

April 20, 2022



Triterras Reports Financial Results for Six-Months Ended August 31, 2021

SINGAPORE, April 20, 2022 (GLOBE NEWSWIRE) -- **Triterras Inc. (OTC Expert Market: TRIRF)** ("Triterras" or the "Company"), a leading fintech company focused on trade and trade finance, today reported its unaudited interim financial results for the six-months ended August 31, 2021.

"Our six-month results demonstrate the resiliency of our business as we generated positive net income, adjusted EBITDA and operating cash flow before changes in working capital, despite the unprecedented challenges in our industry that we noted in our earnings release from March 2022," said Triterras' Chairman and CEO Srinivas Koneru. "We are proactively optimizing the technological suite of our Kratos™ platform by improving offerings and adding capabilities to attract new lenders and borrowers, and further expanding our network and revenue potential."

Mr. Srinivas continued, "We are also continuing to progress several financial and corporate governance initiatives. We are evaluating alternatives for trading of our securities in the U.S., including pursuing relisting on Nasdaq and applying for trading of our securities on the OTCQX exchange. We are hosting our Annual General Meeting virtually on May 5, 2022, and we also recently established a Risk Committee within our Board of Directors to monitor and approve risk management framework and practices for Triterras."

Alvin Tan, Chief Financial Officer, commented, "We are pleased with the progress we have made in improving the management of our audit process. We were able to complete the six-month financial review with our auditors in a reasonable time frame following the March 7, 2022 filing of our annual report on Form 20-F, and we are already hard at work on completing the audit of our financials for the fiscal year ended February 28, 2022."

Financial Highlights for the Six-Months Ended August 31, 2021

- Revenues of \$22.9 million, a 3% decrease from the prior year comparable period.
- Net income of \$27.3 million, or \$0.35 per share of the Company's Ordinary Shares. Net income included a \$25.3 million non-cash gain related to the change in fair value of our warrant liabilities and \$3.9 million in non-cash impairment charges. General and administrative expenses included elevated legal expenses of \$5.2 million and consultancy fees of \$1.6 million, primarily as a result of the costs of an internal investigation by the Company's Audit Committee of the Board of Directors and the costs of litigation and compliance support.
- Generated \$8.0 million in net cash from operating activities before changes in working capital.
- Adjusted EBITDA of \$4.1 million, a 77% decrease from the prior year comparable period (Adjusted EBITDA is a measure not recognized by International Financial

Reporting Standards (IFRS); see “Use and Reconciliation of non-IFRS Financial Measures” below).

- Key Performance Indicators (KPI):
 - Total transaction volume for the period was \$4.03 billion compared to \$5.0 billion in the prior year comparable period. The trade finance ratio was 36.4% of the total transaction volume compared to 21.4% in the previous year comparable period. Trade finance volume for the period was \$1.08 billion vs. \$0.88 billion in the previous year comparable period as more customers entering into trades on Kratos™ sought financing through the platform.
 - Average transaction fee for the period of 0.57% compared to 0.48% in the comparable period in the previous year.

Operational Highlights During Six-Months Ended August 31, 2021

- During the period, the Company completed the acquisition of Invoice Bazaar, which the Company expects will facilitate a more rapid scaling of the Company’s supply chain finance business and strengthened the executive leadership team with experienced trade finance executives.
- The Company began building out a robust business development organization with a vision to expand the scope of its business beyond commodity traders and lenders. This significant investment is expected to benefit the Company as it executes on the overall business vision of building a diversified trade and supply chain finance platform.
- During the period, the Company instituted major steps to improve the security of the Kratos™ platform, achieved ISO 27001:2013 certification, modernized the Amazon Web Services (“AWS”) hosting of our Kratos™ platform and completed the transition from the public Ethereum blockchain to the AWS-managed Hyperledger private blockchain structure.
- The Company believes that Triterras’ business model of bringing new trade finance lending to underserved or underbanked market segments is becoming increasingly recognized for its “world positive” social impact. Additional trade finance lending is a critical economic accelerator in emerging market economies.
- The Kratos™ platform has generated close to \$18 billion in Total Transaction Volume since inception through August 2021.

Financial Results for Six-Months Ended August 31, 2021

Revenues for the six-months ended August 31, 2021 were \$22.9 million, compared to \$23.7 million in the prior year comparable period. Revenue was largely unchanged compared to the prior year due to severe global supply chain constraints and finance limitations in the broader trade finance industry primarily driven by the impact that COVID-19 has had on the industry.

Operating expenses for the six-months ended August 31, 2021 were \$20.2 million, compared to \$6.4 million in the prior year comparable period. The increase was attributable to elevated legal and consultancy expenses of \$6.8 million and an increase in staff expenses due to expansion of our business development teams and increase personnel costs associated with operating as a public company.

Net income for the six-months ended August 31, 2021 totaled \$27.3 million, or \$0.35 per share of the Company's Ordinary Shares, compared to net income of \$14.2 million, or \$2.84 per share of the Company's Ordinary Shares, in the prior year comparable period. Net income for the six-months ended August 31, 2021 included a \$25.3 million non-cash gain related to the change in fair value of warrant liabilities and \$3.9 million in impairment charge on trade receivables.

Net cash used by operating activities for the six-months ended August 31, 2021 was \$10.6 million, compared to \$13.2 million of net cash generated by operating activities in the same prior year comparable period. The six-months ended August 31, 2021 included \$18.6 million of cash used for working capital as compared to \$4.7 million in the prior year comparable period.

During the six-months ended August 31, 2021, Triterras incurred \$4.9 million in development capital expenditures, \$3.8 million in the acquisition of the Company's subsidiary, Invoice Bazaar, and \$15.0 million in our investment in Trade Credit Partners, a trade finance fund. During the six-months ended August 31, 2020, Triterras incurred \$7.5 million in development capital expenditures.

As of August 31, 2021, cash and cash equivalents totaled \$99.4 million and the Company had no debt.

Listing of Triterras Securities

As previously disclosed, the Company submitted an application for trading its shares and warrants on the OTCQX exchange and is still awaiting the evaluation of such application. Additionally, Triterras continues to pursue a relisting on Nasdaq through a full application process. The Company has retained outside advisors to assist in these relisting applications.

Conference Call

Triterras management will host a conference call on Monday, April 25, 2022 at 5:30 p.m. Eastern time. Interested parties may submit questions in advance of the conference call by emailing IR@triterras.com. The company requests that interested parties submit questions by Friday, April 22, 2022, 8 AM EST (8 PM Singapore time)

Conference Call Information:

Date: Monday, April 25, 2022

Time: 5:30 p.m. Eastern time (2:30 p.m. Pacific time)

U.S. dial-in: (833) 540-1170

International dial-in: (346) 265-0410

Conference ID: 4488092

A live audio webcast of the conference call will be available in listen-only mode simultaneously and available for replay [here](#) and via the investor relations page of the company's website [here](#).

Please call the conference telephone number five minutes prior to the start time. An operator will register your name and organization.

A replay of the call will be available after 8:30 p.m. U.S. Eastern time on the same day

through 8:30 p.m. U.S. Eastern time on May 9, 2022.

Replay of Conference Call:

U.S. replay dial-in: (855) 859-2056

International replay dial-in: (404) 537-3406

Replay ID: 4488092

About Triterras

Titerras is a leading fintech company focused on trade and trade finance. It launched and operates Kratos™—one of the world’s largest commodity trading and trade finance platforms that connects and enables traders to trade and source capital from lenders directly online. For more information, please visit www.triterras.com or email us at contact@triterras.com.

Forward Looking Statements

This press release includes “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. Triterras’ actual results may differ from their expectations, estimates and projections and consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as “expect,” “estimate,” “project,” “budget,” “forecast,” “anticipate,” “intend,” “plan,” “may,” “will,” “could,” “should,” “believes,” “predicts,” “potential,” “continue,” and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include Triterras’ expectations with respect to future performance. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside Triterras’ control and are difficult to predict. Factors that may cause such differences include but are not limited to risks and uncertainties incorporated by reference under “Risk Factors” in Triterras’ Form 20-F (SEC File No. 001-39693) filed with the U.S. Securities and Exchange Commission (the “SEC”) on March 7, 2022 and in Triterras’ other filings with the SEC. Triterras cautions that the foregoing list of factors is not exclusive. Triterras cautions readers not to place undue reliance upon any forward-looking statements, which speak only as of the date made. Triterras does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions, or circumstances on which any such statement is based.

Use and Reconciliation of Non-IFRS Financial Measures

In addition to our results determined in accordance with International Financial Reporting Standards (“IFRS”), we believe the following non-IFRS financial measure is useful in evaluating our operating performance. We present “adjusted earnings before interest, taxes, depreciation and amortisation” (“Adjusted EBITDA”) because we believe it assists investors and analysts by facilitating comparison of period-to-period operational performance on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. The items excluded from Adjusted EBITDA may have a material impact on our financial results. Certain of those items are non-recurring, while others are non-cash in nature. Accordingly, the Adjusted EBITDA is presented as supplemental disclosure and should not be considered in isolation of, as a substitute for, or superior to, the financial information prepared in accordance with IFRS, and should be read in conjunction with the financial statements furnished in our filings with the SEC.

Reconciliation of Adjusted EBITDA

	Six months ended August 31, 2021	Six months ended August 31, 2020
Profit for the period	\$ 27,276,960	\$ 14,208,051
Depreciation	262,808	13,802
Amortisation of intangible assets	539,825	15,059
Amortisation of contract costs	638,555	584,722
Net finance costs	52,194	70,357
Change in fair value of warrant liabilities	(25,317,732)	—
Income tax expense	643,940	3,017,443
Adjusted EBITDA	\$ 4,096,550	\$ 17,909,434

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