced trading on the ASX as Thrive Tribe Technologies Limited under the ticker 1TT following approval by shareholders at the Extraordinary General Meeting ('EGM') held on 24 April 2023.

*Sixty Development*
As a technology company focused on the health and well-being space, the Group is committed to innovation and user satisfaction. During the 12 month period, the Group has continued to focus on the development of the Sixty well-being platform ('Sixty') to offer a solid foundation for content creators and businesses in the wellbeing industry to generate multiple streams of revenue.

The Group has made significant strides in enhancing Sixty from a strategic, operational and development standpoint. The Group's initial services include live streaming, courses and texting/live chat interaction with influencers.

The decision to commence development of e-commerce functionality will enable users to purchase in-store products and services from their favourite influencers on Sixty.

The Group primary focus is on continuing to build technology to enable content creators in the health and well-being space to grow their follower base and most importantly be given the technology to promote and monetise their products and services to their direct follower base and the broader user base of Sixty. The Group's dedication is to create a holistic ecosystem that fosters creativity, well-being, and financial growth for the Group's creators and users (the 'Sixty Community').

The E-commerce capabilities of Sixty developed include:

- Completion of initial beta trial plus compilation and analysis of trial feedback.
- Manager’s metrics dashboard created.
- Incorporation of Spanish content from Wellbeing creators in South America.
- Live stream using Vimeo included, which will be free for subscribers or available on a pay per view basis.
- Content creator dashboards further enhanced to provide key analytical insights.
- Stripe payment integration completed, allowing for access to premium pay per view content.
- Updated UI/UX designs added, which will enhance engagement and upcoming increased trials.

Central to the Sixty Community is the ability for creators to promote and sell their health and wellness focused products on the Sixty E-commerce platform/marketplace.

Partnerships with content creators and their products will be essential to the development of the Sixty E-commerce marketplace. Sixty and the Sixty E-commerce marketplace will provide the necessary tools and support for content creators to pursue their ambitions to sell their services and products.

The Sixty E-commerce platform aims to be a launching pad for new products and start-ups. Creators will be encouraged to develop new products. Sixty aims to reduce traditional barriers entrepreneurs face when launching new products to market.

One of the Group's most important creators instrumental in the development of Sixty and an early adopter of the Sixty E-commerce marketplace is Alexandra Thursfield. Alexandra has committed to develop healthy food and snacks to be sold on the Sixty E-commerce marketplace. The current healthy snacks to be sold via the Sixty E-commerce marketplace on launch include Daily Food's Berry Antioxidant Super Bites, Choc Coconut Super Bites, Peanut Butter Super Bites and Salted Caramel Super Bites.

The Group's ambition is for Alexandra to become a case study for other creators on how Sixty shall empower creators and well-being businesses to monetise their products and services directly through the platform. By enabling in-app transactions, the Group aims to create a thriving marketplace where users can discover, purchase, and engage with a wide range of health and well-being products and services offered by content creators.

The Group is committed to make Daily Food products one of the main product offerings of the Sixty E-commerce marketplace on launch and will see the Group provide a preferentially low sales and transaction commission to Daily Food. In recognition of and as part of this collaboration with Sixty, the Group was issued 37.5% of the shares on issue in Daily Food for the nominal price of $1.00.

While Daily Food is an early-stage start-up, the Group intends to assist Daily Food on its growth journey by promoting the Daily Food brand prominently on the Sixty E-commerce marketplace (in addition to the commitment to offer low sales and transaction commission). The goal is for Alexandra and Daily Food to become a case study of how a creator can benefit from joining Sixty.

To strategically promote community growth and incentivise content creators to invite others to join the Sixty community, the Group has devised a referral program. The Sixty development team reached nine full time developers, expanding to twelve post year end. The referral program shall help expand the Group's user base and also rewards creators who actively contribute to the growth of the platform. As creators refer new users, they will earn rewards and bonuses, thus establishing a symbiotic relationship between their success and the platform's growth.

Acknowledging the importance of smooth administrative functions and efficient communication channels, the Group has invested in enhancing the admin and chat features. Content creators can now manage their content, interactions, and transactions more effectively through an intuitive dashboard. Moreover, the Group's chat feature enables real-time interactions between creators and their followers, fostering a sense of community and personal engagement.

Other important developments completed during the year on Sixty:

- Chat 2.0 complete (content on pay-per-view basis now available to be sent via direct message, various files types now available to be sent for free and paid).
- PWA now finalised and launched is available on IOS, Android and Windows 11.
- Various Quality of Life improvements.
- Referral system for content creators and trailing commission functionality.
- Ongoing live streaming upgrade planning and development (including considerations as to server infrastructure and architecture) to allow for scalability and the ability to handle up to 100,000 users upon launch.

The Group's solutions aid employees with their health and wellness therefore making them happier and more productive employees. Through the ongoing development of the Sixty app during the financial year, the Group continued its efforts to expand its product range into the B2C market (in addition to continuing its focus on B2B product offerings and enterprise customers).

*Slik Investment Update*
The Company continues to hold its equity interest in Slik (https://www.slikpro.com) and rights to cross sell Slik, through Sixty, in the APAC region.

Slik has demonstrated robust progress in its Annual Recurring Revenue at 677,000 which means a 30% Year-over-Year. This consistent growth reflects the increasing demand and adoption of the platform.

**Significant changes in the state of affairs**
On 24 October 2022, the Company issued 28,461,539 (569,230,774 pre-consolidation basis) ordinary shares at a price of $0.013 ($0.00065 pre-consolidation basis) per share to sophisticated and professional investors. The total proceeds from the issuance of these securities amounted to $370,000.

On 30 November 2022, at the Company's Annual General Meeting ('AGM'), shareholders voted to ratify the issue of 569,230,774 shares from the placement of 17 October 2022 at a price of $0.00065 per share. This placement raised $370,000 for which Clee Capital was paid a 5% + GST fee on funds raised and issued 2.5 million options (50 million options pre-consolidation basis) at an exercise price of $0.06 ($0.003 pre-consolidation basis) which was also approved by shareholders at the AGM on 30 November 2022.

On 5 December 2022, the Group consolidated its ordinary share capital on a ratio of 20 to 1.

On 14 February 2023, the Group announced to the market that it had terminated the remaining two (2) tranches of the Slik acquisition via the Share Subscription Deed ('SSD'). The Group retains 6.66% equity interest in Slik after completing the first tranche of the SSD. The license agreement announced on 13 September 2022 between the Group and Slik remains on foot.

On 15 February 2023, following ASIC consent BDO Audit Pty Ltd provided notice of their resignation as auditor of the Group. The Group has appointed Rothsay Audit & Assurance Pty Ltd as auditor of the Group. The change of auditor occurred in order to reduce costs associated with the audit and a resolution will be tabled at the Group’s next Annual General Meeting to ratify the appointment of auditor.

On 3 March 2023, the Company issued convertible notes totalling $1,000,000. The notes are convertible to share capital at a conversion price of $0.015, redeemable within 18 months with a capitalised interest rate of 6% per annum payable on maturity. On 30 June 2023, convertible notes which had a face value of $1,000,000 and a carrying value of $1,000,000 were converted into 66,666,666 ordinary shares in the Company. Clee Capital was paid a 3% + GST fee and issued 30 million options (at an exercise price of $0.02) with a 2-year expiration date which was approved at an EGM on 24 April 2023 by shareholders.

On 28 April 2023, the Company changed its name from Wooboard Technologies Limited to Thrive Tribe Technologies Limited.

On 28 June 2023, the Company received a loan from sophisticated investors totalling $5,000,000. The loan is unsecured, has a term of 18 months and interest is charged at 7% per annum. The loan is repayable via the issue of convertible notes subject to approval by shareholders at an Extraordinary General Meeting. The convertible notes are unsecured, have a maturity date of 28 December 2024, interest rate of 7% per annum payable on maturity and each convertible note has a face value of $1. The notes are convertible to share capital at a conversion price of $0.05. The Company paid Clee Capital a fee of 3% + GST which it invested into the convertible notes. Clee Capital shall be issued 15,000,000 options at an exercise price of 10 cents subject to shareholder approval at an upcoming EGM on 19 September 2023.

There were no other significant changes in the state of affairs of the Group during the financial year.

**Matters subsequent to the end of the financial year**
No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

**Likely developments and expected results of operations**
The Board and Management team remain confident and passionate in the growth prospects of the Group and its unique market position. The Group is forecasting an increase in business development activities in the next financial year.

**Environmental regulation**
The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

**Information on directors**

| | |
|---|---|
| Name: | Rumi Guzder |
| Title: | Non-Executive Chairman |
| Qualifications: | BEng |
| Experience and expertise: | Rumi is a mathematician and electrical engineer who specialises in control systems theory, distributed computing and IT infrastructure more broadly. Rumi started his career in academia pursuing Master's level study in control systems theory. During Rumi's time in academia, he worked in several research programmes associated with Hydro Quebec and Aeronautics companies.<br><br>Rumi was head hunted from academia to work on numerous cutting edge technological projects in his home of Canada and also in North America. Rumi's experience is wide ranging, it includes:<br><br>Leading the IT functions for an airfreight company which was eventually sold to Dachser GMBH. During Rumi's time here he was instrumental in modernising and deploying IT infrastructure and EDI systems for freight forwarding. The IT transformations which Rumi implemented proved to be significant motivation for Dachser GMBH acquiring the company; and<br><br>Founding one of the world's first full-screen, self-service mobile advertising platforms. Rumi built the back-end data systems and infrastructure deployment. The company grew to more than 2 million impressions per day with annual revenues of more than $CAD 5 million.<br><br>As an expert in his field, Rumi's other consulting projects have been varied. His experience also includes work in payment processing and supply chain management. As part of his consultancy, Rumi has been involved in successful reverse takeovers on the CSE (Canadian Stock Exchange). |
| Other current directorships: | None |
| Former directorships (last 3 years): | None |
| Special responsibilities: | None |
| Interests in shares: | 1,666,667 ordinary shares |
| Interests in options: | None |

| | |
|---|---|
| Name: | Joshua Quinn |
| Title: | Non-Executive Director |
| Qualifications: | CAANZ, B.Com, LLM, CTA |
| Experience and expertise: | Joshua has over 20 years of experience in private practice within Business Services and Corporate Tax teams of Big 4 and leading Mid-Tier Firms providing business and taxation advice and compliance services to high net wealth individuals, private family groups, listed corporations and multinationals. He has experience with all aspects of Australian taxation and accounting including income tax, capital gains tax, tax provisions, tax consolidation, tax audits and tax compliance. |
| Other current directorships: | None |
| Former directorships (last 3 years): | None |
| Special responsibilities: | Accounting, treasury and taxation function; Company Secretary |
| Interests in shares: | 833,333 ordinary shares |
| Interests in options: | None |

| | |
|---|---|
| Name: | Wesley Culley |
| Title: | Executive Director |
| Qualifications: | Bachelor of Marketing |
| Experience and expertise: | Wes has a passion for helping motivated CEO's and Founders of technology and growth companies. Wes' experience includes working in the start-up space selling SaaS services, digital solutions and physical products to Australian/International small and medium enterprises ('SMEs') and corporates for the past 20 years. His passion is growing sales and investing in companies with blue sky. He has participated in over 50 plus capital raises and has a network of brokers, funds, venture capitalists and wholesale investor groups. |
| Other current directorships: | None |
| Former directorships (last 3 years): | None |
| Interests in shares: | 1,656,918 ordinary shares |
| Interests in options: | None |

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

**Company secretary**
Joshua Quinn was appointed company secretary on 14 January 2021. Joshua currently serves as a Non-Executive Director. Refer to information on directors for further information on Joshua.

**Meetings of directors**
The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2023, and the number of meetings attended by each director were:

| | Full Board | |
|---|---|---|
| | Attended | Held |
| Rumi Guzder | 11 | 12 |
| Joshua Quinn | 12 | 12 |
| Wesley Culley | 12 | 12 |

Held: represents the number of meetings held during the time the director held office.

The functions of the Nomination and Remuneration Committee and the Audit and Risk Committee are carried out by the full Board.

**Remuneration report (audited)**
The remuneration report details the key management personnel ('KMP') remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

***Principles used to determine the nature and amount of remuneration***

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The reward framework is designed to align executive reward to shareholders' interests. The Board has considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

*Non-executive directors' remuneration*

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 19 November 2015, where the shareholders approved a maximum annual aggregate remuneration of $800,000.

*Executive remuneration*

The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has the following components:

- base pay and non-monetary benefits;
- short-term performance incentives;
- long-term incentives; and
- other remuneration such as superannuation and long service leave.

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board based on individual and business unit performance, the overall performance of the Group and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Group and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

The long-term incentives ('LTI') include share-based payments. Shares may be awarded to executives based on long term incentive measures. These include increase in shareholders' value relative to the entire market and the increase compared to the Group direct competitors.

*Group performance and link to remuneration*
The Group's software products are in the development stage of their life cycle and are not yet generating any returns. On this basis, remuneration for the year was not linked directly to Group performance. Any bonuses and LTI granted are at the discretion of the Board. The share option plan is subject to participants meeting service conditions at the vesting date. There were no performance conditions linked to the share option plan.

*Use of remuneration consultants*
During the financial year ended 30 June 2023, the Group did not engage any remuneration consultants.

*Voting and comments made at the Company's 2022 Annual General Meeting ('AGM')*
At the 2022 AGM, 84.51% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2022. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

***Details of remuneration***

*Amounts of remuneration*
Details of the remuneration of KMP of the Group are set out in the following tables.

The key management personnel of the Group consisted of the directors of Thrive Tribe Technologies Limited.

*Amounts of remuneration*
Details of the remuneration of KMP of the Group are set out in the following tables:

| | Short-term benefits | | | Post-employment benefits | Long-term benefits | Share-based payments | |
|---|---|---|---|---|---|---|---|
| **2023** | Cash salary and fees $ | Cash bonus $ | Other $ | Super-annuation $ | Long service leave $ | Equity-settled $ | Total $ |
| *Non-Executive Directors:* | | | | | | | |
| Joshua Quinn* | 146,000 | - | - | - | - | - | 146,000 |
| *Executive Directors:* | | | | | | | |
| Rumi Guzder | 42,000 | - | - | - | - | - | 42,000 |
| Wesley Culley | 176,667 | - | - | 8,050 | - | - | 184,717 |
| | 364,667 | - | - | 8,050 | - | - | 372,717 |

* Included in fees is $72,000 for accountancy services provided to the Group.

| | Short-term benefits | | | Post-employment benefits | Long-term benefits | Share-based payments | |
|---|---|---|---|---|---|---|---|
| **2022** | Cash salary and fees $ | Cash bonus $ | Other $ | Super-annuation $ | Long service leave $ | Equity-settled $ | Total $ |
| *Non-Executive Directors:* | | | | | | | |
| Joshua Quinn* | 169,250 | - | - | - | - | - | 169,250 |
| *Executive Directors:* | | | | | | | |
| Rumi Guzder | 78,000 | - | - | - | - | - | 78,000 |
| Wesley Culley | 176,667 | - | - | 11,667 | - | - | 188,334 |
| | 423,917 | - | - | 11,667 | - | - | 435,584 |

* Included in fees is $16,250 for accountancy services provided to the Group.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

| | Fixed remuneration | | At risk - STI | | At risk - LTI | |
|---|---|---|---|---|---|---|
| Name | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| *Non-Executive Directors:* | | | | | | |
| Joshua Quinn | 100% | 100% | - | - | - | - |
| *Executive Directors:* | | | | | | |
| Rumi Guzder | 100% | 100% | - | - | - | - |
| Wesley Culley | 100% | 100% | - | - | - | - |

***Service agreements***
Remuneration and other terms of employment for KMP are formalised in service agreements. Details of these agreements are as follows:

| | |
|---|---|
| Name: | Rumi Guzder |
| Title: | Non-Executive Chairman |
| Agreement commenced: | 5 September 2019 |
| Term of agreement: | Appointment until next Annual General Meeting, at which point he will be eligible for re-election |
| Details: | Based salary fee of $78,000 per annum to be reviewed annually by the Board. Rumi is eligible for incentive compensation, including fees, salary, fringe benefits, superannuation contributions and non-cash benefits in accordance with Company's constitution. Rumi may terminate the agreement at any time by providing written notice to the Company. Rumi's appointment may otherwise be terminated at any time for cause by notice to Rumi from the Company. |

| | |
|---|---|
| Name: | Joshua Quinn |
| Title: | Non-Executive Director |
| Agreement commenced: | 30 December 2019 |
| Term of agreement: | Appointment until next Annual General Meeting, at which point he will be eligible for re-election |
| Details: | Based salary fee of $78,000 per annum to be reviewed annually by the Board. Joshua is eligible for incentive compensation, including fees, salary, fringe benefits, superannuation contributions and non-cash benefits in accordance with Company's constitution. Joshua may terminate the agreement at any time by providing written notice to the Company. Joshua's appointment may otherwise be terminated at any time for cause by notice to Joshua from the Company. |

| | |
|---|---|
| Name: | Wesley Culley |
| Title: | Executive Director |
| Agreement commenced: | 14 January 2021 |
| Term of agreement: | Appointment until next Annual General Meeting, at which point he will be eligible for re-election |
| Details: | Based salary fee of $200,000 per annum excluding superannuation to be reviewed annually by the Board. Wes is eligible for incentive compensation, including fees, salary, fringe benefits, superannuation contributions and non-cash benefits in accordance with Company's constitution. Wes may terminate the agreement at any time by providing written notice to the Company. Wes's appointment may otherwise be terminated at any time for cause by notice to Wes from the Company. |

KMP have no entitlement to termination payments in the event of removal for misconduct.

***Share-based compensation***

*Issue of shares*
There were no shares issued to directors and other KMP as part of compensation during the year ended 30 June 2023.

*Options*
There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2023.

There were no options over ordinary shares granted to or vested in directors and other key management personnel as part of compensation during the year ended 30 June 2023.

***Additional disclosures relating to key management personnel***

*Shareholding*
The number of shares in the Company held during the financial year by each director and other members of KMP of the Group, including their personally related parties, is set out below:

| | Balance at the start of the year | Balance adjusted for share consolidation (20:1) | Received as part of remuneration | Additions | Disposals/ other | Balance at the end of the year |
|---|---|---|---|---|---|---|
| *Ordinary shares* | | | | | | |
| Joshua Quinn | 16,666,667 | 833,333 | - | - | - | 833,333 |
| Rumi Guzder | 33,333,333 | 1,666,667 | - | - | - | 1,666,667 |
| Wesley Culley | 33,138,356 | 1,656,918 | - | - | - | 1,656,918 |
| | 83,138,356 | 4,156,918 | - | - | - | 4,156,918 |

***This concludes the remuneration report, which has been audited.***

**Shares under option**
Unissued ordinary shares of Thrive Tribe Technologies Limited under option at the date of this report are as follows:

| Grant date | Expiry date | Exercise price | Number under option |
|---|---|---|---|
| 30/11/2022 | 30/11/2025 | $0.060 | 2,500,000 |
| 30/11/2022 | 30/11/2025 | $0.010 | 2,500,000 |
| 24/04/2023 | 24/04/2025 | $0.020 | 30,000,000 |
| | | | 35,000,000 |

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

**Shares issued on the exercise of options**
There were no ordinary shares of Thrive Tribe Technologies Limited issued on the exercise of options during the year ended 30 June 2023 and up to the date of this report.

**Indemnity and insurance of officers**
The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

**Indemnity and insurance of auditor**
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

**Proceedings on behalf of the Company**
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

**Non-audit services**
There were no non-audit services provided during the financial year by the auditor.

**Officers of the Company who are former partners of Rothsay Audit & Assurance Pty Ltd**
There are no officers of the Company who are former partners of Rothsay Audit & Assurance Pty Ltd.

**Auditor's independence declaration**
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Joshua Quinn
Non-Executive Director and Company Secretary

30 August 2023
Sydney

ROTHSAY
AUDIT & ASSURANCE PTY LTD

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001*

As lead auditor of Thrive Tribe Technologies Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Thrive Tribe Technologies Limited and the entity it controlled during the year.

**Rothsay Audit & Assurance Pty Ltd**

**Graham Webb**
**Director**

**30 August 2023**

**Contents**

**Thrive Tribe Technologies Limited**
**(Formerly known as Wooboard Technologies Limited)**
**Consolidated statement of profit or loss and other comprehensive income**
**For the year ended 30 June 2023**

| | Note | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|---|
| **Revenue** | 5 | 18,991 | 19,198 |
| Research and development tax incentive | 6 | 459,445 | 460,866 |
| Other income | 7 | 41,342 | 39,103 |
| Interest revenue calculated using the effective interest method | | 2,835 | 215 |
| **Expenses** | | | |
| Employee benefits expense | | (360,015) | (1,255,091) |
| Depreciation and amortisation expense | | - | (16,785) |
| Advertising and marketing expenses | | (36,112) | (169,110) |
| Occupancy expenses | 8 | (14,178) | (11,341) |
| Professional and consulting expenses | | (1,034,288) | (1,033,017) |
| Compliance and share registry expenses | | (52,092) | (35,080) |
| Share-based payment expense | | (332,692) | - |
| Other expenses | | (125,699) | (169,288) |
| Finance costs | 8 | - | (2,986) |
| **Loss before income tax expense** | | (1,432,463) | (2,173,316) |
| Income tax expense | 9 | - | - |
| **Loss after income tax expense for the year attributable to the owners of Thrive Tribe Technologies Limited** | | (1,432,463) | (2,173,316) |
| Other comprehensive income for the year, net of tax | | - | - |
| **Total comprehensive loss for the year attributable to the owners of Thrive Tribe Technologies Limited** | | (1,432,463) | (2,173,316) |
| | | **Cents** | **Cents** |
| Basic earnings per share | 31 | (0.66) | (1.14) |
| Diluted earnings per share | 31 | (0.66) | (1.14) |

*The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

# Thrive Tribe Technologies Limited
# (Formerly known as Wooboard Technologies Limited)
# Consolidated statement of financial position
# As at 30 June 2023

| | Note | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 10 | 5,136,549 | 652,749 |
| Trade and other receivables | 11 | 624,708 | 630,219 |
| Other assets | 12 | 111,010 | 7,416 |
| Total current assets | | 5,872,267 | 1,290,384 |
| **Non-current assets** | | | |
| Financial assets at fair value through profit or loss | 13 | 402,212 | - |
| Intangibles | 15 | 863,658 | 407,129 |
| Other assets | 16 | 75,000 | - |
| Total non-current assets | | 1,340,870 | 407,129 |
| **Total assets** | | 7,213,137 | 1,697,513 |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 17 | 492,169 | 279,189 |
| Employee benefits | | - | 53,854 |
| Total current liabilities | | 492,169 | 333,043 |
| **Non-current liabilities** | | | |
| Borrowings | 18 | 5,000,000 | - |
| Total non-current liabilities | | 5,000,000 | - |
| **Total liabilities** | | 5,492,169 | 333,043 |
| **Net assets** | | 1,720,968 | 1,364,470 |
| **Equity** | | | |
| Issued capital | 19 | 25,320,517 | 23,791,556 |
| Reserves | 20 | 464,174 | 204,174 |
| Accumulated losses | | (24,063,723) | (22,631,260) |
| **Total equity** | | 1,720,968 | 1,364,470 |

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

| Consolidated | Issued capital $ | Reserves $ | Accumulated losses $ | Total equity $ |
|---|---|---|---|---|
| Balance at 1 July 2021 | 23,791,556 | 204,174 | (20,457,944) | 3,537,786 |
| Loss after income tax expense for the year | - | - | (2,173,316) | (2,173,316) |
| Other comprehensive income for the year, net of tax | - | - | - | - |
| Total comprehensive loss for the year | - | - | (2,173,316) | (2,173,316) |
| Balance at 30 June 2022 | 23,791,556 | 204,174 | (22,631,260) | 1,364,470 |

| Consolidated | Issued capital $ | Reserves $ | Accumulated losses $ | Total equity $ |
|---|---|---|---|---|
| Balance at 1 July 2022 | 23,791,556 | 204,174 | (22,631,260) | 1,364,470 |
| Loss after income tax expense for the year | - | - | (1,432,463) | (1,432,463) |
| Other comprehensive income for the year, net of tax | - | - | - | - |
| Total comprehensive loss for the year | - | - | (1,432,463) | (1,432,463) |
| *Transactions with owners in their capacity as owners:* | | | | |
| Contributions of equity, net of transaction costs (note 19) | 1,528,961 | - | - | 1,528,961 |
| Share-based payments (note 32) | - | 260,000 | - | 260,000 |
| Balance at 30 June 2023 | 25,320,517 | 464,174 | (24,063,723) | 1,720,968 |

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes*

# Thrive Tribe Technologies Limited
## (Formerly known as Wooboard Technologies Limited)
## Consolidated statement of cash flows
## For the year ended 30 June 2023

| | Note | Consolidated 2023 $ | 2022 $ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from customers (inclusive of GST) | | 29,978 | 97,600 |
| Payments to suppliers and employees (inclusive of GST) | | (1,579,414) | (2,700,040) |
| | | (1,549,436) | (2,602,440) |
| Government grants received | | 592,131 | 37,344 |
| Interest received | | 2,835 | 215 |
| Interest and other finance costs paid | | - | (2,986) |
| Net cash used in operating activities | 30 | (954,470) | (2,567,867) |
| **Cash flows from investing activities** | | | |
| Payments for financial assets | 13 | (389,495) | - |
| Payments for property, plant and equipment | | - | (7,340) |
| Payments for development expenditure | 15 | (493,504) | (236,635) |
| Net cash used in investing activities | | (882,999) | (243,975) |
| **Cash flows from financing activities** | | | |
| Proceeds from issue of shares | 19 | 370,000 | - |
| Share issue transaction costs | 19 | (48,731) | - |
| Proceeds from issue of convertible notes | 30 | 1,000,000 | - |
| Proceeds from loan | 18 | 5,000,000 | - |
| Net cash from financing activities | | 6,321,269 | - |
| Net increase/(decrease) in cash and cash equivalents | | 4,483,800 | (2,811,842) |
| Cash and cash equivalents at the beginning of the financial year | | 652,749 | 3,464,591 |
| Cash and cash equivalents at the end of the financial year | 10 | 5,136,549 | 652,749 |

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

## Note 1. General information

The financial statements cover Thrive Tribe Technologies Limited as a Group consisting of Thrive Tribe Technologies Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Thrive Tribe Technologies Limited's functional and presentation currency.

Thrive Tribe Technologies Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

MLC Centre
Level 57
19-29 Martin Place
Sydney NSW 2000
Australia

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 August 2023. The directors have the power to amend and reissue the financial statements.

## Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### Going concern

The financial statements have been prepared on a going concern basis.

During the year ended 30 June 2023, the Group incurred a loss of $1,432,463 (2022: loss of $2,173,316). The cash outflow from operating activities was $954,470 (2022: cash outflow of $2,567,867). As at 30 June 2023, the Group has cash reserves of $5,136,549 (2022: $652,749) and net current assets of $5,380,098 (2022: net current assets of $957,341).

The Group’s ability to continue as a going concern is dependent upon the generation of cash from operations and the sufficiency of current cash reserves to meet existing obligations. The Directors believe current cash reserves are sufficient for the Group to be able to pay its debts as and when they fall due for a period of at least 12 months from the date of these financial statements.

Notwithstanding the above, the directors believe that the Group will continue as a going concern after consideration of the following factors:

- The Group expects to receive a cash rebate from lodgement of the Research and Development ('R&D') claim for eligible expenditure from the year ended 30 June 2023 of approximately $390,000;
- The Group is waiting on cash rebate from lodgement of the R&D claim for eligible expenditure from the year ended 30 June 2022 of $496,000;
- The Group has the ability and intention to conduct future capital raises as and when required to meet operational and investment requirements, including:
  - Issue of a Convertible Note in April 2023 for $1,000,000 which was converted into 66,666,666 ordinary shares in the Company; and
  - Capital raise of $5,000,000 in June 2023 in the form of loan funds to be repaid by issue of Convertible Note, subject to shareholders approval.

## Note 2. Significant accounting policies (continued)

If the Group is not successful in securing additional funds, there is a material uncertainty that may cast significant doubt whether the Group will continue as a going concern and therefore the Group may be unable to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial statements do not contain any adjustments relating to the recoverability and classification of recorded assets or liabilities that might be necessary should the Group not able to continue as a going concern.

**Basis of preparation**
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

*Historical cost convention*
Except for cash flow information, the financial statements have been prepared on an accrual basis and are based on historical cost except for financial assets at fair value through profit or loss.

*Critical accounting estimates*
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

**Parent entity information**
In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Information about the parent entity is disclosed in note 28.

**Principles of consolidation**
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Thrive Tribe Technologies Limited ('Company' or 'parent entity') as at 30 June 2023 and the results of all subsidiaries for the year then ended. Thrive Tribe Technologies Limited and its subsidiaries together are referred to in these financial statements as the 'Group' or 'Thrive Tribe'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

**Operating segments**
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

## Note 2. Significant accounting policies (continued)

### Foreign currency translation
The financial statements are presented in Australian dollars, which is Thrive Tribe Technologies Limited's functional and presentation currency.

*Foreign currency transactions*
Foreign currency transactions are translated into the Company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

### Revenue recognition
The Group recognises revenue as follows:

*Revenue from contracts with customers*
Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

*Subscription fees*
Subscription fees from licence of Software-as-a-Service ('SaaS') products are recognised over time, being on a straight-line basis over the period the performance obligation, when the right to access is satisfied in accordance with the terms of the contract. Contract liabilities relate to revenue which has been billed to the customers for which the services are yet to be performed.

*Interest*
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

*Other revenue*
Other revenue is recognised when it is received or when the right to receive payment is established.

### Government grants
Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

*Research and development tax incentive*
The Group has adopted the income approach to accounting for the research and development tax incentive pursuant to AASB 120 'Accounting for Government Grant and Disclosure of Government Assistance' whereby the incentive is recognised in profit or loss on a systematic basis over the periods in which the Group recognises the eligible expenses. Where the research and development costs are capitalised as an intangible or property, plant and equipment asset, the research and development tax incentive has been offset against the capitalised expenditure.

### Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

**Note 2. Significant accounting policies (continued)**

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Thrive Tribe Technologies Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated Group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated Group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within Group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated Group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated Group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated Group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated Group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

**Current and non-current classification**
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

**Cash and cash equivalents**
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Note 2. Significant accounting policies (continued)**

**Trade and other receivables**
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has adopted the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

**Investments and other financial assets**
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

*Financial assets at fair value through profit or loss*
Financial assets at fair value through profit or loss are either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit; or (ii) designated as such upon initial recognition, where they are managed on a fair value basis or to eliminate or significantly reduce an accounting mismatch. Except for effective hedging instruments, derivatives are also categorised as fair value through profit or loss. Fair value movements are recognised in profit or loss.

**Intangible assets**
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

*Software development*
Research costs associated with the development of software are expensed in the period in which they are incurred. Software development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised software development costs are amortised on a straight-line basis over the period of their expected benefit. As at 30 June 2023, the capitalised software development is not yet ready for use and not yet amortised. Capitalised software development costs are assessed at each reporting date for impairment.

**Impairment of non-financial assets**
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

## Note 2. Significant accounting policies (continued)

### Trade and other payables
Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

### Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

### Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

### Employee benefits

*Short-term employee benefits*
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

*Defined contribution superannuation expense*
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

*Share-based payments*
Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

**Note 2. Significant accounting policies (continued)**

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, they are treated as if they have vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

**Fair value measurement**
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques used to measure fair value are those that are appropriate in the circumstances and which maximise the use of relevant observable inputs and minimise the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

**Issued capital**
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**Earnings per share**

*Basic earnings per share*
Basic earnings per share is calculated by dividing the profit attributable to the owners of Thrive Tribe Technologies Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

*Diluted earnings per share*
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number additional ordinary shares that would have been outstanding assuming conversion of all dilutive potential ordinary shares.

## Note 2. Significant accounting policies (continued)

### Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

## Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Allowance for expected credit losses*
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each Group. These assumptions include recent sales experience, historical collection rates and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 11, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

*Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*
The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions, including cash flow projections, estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

*Income tax*
The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

*Recovery of deferred tax assets*
Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

## Note 4. Operating segments

*Identification of reportable operating segments*
The Group is organised into two operating segments: Thrive Tribe Technologies (previously 'Wooboard Technologies') and Wooboard Software-as-a-Service products ('Wooboard SaaS'). These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews adjusted EBITDA (earnings before interest, tax, depreciation and amortisation adjusted for impairment of assets and non-operating income and expenses). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Geographical information is disclosed in note 5.

*Types of products and services*
The principal products and services of each of these operating segments are as follows:

| | |
|---|---|
| Thrive Tribe Technologies | Product development and investment operations including short term share trades. |
| Wooboard SaaS | Sale of cloud based Software as a Service ('SaaS') products that enabled subscribed companies to communicate with their employees in an innovative, engaging and effective manner. |

*Major customers*
During the year ended 30 June 2023, approximately 32% (2022: 31%) of the Group's sales to external customers was derived from one customer.

*Operating segment information*

| Consolidated - 2023 | Thrive Tribe Technologies $ | Wooboard SaaS $ | Total $ |
|---|---|---|---|
| **Revenue** | | | |
| Sales to external customers | - | 18,991 | 18,991 |
| Interest | 2,835 | - | 2,835 |
| **Total revenue** | 2,835 | 18,991 | 21,826 |
| | | | |
| **Adjusted EBITDA** | (1,453,217) | 17,919 | (1,435,298) |
| Interest revenue | | | 2,835 |
| **Loss before income tax expense** | | | (1,432,463) |
| Income tax expense | | | - |
| **Loss after income tax expense** | | | (1,432,463) |

### Note 4. Operating segments (continued)

| Consolidated - 2022 | Thrive Tribe Technologies $ | Wooboard SaaS $ | Total $ |
|---|---|---|---|
| **Revenue** | | | |
| Sales to external customers | - | 19,198 | 19,198 |
| Interest | 215 | - | 215 |
| **Total revenue** | 215 | 19,198 | 19,413 |
| | | | |
| **Adjusted EBITDA** | (2,169,926) | 16,166 | (2,153,760) |
| Depreciation and amortisation | | | (16,785) |
| Interest revenue | | | 215 |
| Finance costs | | | (2,986) |
| **Loss before income tax expense** | | | (2,173,316) |
| Income tax expense | | | - |
| **Loss after income tax expense** | | | (2,173,316) |

All assets and liabilities, including taxes are not allocated to the operating segments as they are managed on an overall Group basis.

### Note 5. Revenue

| | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|
| Rendering of services - subscription fees recognised over time | 18,991 | 19,198 |

*Disaggregation of revenue*
All revenue from contracts with customers is recognised over time and in Australia. Revenue by product line is disclosed in note 4.

### Note 6. Research and development tax incentive

| | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|
| Research and development tax incentive | 459,445 | 460,866 |

*Research and development tax incentive*
The Group has adopted the income approach to accounting for research and development tax offsets pursuant to AASB 120 'Accounting for Government Grant and Disclosure of Government Assistance' whereby the incentive is recognised in profit or loss on a systematic basis over the periods in which the Group recognises the eligible expenses. When the research and development tax incentive relates to expenditure that has been capitalised as software development costs, the research and development tax incentive has been offset against the capitalised expenditure (refer to note 15).

## Note 7. Other income

| | Consolidated 2023 $ | 2022 $ |
|---|---|---|
| Net foreign exchange gain | 13,367 | 1,759 |
| Government grants | - | 37,344 |
| Reversal of salary and wages accrual | 27,975 | - |
| Other income | 41,342 | 39,103 |

Government grants represents grants received from the Government in response to the COVID-19 pandemic, comprising of NSW COVID19 JobSaver support payments ($29,844) and a COVID19 Business Grant - NSW ($7,500).

## Note 8. Expenses

| | Consolidated 2023 $ | 2022 $ |
|---|---|---|
| Loss before income tax includes the following specific expenses: | | |
| *Finance costs* | | |
| Interest and finance charges paid/payable on borrowings | - | 2,986 |
| *Leases* | | |
| Short-term lease payments | 14,178 | 11,341 |
| *Superannuation expense* | | |
| Defined contribution superannuation expense | 18,802 | 84,240 |

## Note 9. Income tax expense

| | Consolidated 2023 $ | 2022 $ |
|---|---|---|
| *Numerical reconciliation of income tax expense and tax at the statutory rate* | | |
| Loss before income tax expense | (1,432,463) | (2,173,316) |
| Tax at the statutory tax rate of 25% | (358,116) | (543,329) |
| Tax effect amounts which are not deductible/(taxable) in calculating taxable income: | | |
| Non-deductible expenses | 79,135 | 74,830 |
| Non-assessable income | (118,028) | (115,217) |
| Other deductible expenses | (144,398) | (43,313) |
| | (541,407) | (627,029) |
| Current year tax losses and temporary differences not recognised | 541,407 | 627,029 |
| Income tax expense | - | - |

## Note 9. Income tax expense (continued)

| | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|
| *Tax losses not recognised* | | |
| Unused tax losses for which no deferred tax asset has been recognised | 16,602,237 | 16,443,282 |
| Potential tax benefit at statutory tax rates @ 25% | 4,150,559 | 4,110,820 |

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

| | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|
| *Deferred tax assets not recognised* | | |
| Deferred tax assets not recognised comprises temporary differences attributable to: | | |
| Accrued expenses | 13,763 | 70,634 |
| Blackhole expenditure | 60,523 | 78,524 |
| Total deferred tax assets not recognised | 74,286 | 149,158 |

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

As at 30 June 2023, unused capital losses for which no deferred tax asset has been recognised amounted to $3,222,411 (2022: $3,222,411). The potential tax benefit at 25% (2022: 25%) is $805,603 (2022: $805,603).

## Note 10. Current assets - cash and cash equivalents

| | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|
| Cash at bank | 5,136,549 | 652,749 |

## Note 11. Current assets - trade and other receivables

| | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|
| Trade receivables | 8,240 | 3,100 |
| Other receivables | 2,347 | 3,208 |
| Research and development tax incentive receivable | 496,420 | 592,131 |
| GST receivable | 117,701 | 31,780 |
| | 624,708 | 630,219 |

*Allowance for expected credit losses*
The Group has recognised a loss of $nil (2022: $nil) in profit or loss in respect of the expected credit losses for the year ended 30 June 2023.

Trade receivables amounting to $nil (2022: $nil) were written off during the year ended 30 June 2023.

## Note 11. Current assets - trade and other receivables (continued)

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

| Consolidated | Expected credit loss rate 2023 % | 2022 % | Carrying amount 2023 $ | 2022 $ | Allowance for expected credit losses 2023 $ | 2022 $ |
|---|---|---|---|---|---|---|
| Not overdue | - | - | 316 | 113 | - | - |
| 0 to 3 months overdue | - | - | 1,764 | 704 | - | - |
| Over 3 months overdue | - | - | 6,160 | 2,283 | - | - |
| | | | 8,240 | 3,100 | - | - |

## Note 12. Current assets - other assets

| | Consolidated 2023 $ | 2022 $ |
|---|---|---|
| Prepayments | 111,010 | 7,416 |

## Note 13. Non-current assets - financial assets at fair value through profit or loss

| | Consolidated 2023 $ | 2022 $ |
|---|---|---|
| Designated at fair value through profit or loss | | |
| Investment in unlisted entity - Slik Pro Corp* | 402,211 | - |
| Investment in unlisted entity - Daily Foods Pty Limited** | 1 | - |
| | 402,212 | - |

*Reconciliation*
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

| | 2023 $ | 2022 $ |
|---|---|---|
| Opening fair value | - | - |
| Additions | 389,495 | - |
| Foreign exchange movements | 12,717 | - |
| Closing fair value | 402,212 | - |

* This investment represents a 6.66% equity interest in Slik Pro Corp, a mental health, wellness, employee engagement software provider based in Latin America.

** This investment represents a 37.5% equity interest in Daily Foods Pty Limited ('Daily Foods'), snacks maker based in Australia. Notwithstanding the Group's 37.5% equity interest, the board have assessed that this investment does not meet the criteria under AASB 128 *Investments in Associates and Joint Ventures* to be equity accounted as the Group has no representation on the board of Daily Foods and no active participation in the operations of Daily Foods.

Refer to note 23 for further information on fair value measurement.

## Note 14. Non-current assets - property, plant and equipment

| | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|
| Leasehold improvements - at cost | 3,200 | 3,200 |
| Less: Accumulated depreciation | (3,200) | (3,200) |
| | - | - |
| Computer equipment - at cost | 77,496 | 77,497 |
| Less: Accumulated depreciation | (77,496) | (77,497) |
| | - | - |
| Office furniture - at cost | 10,884 | 10,884 |
| Less: Accumulated depreciation | (10,884) | (10,884) |
| | - | - |
| | - | - |

*Reconciliations*
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

| Consolidated | Computer equipment $ | Office furniture $ | Total $ |
|---|---|---|---|
| Balance at 1 July 2021 | 6,665 | 2,780 | 9,445 |
| Additions | 7,340 | - | 7,340 |
| Depreciation expense | (14,005) | (2,780) | (16,785) |
| Balance at 30 June 2022 | - | - | - |
| Balance at 30 June 2023 | - | - | - |

## Note 15. Non-current assets - intangibles

| | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|
| Software development - at cost | 863,658 | 407,129 |

Software development relates to websites and customer platforms that are under construction at 30 June 2023. The assets are not in use at 30 June 2023 and were not amortised during the financial year then ended.

## Note 15. Non-current assets - intangibles (continued)

*Reconciliations*
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

| Consolidated | Software development $ |
|---|---|
| Balance at 1 July 2021 | 301,760 |
| Additions | 236,635 |
| Research and development tax incentive offset against capital expenditure | (131,266) |
| Balance at 30 June 2022 | 407,129 |
| Additions | 493,504 |
| Research and development tax incentive offset against capital expenditure | (36,975) |
| Balance at 30 June 2023 | 863,658 |

## Note 16. Non-current assets - other assets

| | Consolidated 2023 $ | 2022 $ |
|---|---|---|
| Prepayments | 75,000 | - |

## Note 17. Current liabilities - trade and other payables

| | Consolidated 2023 $ | 2022 $ |
|---|---|---|
| Trade payables | 437,119 | 32,747 |
| Accrued expenses | 55,050 | 246,442 |
| | 492,169 | 279,189 |

Refer to note 22 for further information on financial instruments - risk management.

## Note 18. Non-current liabilities - borrowings

| | Consolidated 2023 $ | 2022 $ |
|---|---|---|
| Loan | 5,000,000 | - |

Refer to note 22 for further information on financial instruments - risk management.

*Loan*
The loan is from sophisticated investors, unsecured, due to be repaid on 28 December 2024 and interest is charged at 7% per annum. The loan is repayable via the issue of convertible notes subject to approval by shareholders at an Extraordinary General Meeting. The convertible notes are unsecured, have a maturity date of 28 December 2024, interest rate of 7% per annum paid on maturity and each convertible note has a face value of $1. The notes are convertible to share capital at a conversion price of $0.05.

## Note 18. Non-current liabilities - borrowings (continued)

Since the convertible notes must be approved for issue by shareholders, it has been recorded as a loan at the face value of $5,000,000 as at 30 June 2023. If and when the convertible notes are approved by shareholders, the loan will be repaid with the issuance of the convertible notes. On the date the shareholders approve the issue of the convertible notes, the loan will be derecognised and the convertible notes recognised.

## Note 19. Equity - issued capital

| | Consolidated | | | |
|---|---|---|---|---|
| | **2023 Shares** | **2022 Shares** | **2023 $** | **2022 $** |
| Ordinary shares - fully paid | 296,621,519 | 3,822,162,741 | 25,320,517 | 23,791,556 |

*Movements in ordinary share capital*

| **Details** | **Date** | **Shares** | | **$** |
|---|---|---|---|---|
| Balance | 1 July 2021 | 3,822,162,741 | | 23,791,556 |
| | | | | |
| Balance | 30 June 2022 | 3,822,162,741 | | 23,791,556 |
| Issue of shares | 24 October 2022 | 569,230,774 | $0.001 | 370,000 |
| Consolidation of shares 20 to 1 | 5 December 2022 | (4,171,823,278) | | - |
| Issue of shares in lieu of director's fee* | 20 December 2022 | 10,384,616 | $0.020 | 207,692 |
| Conversion of convertible notes to shares | 30 June 2023 | 66,666,666 | $0.015 | 1,000,000 |
| Share issue transaction costs, net of tax | | - | | (48,731) |
| | | | | |
| Balance | 30 June 2023 | 296,621,519 | | 25,320,517 |

* Approved by shareholders on 30 November 2022.

*Ordinary shares*
Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Company be wound up in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

*Convertible notes*
During the year, the Company issued the following convertible notes:
- On 26 April 2023, the Company issued convertible notes totalling $1,000,000. The notes are convertible to share capital at a conversion price of $0.015, redeemable within 18 months with a capitalised interest rate of 6% per annum paid on maturity. On 30 June 2023, convertible notes which had a face value of $1,000,000 and a carrying value of $1,000,000 were converted into 66,666,666 ordinary shares in the Company.

*Capital risk management*
The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

## Note 19. Equity - issued capital (continued)

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 2022 Annual Report.

## Note 20. Equity - reserves

| | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|
| Share-based payments reserve | 439,174 | 179,174 |
| Convertible note option reserve | 25,000 | 25,000 |
| | 464,174 | 204,174 |

*Share-based payments reserve*
The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

*Convertible note option reserve*
This reserve is used to recognise the value of the conversion rights relating to the convertible notes. The balance at 30 June 2023 is a cumulative historical balance that relates to convertible notes that were issued and settled in previous financial years.

*Movements in reserves*
Movements in each class of reserve during the current and previous financial year are set out below:

| **Consolidated** | Share-based payments $ | Convertible note option $ | Total $ |
|---|---|---|---|
| Balance at 1 July 2021 | 179,174 | 25,000 | 204,174 |
| Balance at 30 June 2022 | 179,174 | 25,000 | 204,174 |
| Share-based payments | 260,000 | - | 260,000 |
| Balance at 30 June 2023 | 439,174 | 25,000 | 464,174 |

## Note 21. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

## Note 22. Financial instruments - Risk management

***Financial risk management objectives***
The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate risk and ageing analysis for credit risk.

## Note 22. Financial instruments - Risk management (continued)

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies and evaluates financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

***Market risk***

*Foreign currency risk*
The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency.

The Group's foreign exchange risk is managed to ensure sufficient funds are available to meet foreign denominated financial commitments in a timely and cost-effective manner. The Group will continually monitor this risk.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

| | Assets | | Liabilities | |
|---|---|---|---|---|
| **Consolidated** | **2023 $** | **2022 $** | **2023 $** | **2022 $** |
| US dollars | 9,956 | 21,195 | - | - |

The Group had net assets denominated in foreign currencies of $9,956 (2022: net assets of $21,195). Based on this exposure, had the Australian dollars weakened by 5%/strengthened by 5% (2022: weakened by 5%/strengthened by 5%) against these foreign currencies with all other variables held constant, the Group's profit before tax for the year would have been $524 higher/$474 lower (2022: $1,116 higher/$1,009 lower) and equity would have been $524 higher/$474 lower (2022: $1,116 higher/$1,009 lower). The percentage change is the expected overall volatility of the significant currencies, based on management's assessment of reasonable possible fluctuations.

*Price risk*
The Group is not exposed to any significant price risk.

*Interest rate risk*
Interest rate risk rises from the Group's exposure to variable interest rates. The Group is not exposed to any significant interest rate risk. The Group's debt comprising of convertible notes is at a fixed interest rate which mitigates risk from interest rate fluctuations. The Group's interest rate risk is therefore limited to interest income on cash at bank. An official increase/decrease in interest rates of 50 (2022: 50) basis points would have an adverse/favourable effect on profit before tax of $25,683 (2022: $3,264) per annum.

***Credit risk***
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

## Note 22. Financial instruments - Risk management (continued)

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The Group has no significant credit risk exposure at 30 June 2023.

***Liquidity risk***
Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

*Remaining contractual maturities*
The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

| **Consolidated - 2023** | Weighted average interest rate | 1 year or less $ | Between 1 and 2 years $ | Between 2 and 5 years $ | Over 5 years $ | Remaining contractual maturities $ |
|---|---|---|---|---|---|---|
| **Non-derivatives** | | | | | | |
| *Non-interest bearing* | | | | | | |
| Trade payables | - | 437,119 | - | - | - | 437,119 |
| *Interest-bearing - fixed rate* | | | | | | |
| Loan | 7.00% | - | 5,524,521 | - | - | 5,524,521 |
| Total non-derivatives | | 437,119 | 5,524,521 | - | - | 5,961,640 |

| **Consolidated - 2022** | Weighted average interest rate | 1 year or less $ | Between 1 and 2 years $ | Between 2 and 5 years $ | Over 5 years $ | Remaining contractual maturities $ |
|---|---|---|---|---|---|---|
| **Non-derivatives** | | | | | | |
| *Non-interest bearing* | | | | | | |
| Trade payables | - | 32,747 | - | - | - | 32,747 |
| Total non-derivatives | | 32,747 | - | - | - | 32,747 |

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

## Note 23. Fair value measurement

*Fair value hierarchy*
The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

| **Consolidated - 2023** | Level 1<br>$ | Level 2<br>$ | Level 3<br>$ | Total<br>$ |
|---|---|---|---|---|
| *Assets* | | | | |
| Financial assets at fair value through profit or loss - | | | | |
| Investment in unlisted entities | - | - | 402,212 | 402,212 |
| Total assets | - | - | 402,212 | 402,212 |

As at 30 June 2022, the Group does not have any assets or liabilities that are measured or disclosed at fair value.

There were no transfers between levels during the current financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

*Valuation techniques for fair value measurements categorised within level 2 and level 3*
Unquoted investments are recorded at fair value, which reflects the recent cost of investments. The Directors do not consider the market value of the investments to have significantly changed since the acquisition date. Consequently, unobservable inputs and sensitivity have not been disclosed.

*Level 3 assets and liabilities*
Movements in level 3 assets and liabilities during the current financial year are set out below:

| | Investment in unlisted entities<br>$ |
|---|---|
| Balance at 1 July 2022 | - |
| Additions | 389,495 |
| Net foreign exchange movement | 12,717 |
| Balance at 30 June 2023 | 402,212 |

## Note 24. Key management personnel disclosures

*Compensation*
The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

| | Consolidated | |
|---|---|---|
| | 2023 | 2022 |
| | $ | $ |
| Short-term employee benefits | 364,667 | 423,917 |
| Post-employment benefits | 8,050 | 11,667 |
| | 372,717 | 435,584 |

## Note 25. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Rothsay Audit & Assurance Pty Ltd, the auditor of the Company:

| | Consolidated | |
|---|---|---|
| | 2023 | 2022 |
| | $ | $ |
| *Audit services - Rothsay Audit & Assurance Pty Ltd (2022: BDO Audit Pty Ltd)* | | |
| Audit or review of the financial statements | 25,000 | 45,000 |
| *Other services - Rothsay Audit & Assurance Pty Ltd (2022 : BDO Tax)* | | |
| Taxation services | - | 42,242 |
| | 25,000 | 87,242 |

## Note 26. Contingent liabilities

The Group has no contingent liabilities at 30 June 2023 and 30 June 2022.

## Note 27. Related party transactions

*Parent entity*
Thrive Tribe Technologies Limited is the parent entity.

*Subsidiaries*
Interests in subsidiaries are set out in note 29.

*Key management personnel*
Disclosures relating to key management personnel are set out in note 24 and the remuneration report included in the directors' report.

## Note 27. Related party transactions (continued)

*Transactions with related parties*
The following transactions occurred with related parties:

| | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|
| Payment for other expenses: | | |
| Accountancy fees paid to related entity of J. Quinn, a director of the Group | 72,000 | - |
| Other transactions: | | |
| Shares issued to R. Guzder, a director of the Group, in lieu of director's fee | 207,692 | - |

*Receivable from and payable to related parties*
The following balances are outstanding at the reporting date in relation to transactions with related parties:

| | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|
| Current payables: | | |
| Trade payables and accrued expenses to key management personnel | 24,000 | 78,000 |

*Loans to/from related parties*
There were no loans to or from related parties at the current and previous reporting date.

*Terms and conditions*
All transactions were made on normal commercial terms and conditions and at market rates.

## Note 28. Parent entity information

Set out below is the supplementary information about the parent entity.

*Statement of profit or loss and other comprehensive income*

| | Parent 2023 $ | Parent 2022 $ |
|---|---|---|
| Loss after income tax | (1,450,382) | (2,189,483) |
| Total comprehensive loss | (1,450,382) | (2,189,483) |

## Note 28. Parent entity information (continued)

*Statement of financial position*

| | Parent 2023 $ | Parent 2022 $ |
|---|---|---|
| Total current assets | 5,289,497 | 725,347 |
| Total assets | 6,630,367 | 1,132,476 |
| Total current liabilities | 492,172 | 332,860 |
| Total liabilities | 5,492,172 | 332,860 |
| Equity | | |
| Issued capital | 25,320,517 | 23,791,556 |
| Share-based payments reserve | 439,174 | 179,174 |
| Convertible note option reserve | 25,000 | 25,000 |
| Accumulated losses | (24,646,496) | (23,196,114) |
| Total equity | 1,138,195 | 799,616 |

*Guarantees entered into by the parent entity in relation to the debts of its subsidiaries*
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2023 and 30 June 2022.

*Contingent liabilities*
The parent entity had no contingent liabilities as at 30 June 2023 and 30 June 2022.

*Capital commitments - Property, plant and equipment*
The parent entity had no capital commitments as at 30 June 2023 and 30 June 2022.

*Significant accounting policies*
The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

## Note 29. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 2:

| Name | Principal place of business / Country of incorporation | Ownership interest 2023 % | Ownership interest 2022 % |
|---|---|---|---|
| WooBoard Pty Ltd | Australia | 100% | 100% |

## Note 30. Cash flow information

*Reconciliation of loss after income tax to net cash used in operating activities*

| | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|
| Loss after income tax expense for the year | (1,432,463) | (2,173,316) |
| Adjustments for: | | |
| Depreciation and amortisation | - | 16,785 |
| Share-based payments | 332,692 | - |
| Non-cash other income | (27,975) | (460,866) |
| Foreign exchange differences | (12,717) | - |
| Change in operating assets and liabilities: | | |
| Decrease in trade and other receivables | 128,407 | 74,723 |
| Increase in prepayments | (178,594) | (6,016) |
| Increase/(decrease) in trade and other payables | 290,034 | (56,607) |
| Increase/(decrease) in employee benefits | (53,854) | 37,430 |
| Net cash used in operating activities | (954,470) | (2,567,867) |

*Non-cash investing and financing activities*

| | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|
| Shares issued on conversion of convertible notes | 1,000,000 | - |

*Changes in liabilities arising from financing activities*

| **Consolidated** | Loan $ | Convertible notes $ | Total $ |
|---|---|---|---|
| Balance at 1 July 2021 | - | - | - |
| Balance at 30 June 2022 | - | - | - |
| Net cash from financing activities | 5,000,000 | 1,000,000 | 6,000,000 |
| Conversion of convertible notes to ordinary shares | - | (1,000,000) | (1,000,000) |
| Balance at 30 June 2023 | 5,000,000 | - | 5,000,000 |

## Note 31. Earnings per share

| | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|
| Loss after income tax attributable to the owners of Thrive Tribe Technologies Limited | (1,432,463) | (2,173,316) |

## Note 31. Earnings per share (continued)

| | Number | Number |
|---|---|---|
| Weighted average number of ordinary shares used in calculating basic earnings per share | 216,276,034 | 191,108,137 |
| Weighted average number of ordinary shares used in calculating diluted earnings per share | 216,276,034 | 191,108,137 |

| | Cents | Cents |
|---|---|---|
| Basic earnings per share | (0.66) | (1.14) |
| Diluted earnings per share | (0.66) | (1.14) |

For the purpose of calculating the diluted earnings per share, options have been excluded as the effect would be anti-dilutive.

The weighted average number of ordinary shares in the comparative period (30 June 2022) are calculated based on the number of shares that would have been in existence had the share consolidation which occurred in the current period, taken place as at 1 July 2021.

## Note 32. Share-based payments

Share-based payments expense for the financial year ended 30 June 2023 totalled $332,692 (2022: $nil), arising from:

- Share options issued during the financial year ended 30 June 2023:
  - On 30 November 2022, 2,500,000 (50,000,000 pre-consolidation basis) unlisted options were granted to Clee Capital Pty Ltd as consideration for underwriting services provided to the Group. The options vest on the date they were granted. Each option has an exercise price of $0.06 ($0.003 pre-consolidation basis) and a contractual life of three years.
  - On 30 November 2022, 2,500,000 (50,000,000 pre-consolidation basis) unlisted options were granted to Clee Capital Pty Ltd as consideration for underwriting services provided to the Group. The options vest on the date they were granted. Each option has an exercise price of $0.1 ($0.005 pre-consolidation basis) and a contractual life of three years.
    The above options were valued at $20,000.
  - On 24 April 2023, 30,000,000 unlisted options were granted to Clee Capital Pty Ltd as consideration for underwriting services provided to the Group. The options vest on the day they were granted. Each option has an exercise price of $0.2 and a contractual life of two years.
    These options were valued at $240,000.
- The loss on conversion of $72,692 due to the settlement of accrued director's fees of $135,000. Shareholder approval was obtained to issue a fixed number shares in lieu of the accrued director's fees, and the value of these shares was $207,692 at approval date, resulting in the recognition of a share-based payment expense of $72,692.

Set out below are summaries of options granted:

2023

| Grant date | Expiry date | Exercise price | Balance at the start of the year | Granted | Exercised | Expired/ forfeited/ other | Balance at the end of the year |
|---|---|---|---|---|---|---|---|
| 30/11/2022 | 30/11/2025 | $0.060 | - | 2,500,000 | - | - | 2,500,000 |
| 30/11/2022 | 30/11/2025 | $0.010 | - | 2,500,000 | - | - | 2,500,000 |
| 24/04/2023 | 24/04/2025 | $0.020 | - | 30,000,000 | - | - | 30,000,000 |
| | | | - | 35,000,000 | - | - | 35,000,000 |
| Weighted average exercise price | | | $0.000 | $0.220 | $0.000 | $0.000 | $0.220 |

**Note 32. Share-based payments (continued)**

Set out below are the options exercisable at the end of the financial year:

| Grant date | Expiry date | 2023 Number | 2022 Number |
|---|---|---|---|
| 30/11/2022 | 30/11/2025 | 2,500,000 | - |
| 30/11/2022 | 30/11/2025 | 2,500,000 | - |
| 24/04/2023 | 24/04/2025 | 30,000,000 | - |
| | | 35,000,000 | - |

The weighted average share price during the financial year was $0.02 (2022: $0.002).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2 years (2022: nil).

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

| Grant date | Expiry date | Share price at grant date | Exercise price | Expected volatility | Dividend yield | Risk-free interest rate | Fair value at grant date |
|---|---|---|---|---|---|---|---|
| 30/11/2022 | 30/11/2025 | $0.020 | $0.060 | 80.00% | - | 2.85% | $0.005 |
| 30/11/2022 | 30/11/2025 | $0.020 | $0.100 | 80.00% | - | 2.85% | $0.003 |
| 24/04/2023 | 24/04/2025 | $0.018 | $0.020 | 80.00% | - | 3.60% | $0.008 |

**Note 33. Events after the reporting period**

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Joshua Quinn
Non-Executive Director and Company Secretary

30 August 2023
Sydney

ROTHSAY
AUDIT & ASSURANCE PTY LTD

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

## THRIVE TRIBE TECHNOLOGIES LTD

### Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of Thrive Tribe Technologies Ltd ("the Company") and its controlled entities ("the Group") which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended on that date and notes to the consolidated financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion the financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of this report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter – Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial report, which indicates that the group incurred a net loss of $1,432,463 and a net cash outflow from operating activities of $954,470 during the year ended 30 June 2023. As stated in Note 2, these events or conditions along with other matters as set forth in Note 2 indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following key audit matters to communicate in our report:

| Key Audit Matter | How our Audit Addressed the Key Audit Matter |
|---|---|
| **Capitalised Development Expenditure**<br><br>As disclosed in Note 15 to the financial statements, the Group's capitalised development expenditure classified as intangible assets had a carrying value of $863,658, representing 12% of the Group's total assets.<br><br>The recognition and recoverability of capitalised development expenditure was considered a key audit matter due to the following:<br><br>• the carrying value represents a significant asset to the Group. Therefore, we considered it necessary to assess whether facts and circumstances existed to suggest that an impairment to the value of the asset may be required;<br><br>• significant management judgement is involved in determining whether impairment indicators exist. | Our procedures in assessing capitalised development expenditure included but were not limited to the following:<br><br>• We assessed the reasonableness of capitalising development expenditure in accordance with AASB 138 "Intangible Assets";<br><br>• We tested a sample of the capitalised development expenditure to supporting documentation to ensure they were bona fide transactions;<br><br>•We assessed the reasonableness of the management's assessment for the existence of impairment indicators; and<br><br>• We reviewed the appropriateness of the related disclosures in Note 15. |
| **Share Based Payments**<br><br>As disclosed in Note 32 to the financial statements, the Group granted options to a 3rd party for underwriting services provided to the group.<br><br>Management used the Black-Scholes option valuation model to determine the fair value of the options granted. This process involved estimations and judgements to determine the fair value of the equity instruments granted.<br><br>Share based payments was considered a key audit matter due to the following:<br><br>• the value of the transactions;<br><br>• the complexities involved in the recognition and measurement of these instruments; and<br><br>• the judgement involved in determining the inputs used in the valuation model. | Our procedures over the Group's share-based payments included but were not limited to:<br><br>• Assessing the amount recognised during the year in accordance with the vesting conditions of the arrangements.<br><br>• Reviewing management's valuation of the share-based payment arrangements and;<br><br>• Reviewing compliance of the accounting treatment of the share-based payments in accordance with AASB 2 "Share-based Payment".<br><br>• We reviewed the appropriateness of the related disclosures in Note 32. |

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

THRIVE TRIBE TECHNOLOGIES LTD (continued)

## Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work we have performed we conclude there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/Home.aspx.

We communicate with the directors regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe those matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

## Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2023.

In our opinion the remuneration report of Thrive Tribe technologies Ltd for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001*.

## Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**Rothsay Audit & Assurance Pty Ltd**

**Graham Webb**
**Director**

**Dated 30 August 2023**

The shareholder information set out below was applicable as at 7 August 2023.

**Distribution of equitable securities**
Analysis of number of equitable security holders by size of holding:

| | Ordinary shares | | Options over ordinary shares | |
|---|---|---|---|---|
| | Number of holders | % of total shares issued | Number of holders | % of total options issued |
| 1 to 1,000 | 901 | 0.10 | - | - |
| 1,001 to 5,000 | 678 | 0.71 | - | - |
| 5,001 to 10,000 | 383 | 1.01 | - | - |
| 10,001 to 100,000 | 1,081 | 12.97 | - | - |
| 100,001 and over | 275 | 85.21 | 1 | 100.00 |
| | 3,318 | 100.00 | 1 | 100.00 |
| Holding less than a marketable parcel | 2,282 | 3.27 | - | - |

**Equity security holders**

*Twenty largest quoted equity security holders*
The names of the twenty largest security holders of quoted equity securities are listed below:

| | Ordinary shares | |
|---|---|---|
| | Number held | % of total shares issued |
| DP Investment Capital Pty Ltd | 33,333,333 | 11.24 |
| Beyaz Holdings Limited | 33,333,333 | 11.24 |
| Rumi Guzder | 12,051,283 | 4.06 |
| TAC Professional Services Pty Ltd | 10,220,571 | 3.45 |
| Mr Peter James Dykes | 10,000,000 | 3.37 |
| 006 Capital Pty Ltd | 9,846,154 | 3.32 |
| Rookesbury Pty Ltd (Rookesbury Investments A/C) | 7,323,060 | 2.47 |
| Mr Peter James Dykes | 7,254,895 | 2.45 |
| Mr Craig Pearson | 6,300,000 | 2.12 |
| Rimoyne Pty Ltd | 4,954,488 | 1.67 |
| Mr Brent Kevin William Robinson | 4,822,034 | 1.63 |
| Mr Daniel James Phillips | 4,688,700 | 1.58 |
| 035 Capital Pty Ltd | 3,846,154 | 1.30 |
| Mr Chong Guo | 3,220,000 | 1.09 |
| ADSD Soodin Holdings Pty Ltd | 3,060,615 | 1.03 |
| TAC Professional Services Pty Ltd | 2,846,154 | 0.96 |
| Miss Erina Mairee Jones | 2,750,000 | 0.93 |
| Ms Wenxian Ge | 2,546,095 | 0.86 |
| BSUT Pty Ltd (BSUT Family A/C) | 2,307,244 | 0.78 |
| Superhero Securities Limited (Client A/C) | 2,218,125 | 0.75 |
| | 166,922,238 | 56.30 |

*Unquoted equity securities*

| | Number on issue | Number of holders |
|---|---|---|
| Options over ordinary shares | 35,000,000 | 1 |

**Substantial holders**
Substantial holders in the Company are set out below:

| | Ordinary shares | |
|---|---|---|
| | Number held | % of total shares issued |
| DP Investment Capital Pty Ltd | 33,333,333 | 11.24 |
| Beyaz Holdings Limited | 33,333,333 | 11.24 |

**Voting rights**
The voting rights attached to ordinary shares are set out below:

*Ordinary shares*
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

| | |
|---|---|
| Directors | Rumi Guzder - Non-Executive Chairman<br>Joshua Quinn - Non-Executive Director<br>Wesley Culley - Executive Director |
| Company secretary | Joshua Quinn |
| Notice of annual general meeting | Thrive Tribe Technologies Limited advises that its Annual General Meeting will be held on or about 24 November 2023. The time and other details relating to the Meeting will be advised in the Notice of Meeting to be sent to all shareholders and released to ASX immediately after despatch.<br><br>In accordance with the ASX Listing Rules, valid nominations for the position of director are required to be lodged at the registered office of the Company by 5.00pm (AEST) on 5 October 2023. |
| Registered office | MLC Centre<br>Level 57, 19-29 Martin Place<br>Sydney, NSW 2000<br>Australia<br>Phone: +61 (02) 9236 7229 |
| Principal place of business | MLC Centre<br>Level 57, 19-29 Martin Place<br>Sydney, NSW 2000<br>Australia<br>Phone: +61 (02) 9236 7229 |
| Share register | Boardroom Pty Limited<br>Level 8, 210 George Street<br>Sydney, NSW 2000<br>Australia<br>Phone: +61 (02) 9290 9600 |
| Auditor | Rothsay Audit & Assurance Pty Ltd<br>Level 1/6 O'Connell Street<br>Sydney NSW 2000<br>Australia |
| Stock exchange listing | Thrive Tribe Technologies Limited shares are listed on the Australian Securities Exchange (ASX code: 1TT) |
| Website | https://thrivetribetech.com |
| Corporate Governance Statement | The directors and management are committed to conducting the business of Thrive Tribe Technologies Limited in an ethical manner and in accordance with the highest standards of corporate governance. Thrive Tribe Technologies Limited has adopted and substantially complied with the ASX Corporate Governance Principles and Recommendations (Fourth Edition) ('Recommendations') to the extent appropriate to the size and nature of its operations.<br><br>The Corporate Governance Statement, which sets out the corporate governance practices that were in operation during the financial year and identifies and explains any Recommendations that have not been followed was approved at the same time as the annual report and can be found at https://thrivetribetech.com/investor-centre |