



Interim Results
For the period ended 31 October 2020
Delivering on the next stage of growth

Roger Bullen, CEO

Ash Mehta, CFO



“Rosslyn provides a complete SaaS Supplier Information Management solution, improving analytic and compliance capabilities, bringing data together and transforming it into valuable information.”

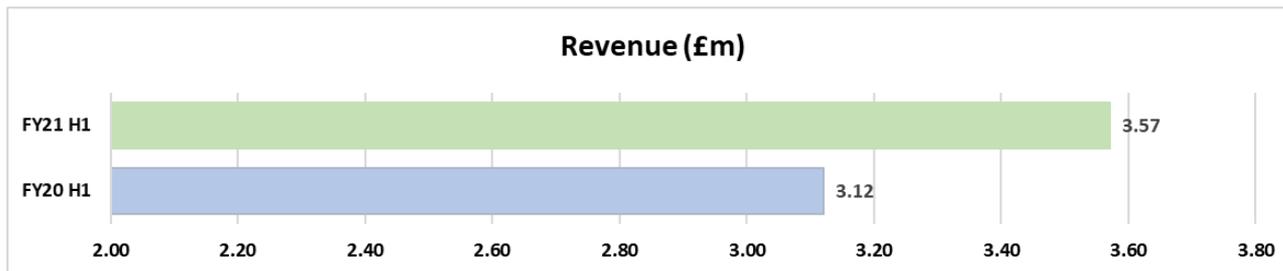
Operational Highlights and Prospects

Investment into Sales and Marketing	Significant investment into growing our sales and marketing teams, with the appointment of a Chief Customer Officer and a doubling of headcount.
Largest ever client pipeline	This investment is already delivering returns and our pipeline has grown to its largest ever size.
Investment into product development	We have invested into product development, including User Interface and User Experience (UI/UX) improvements to the Rosslyn platform, such as self-service tools and smart dashboard creation.
Launch of CustomsCloud™	Launch of CustomsCloud™; a cloud-based self-service solution designed to enable importers to overcome the additional customs procedures resulting from the UK's departure from the EU.
Prospects	<ul style="list-style-type: none">• Our pipeline is healthy.• The second half of our financial year has begun well with new customer wins and upsell of additional functionality into our current customer portfolio.• We have been short listed as the preferred vendor in the US and Europe for potential new contracts.

Financial Highlights

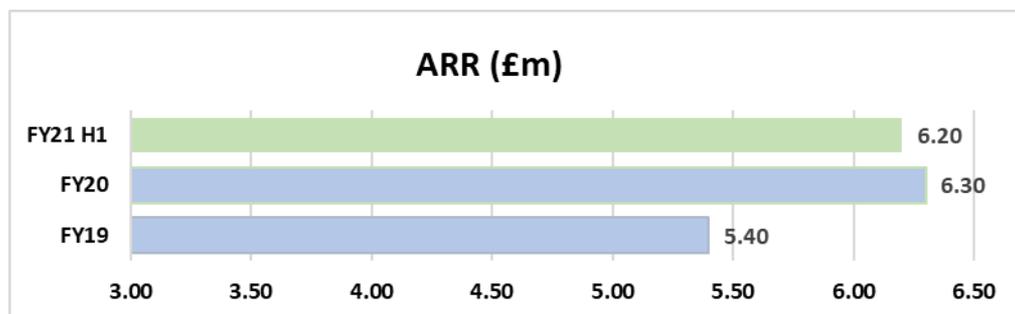
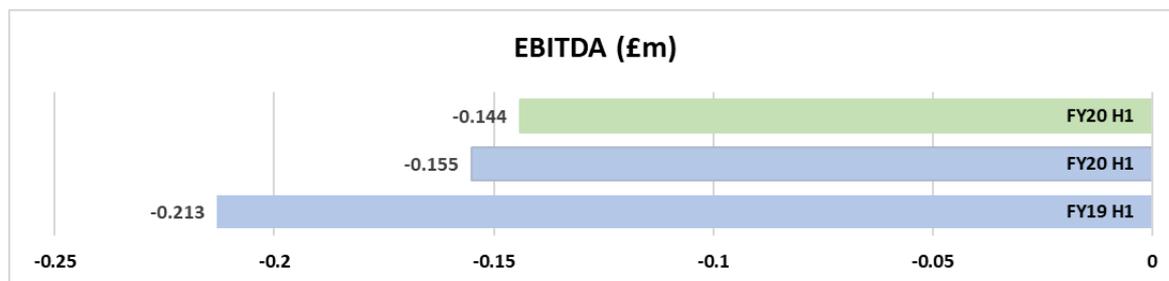
Revenue growth of 14.6%	Group revenues of £3.57 million (H1 2020: £3.12 million) and gross profit margin of 82.2% (H1 2020 81.2%)
Increased investment into Sales and Marketing	Administrative expenses increased to £3.14 million (H1 2020: £2.69 million) as a result of investment into sales and marketing
Operating EBITDA loss reduced	As a result, the Operating EBITDA loss was £144,000 (H1 2020: £155,000 loss)
Annual Recurring Revenue stable	ARR down slightly to £6.2 million since the last balance sheet date (30 April 2020 : £6.3 million), but nevertheless up from this time last year (H1 FY2020: £6.0 million).
Healthy cash balance	Successfully raised £6.8 million net of expenses in May; cash balance of £7.23 million as of 31 October 2020.
Gross bank debt reduced	The bank debt continues to be paid down and the balance stood at £1.05 million on 31 October 2020.

Key metrics



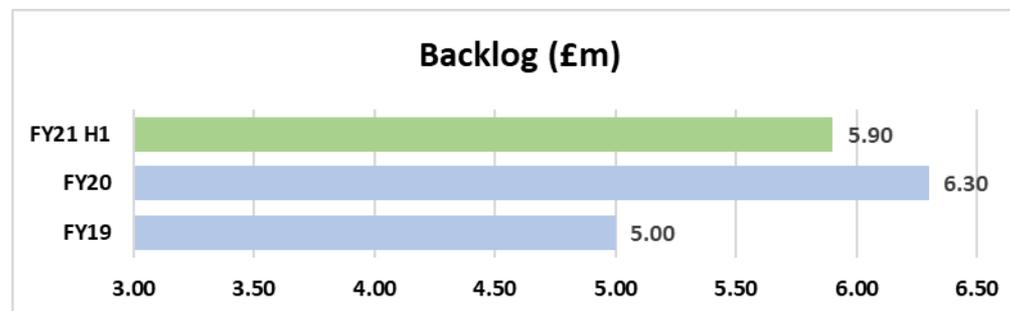
Revenue growth of 14.6%

EBITDA loss due to investment into S&M



Low level of churn (4.5%) set-off by wins reducing ARR by 1.5%.

Backlog down from April but higher than this time last year



Income statement

£'000	Six months ended 31-Oct 2020	Six months ended 31-Oct 2019	Year ended 30-Apr 2020
Revenue	3,573	3,117	7,109
Cost of sales	-636	-586	-1,086
Gross profit	2,937	2,531	6,023
Administrative expenses	-3,083	-2,686	-5,987
Operating EBITDA	-146	-155	36
Depreciation, amortisation and SBP	-687	-665	-1,772
Operating loss	-833	-932	-1,736
Finance costs (net)	-50	-80	-69
Loss before income tax	-883	-1,012	-1,896
Income tax credit	171	186	316
Loss for the period	-712	-826	-1,580
<i>Gross profit %</i>	<i>82.2%</i>	<i>81.2%</i>	<i>84.7%</i>

Revenues up by 14.6% driven primarily by Langdon

Admin expenses increased due to investment into Sales and Marketing.

Small EBITDA loss due to S&M investment.

Finance costs (net) falling as we pay off debt and receive interest on cash balance post-fundraising.

Cashflow

£'000	Six months ended 31-Oct 2020	Six months ended 31-Oct 2019	Year ended 30-Apr 2020
Loss before income tax	-883	-1,012	-1,896
Depreciation, amortisation and SBP	689	777	1,772
Working capital movements	-78	-956	-892
Corporation tax received	-	-	310
Net cash used in operating activities	-272	-1,191	-706
Purchase of property, plant and equipment	-13	-1	-8
Acquisition of business	-	-49	-49
Net cash used in investing activities	-13	-50	-57
Proceeds from share capital issued (net)	6,880	2	2
Proceeds from bank and other borrowings	-	500	500
Repayment of bank and other borrowings	-162	-722	-905
Net cash from/(used in) financing activities	6,718	-220	-403
Net increase/(decrease) in cash	6,433	-1,461	-1,166
Cash at beginning of period	794	1,960	1,960
Cash at end of period	7,227	499	794

Working capital well-managed; no significant impact of slower payments by customers due to COVID

£6.8m inflow from May fundraising.

Healthy cash balance to fund growth.

Balance Sheet

£'000	31-Oct-20 2020	31-Oct 2019	30-Apr 2020
Non-current assets	1,607	3,041	2,094
Trade and other receivables	2,880	2,438	2,235
Cash and cash equivalents	7,227	499	794
Current assets	10,107	2,937	3,029
Trade and other payables	-4,331	-4,052	-4,109
Financial liabilities – borrowings	-388	-587	-388
Current liabilities	-4,719	-4,639	-4,497
Trade and other payables	-534	-182	-280
Financial liabilities – borrowings	-666	-887	-828
Net assets	5,806	270	-482
Share capital and premium	20,622	13,742	13,742
Share-based payment reserve	-14,816	-13,576	-14,224
Total equity	5,806	270	-482

Intangible assets being written down over 5 years; 1.5 years to go.

Debtors and creditors managed tightly. No concern of impact from COVID-19 on debtor recovery.

Cash balance boosted by fundraising since year end.

Borrowings repayable quarterly; £364k pa and £500k bullet with final quarterly payment in Mar-22.

SMDM (Supplier Master Data Management)

- What is SMDM?
 - Often the first step in digital transformation for Procurement.
 - A collaboration of design, process and technology that enables the building of a secure, accurate, searchable, resilient database.
 - It can be accessed, interrogated and used enterprise wide across a diverse set of systems and multiple users.
 - It represents a single version of the truth, known as the “Golden Record”.
- Why do companies want SMDM?
 - Procurement departments are seeing digital transformation as a key driver in amending the way they work and their relevance and importance within an organisation.
 - The ability to assist and aid decision making within the supply chain is paramount to the ability to function and operate on a global scale.
 - Having the critical facts and data about the organisation’s suppliers, determining how that supply relationship develops and how that data is made actionable across the firm is a huge step forward.

Rosslyn has an excellent reputation in spend analytics, in enriching and improving the quality of data, as well as integrating unstructured data and documentation into the mix. SMDM is a further extension beyond that.

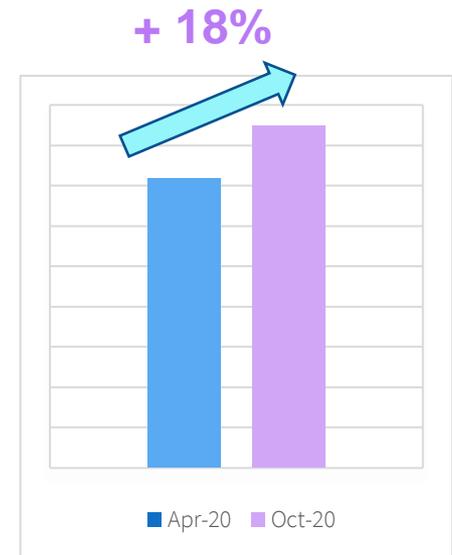
Investment into Sales and Marketing: Lead generation up significantly

- Appointment of Paul Watts as Chief Customer Officer in August
- Based on RFP/RFI requested we accelerated investment into Sales and Marketing.
- We have doubled the Sales and Marketing headcount over the last six months.
- This has had a dramatic effect on lead generation and pipeline.



Investment into Sales and Marketing: A growing pipeline

- Strong momentum and largest pipeline ever, having grown by 18% in the period.
- We are in advanced negotiations with several large enterprises.
- However, coronavirus means that the timing of the conclusion of contract negotiations and the impact on the year cannot be certain at this time.
- The benefits to clients and the need to implement such platforms has been made very clear by recent circumstances: which have highlighted **supply chain risk and resilience**
- Partners - We are in the process of expanding our partner base geographically, predominantly through mainland Europe.



Launch of CustomsCloud™ :

A new product positioned for Brexit

- Langdon CustomsCloud™ was launched in December 2020.
- Cloud-based self-service solution is designed to enable importers to overcome the additional customs procedures resulting from the UK's departure from the EU
- Allows Langdon clients to automate the process; register with HMRC and to file all import declarations, calculate the VAT and duty owed on any imports and to report this information direct to HMRC for future payments.
- Even with a trade agreement having been signed between the UK and the EU, it is expected that over 200,000 UK businesses that import from the EU will need to start completing customs declarations for the first time.
- Sales of CustomsCloud™ have started well in 2021, with many new client signings and a healthy pipeline of client prospects for the coming months.

Product development: Refreshing and improving the user experience

- Exciting schedule of improvements to our User Interfaces and User Experience (UI/UX)
- Includes simple self-service tools that will enable clients to improve data management capabilities such as creating their own bespoke dashboards.
- Future product development will include predictive analytical capabilities within the full Rosslyn supplier management platform.
- These developments moving us from Spend Analytics to be more focussed on procurement challenges
 - such as customers' risk and resilience, compliance reporting capabilities and information and insights to support their strategic decision making.
- This move also increases our contract values and makes us more embedded into a customer's supply chain infrastructure.

Prospects:

- The second half of our financial year has begun well
 - with several new customer wins as well as good levels of upsell of additional functionality into our current customer portfolio.
- Our pipeline is healthy
 - and we are negotiating contracts with significantly larger values than in the past, but given their size and the ongoing coronavirus situation, these contracts are taking longer to negotiate and obtain approval within clients.
- The Rosslyn platform is emerging as a recognised and well-regarded technology in this large and growing marketplace.
- The Company is increasingly well positioned to take advantage of opportunities.
- We continue to seek acquisitions which would accelerate growth and help provide a broader offering and client base.

APPENDIX

What is the benefit of SMDM to companies?



One Platform - All your tools for complete business insight



Single version of truth - All your connected data in one place to provide the truly Golden Record



Value - Identify savings in days of data visibility



Cloud analytics - No more IT investment

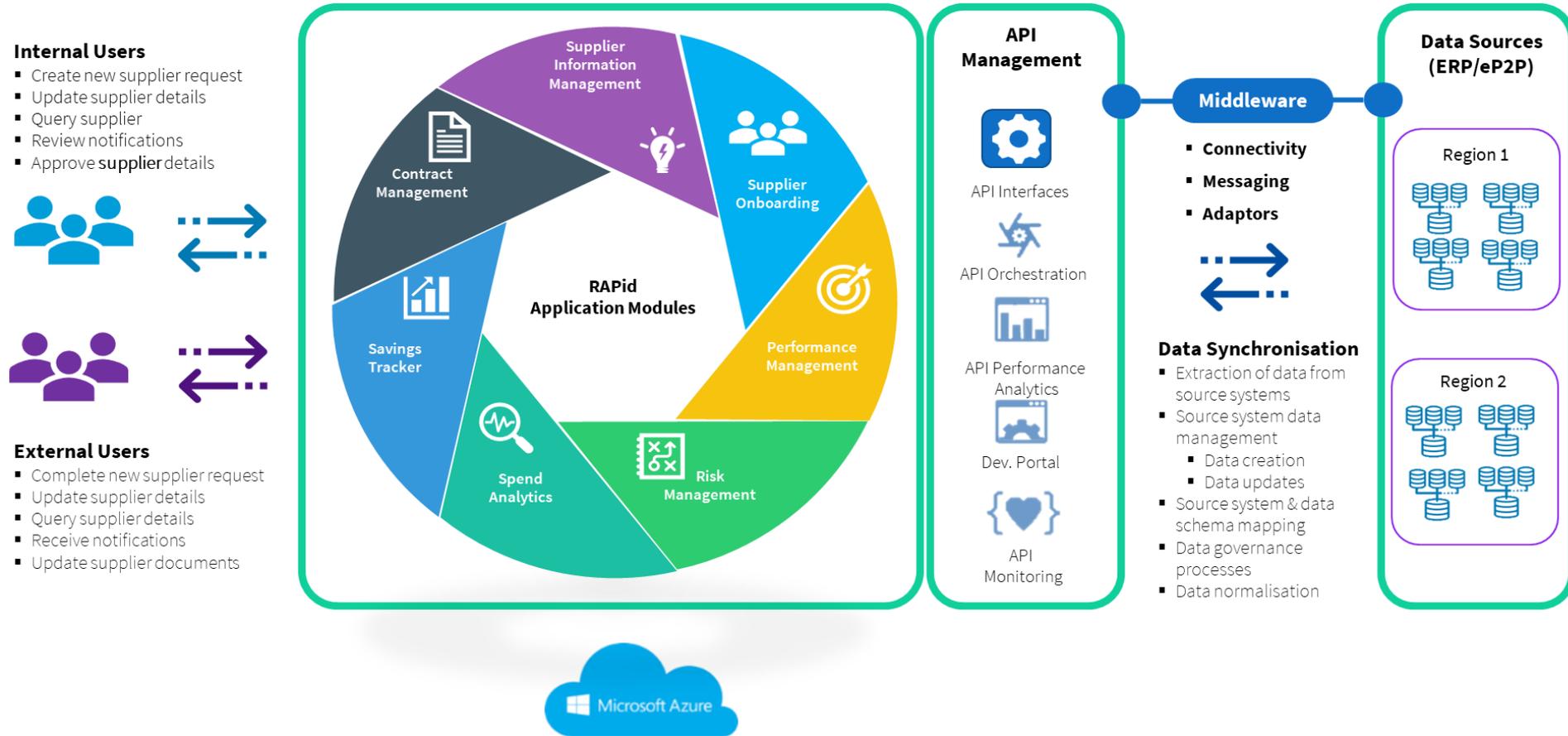


Rapid ROI - In as quick as eight weeks



User Adoption - Easy to use, collaborative

RAPid Supplier Master Data Lifecycle



Rosslyn's SMDM Solution

