



Tribe Reports First Quarter 2023 Financial Results and Provides Corporate Update

- Revenue increased 10.9% in Q1-2023 compared to Q1-2022, driven by organic growth and acquisitions.
- Management outlook is for continued growth from the increasing number of real estate development projects and onboarding of new communities.
- Tribe expects to improve margins and continues to focus on its cost efficiency strategies and accelerating its path to profitability.

VANCOUVER, BC, May 30, 2023 /CNW/ - **Tribe Property Technologies Inc.** (TSXV: TRBE) (OTCQB: TRPTF) ("Tribe" or the "Company"), a leading provider of technology-enabled property management solutions, today announced its financial results for three months ended March 31, 2023. All amounts are stated in Canadian dollars on an as reported basis under IFRS (International Financial Reporting Standards) unless otherwise indicated.

Joseph Nakhla, Tribe's CEO commented, *"I am delighted with the progress that Tribe has made thus far in 2023, particularly with the closing of numerous brand-new communities onto our platform. Furthermore, Tribe has been successful in establishing strong relationships with real estate developers, providing support throughout the entire process of multi-family construction projects, from completion to move-in and the transition to property management. This year, we have experienced an influx of new real estate developers who have chosen to utilize our Tribe HomePro software or take advantage of our comprehensive property management services. Our dedicated teams have been diligently engaged in onboarding and training these new communities onto our platform. We anticipate a continued surge in community onboarding for management services and software usage, extending throughout Q3 and Q4, resulting in a record-breaking number of communities being added to our platforms and services in 2023."*

Mr. Nakhla added, *"This year our commitment extends beyond onboarding new communities as we are fully dedicated to optimizing efficiencies within our operations. Through process improvements, cost optimizations and consolidation of back-office systems, we are continuing to execute our cost reduction strategies. As we delve deeper into exploring efficiencies, we recognize immense opportunities to bolster the company's profitability. We take great pride in our current national footprint, as our M&A and organic growth engine continue to thrive. We are excited about the prospects that lie ahead and remain focused on strengthening our position in the residential market."*

Q1-2023 Financial Highlights:

- Revenue: First quarter 2023 revenue was \$4.659 million; an increase of 10.9% compared to \$4.202 million for the first quarter of 2022;
- Gross profit¹: Gross profit for the first quarter of 2023 was \$1.827 million (39.2%) compared to \$1.835 million (43.7%) in the first quarter of 2022; and
- Adjusted EBITDA²: Adjusted EBITDA for the first quarter of 2023 was an outflow of \$1.863 million compared with an outflow of \$1.481 million in the first quarter of 2022.

Q1-2023 Business Highlights:

On January 9, 2023, Tribe completed its acquisition of a portfolio of strata property management assets from Warrington PCI Management. This acquisition further strengthens Tribe's property management services across the Greater Vancouver region of British Columbia.

On March 9, 2023, Tribe announced the nationwide deployment of VendorPM to support Tribe-managed condo and rental communities across Canada. This partnership with VendorPM allows the Company's property managers to connect with more than 30,000 service providers in a seamless manner to deliver a simplified RFQ process for Tribe-managed communities.

On March 9, 2023, Tribe launched a proprietary platform integration that simplifies the mandatory Tarion new home warranty process specific to the Province of Ontario. The new integration, available through the Company's Tribe Home Pro digital solutions for real estate developers, introduces automation and the ability for developers to track issues from any stage of development from one simple dashboard, generate custom reports, and easily review all in-unit warranty issues and their resolution status.

Key Business Metrics During Q1-2023:

- 6 new property developers signed on to use either Tribe HomePro construction software or Tribe Management services
- 5 Tribe Home Pro software licensing agreements were signed in Q1 for new construction projects.
- 9 property management agreements were signed in Q1.
- 9 communities were successfully onboarded and began generating revenue in Q1.
- 3 additional phases of Tribe-managed communities were onboarded and began generating revenue in Q1.

Outlook:

Management is optimistic that 2023 will be a strong year for Tribe, expecting improved revenue, profitability and expanding margins. Despite concerns surrounding the real estate sales market and potential economic downturn, these factors have not hindered Tribe's growth opportunities thus far. Tribe remains resilient and its growth in 2023 will be fueled by a robust pipeline of new development opportunities, strategic partnerships, winning new software agreements, and the increase of digital services revenue.

Management is pleased to share Tribe's key goals for 2023:

- Increase monthly recurring revenue through both organic and acquired means;
- Expand acquisition pipeline in underserved markets such as Greater Toronto Area;
- Drive efficiencies in the business resulting in improved gross margin and EBITDA;
- Continue to invest in our products to innovate and add functionality.
- Continue to drive additional digital services revenue

To further expand the Tribe's presence and maximize its potential, the Company is actively seeking acquisition opportunities, with a particular focus on the Greater Toronto Area to strengthen its foothold in Ontario. Tribe is currently engaged in negotiations for multiple acquisition targets; which the Company expects to announce in the coming months. Having completed 11 acquisitions to date, Tribe has established a successful track record of executing and integrating acquisitions to further accelerate the Company's revenue growth.

Management Appointment:

Tribe is pleased to announce the appointment of Mr. Dan Feeny to the role of Chief Operating Officer ("COO"). Feeny is currently Tribe's Chief Technology Officer and previously acted as interim COO for the Company. Feeny replaces former COO Mr. Drew Keddy, who is pursuing other

endeavors.

"The appointment of Dan Feeny to the Chief Operating Officer role solidifies Tribe's vision of an integrated services and technology operating model, as the Company delivers technology-backed service delivery, modernizing the traditional property management industry," stated Joseph Nakhla. "We wish Drew well and on behalf of our Board of Directors, our executive team, and our employees, I thank Drew for his contributions."

First Quarter Financial Webcast:

The Company will hold a webcast to discuss its performance with the investment community at 10:00 a.m. PDT on May 31, 2023.

Webcast Link: <https://www.gowebcasting.com/12580>

Participant Audio Only Dial-In Toll Free-North America: +1 (800) 319-4610

International Toll: +1 (604) 638-5340.

Non-IFRS Measures:

The following and preceding discussion of financial results includes reference to gross profit, gross profit percentage and adjusted EBITDA, which are all non-IFRS financial measures. The measure of gross profit² and gross profit percentage² is provided as management believes this is a good indicator in evaluating the operating performance of the Company. Adjusted EBITDA¹ is provided as a proxy for the cash earnings from the operations of the business as operating income (loss) for the Company includes non-cash amortization and depreciation expense and stock-based compensation.

Gross Profit

\$000s	<u>Three Months Ended March 31,</u>	
	<u>2023</u>	<u>2022</u>
Revenue	\$ 4,659	\$ 4,202
Cost of software and services and software license fees	2,831	2,367
Gross Profit ²	\$ 1,828	\$ 1,835
Gross Profit ² %	39.2 %	43.7 %

Adjusted EBITDA¹

\$000s	<u>Three Months Ended March 31,</u>	
	<u>2023</u>	<u>2022</u>
Net loss	\$ (2,412)	\$ (2,056)
Depreciation	217	209
Amortization	147	96
Stock-based compensation	75	101
Interest expense	147	168
Interest income	(31)	-
Other	5	(1)
Adjusted EBITDA ¹	\$ (1,862)	\$ (1,481)

Financial Statements and Management's Discussion & Analysis

Please see the consolidated financial statements and related Management's Discussion & Analysis ("MD&A") for more details. The unaudited consolidated financial statements for the three months ended March 31, 2023 and related MD&A have been reviewed and approved by Tribe's Audit Committee and Board of Directors. Tribe recognizes that most of its investors are now accessing corporate and financial information either through pushed news services, directly from www.tribetech.com or SEDAR. Thus, Tribe has prepared this truncated news release to alert investors to its results and that a more detailed explanation and analysis is readily available in the MD&A. These reports have been filed on SEDAR at www.sedar.com and posted at www.tribetech.com.

About Tribe Property Technologies

Tribe is a property technology company that is digitizing the traditional property management industry. As a rapidly growing tech-forward property management company, Tribe's integrated service-technology delivery model serves the needs of a much wider variety of stakeholders than traditional service providers.

Tribe's three revenue pillars are made up of software and service (recurring licensing and management fees), transactional (rent or condo fees, banking services, lease-ups) and digital services and partnership (smart building products, financial and insurance service) revenue.

Tribe seeks to acquire highly accretive targets in the fragmented North American property management industry and transform these businesses through streamlining and digitization of operations. Tribe's platform decreases customer acquisition costs, increases retention, and allows for the addition of value-added products and services through the platform. Visit tribetech.com for more information.

ON BEHALF OF THE BOARD

"Joseph Nakhla"

Chief Executive Officer

Tribe Property Technologies Inc.

Joseph Nakhla

Chief Executive Officer

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¹ Non-IFRS measure that does not have a standardized meaning and may not be comparable to a similar measure disclosed by other issuers. Adjusted EBITDA is also not a measure recognized in accordance with IFRS and does not have a prescribed or standardized meaning by IFRS. The Company defines Adjusted EBITDA as net income or loss excluding depreciation and amortization, stock-based compensation, interest expense, income tax expense, impairment charges and other expenses. It should be noted that Adjusted EBITDA is not defined under IFRS and may not be comparable to similar measures used by other entities. The Company believes Adjusted EBITDA is a useful measure as it provides important and relevant information to management about the operating and financial performance of the Company. Adjusted EBITDA also enables management to assess its ability to generate operating cash flow to fund future working capital needs, and to support future growth. Excluding these items does not imply that they are non-recurring or not useful to investors. Investors should be cautioned that Adjusted EBITDA attributable to shareholders should not be construed as an alternative to net income (loss) or cash flows as determined under IFRS.

² Non-IFRS measure that does not have a standard meaning and may not be comparable to a similar measure disclosed by other issuers. Gross profit and gross profit percentage do not have a standardized meaning under IFRS, and therefore may not be comparable to similar measures presented by other issuers. The Company defines gross profit as revenue less cost of software and services and software licensing fees, and gross profit percentage as gross profit calculated as a percentage of revenue. Gross profit and gross profit percentage should not be construed as an alternative for revenue or net loss in accordance with IFRS. The Company believes that gross profit and gross profit percentage are meaningful metrics in assessing the Company's financial performance and operational efficiency.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Statement on Forward-Looking Information

This news release may contain certain "Forward-Looking Statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities laws regarding the Company and its business. When or if used in this news release, the words "anticipate", "believe", "estimate", "expect", "target", "plan", "forecast", "may", "schedule" and similar words or expressions identify forward-looking statements or information. Forward-looking statements or information in this news release may relate to statements with respect to the aims and goals of the Company; financial projections; growth plans including future prospective consolidation in the property management sector; future acquisitions by the Company; beliefs of the Company with respect to the independent owner-investors market; prospective benefits of the Company's platform; and other factors or information. Such statements represent the Company's current views with respect to future events and are necessarily based upon several assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political, and social risks, contingencies, and uncertainties. Many factors, both known and unknown, could cause results, performance, or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements. The Company does not intend, and do not assume any obligation, to update these forward-looking statements or information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements and information other than as required by applicable laws, rules, and regulations.

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