



PCI Pal Results Presentation FY21

Year ended 30 June 2021

A Fast Growing SaaS business

- 1 Facilitating Secure Payments
- 2 Across All Business Communications
- 3 Voice, Chat, Social, Email, Contact Centre
- 4 PCI DSS, GDPR & More
- 5 Cloud-only, SaaS Product-set

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Our Solutions



Agent Assist 6[®]



Digital 6[®]



IVR 6[®]

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Our Solutions



Agent Assist 6



Digital 6



IVR 6

Our Partners

GENESYS™

8x8 Global Cloud Communications

VONAGE

Pay360 by Capita

talkdesk®

worldpay from FIS

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Our Solutions



Agent Assist 6



Digital 6



IVR 6

Our Partners



Our Values

01. Be the difference
02. Team first
03. Champion the mission
04. Enjoy the journey

FY21 Awards



Momentum Continuing to Build

67%

INCREASE IN
REVENUE

£7.4m

REVENUE FOR
YEAR

£9.5m

TACV – FUTURE
INDICATOR OF
REVENUE

79%

INCREASE IN
NEW
CONTRACTS

111%

NET
REVENUE
RETENTION



Revenue ahead of market expectations



New sales momentum maintained driven by continued success with partners



maintained strong TTGL delivery metric despite substantial increase in projects



Formed the PCI Pal Advisory Committee, including first member



Planned hiring of new CTO completed successfully



Successful fund-raise of net £5.2m to expand global reach in FY22 onwards

Three Strategic Pillars for Growth



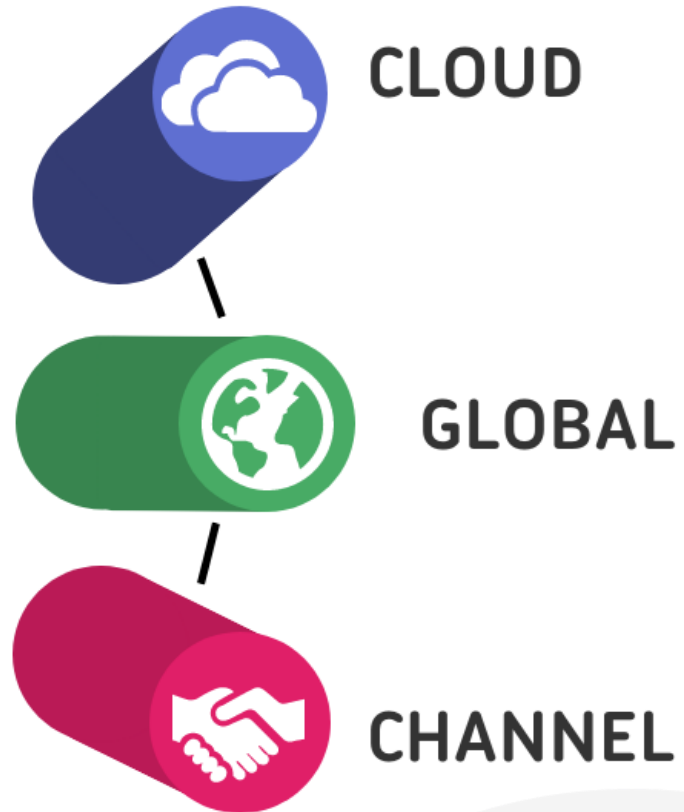
To be the leader for true cloud solutions in our space



For our solutions to be available to customers anywhere in the world



Leveraging a sales model that by majority sells through channel partners



PCI Pal Cloud Presence



PCI Pal Cloud Update

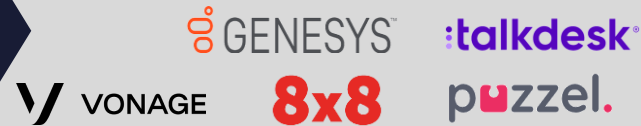
- AWS Gen2 Platform launched October 2017
- UK, Ireland, Germany, US, Canada, Australia
- Customers worldwide
- Most mature cloud offering in our market
- Highly cost efficient - Rapidly increasing gross margins
- Expand and scale at pace
- Cloud to cloud integration methods, and channel focused product approach
- Customers live across all PCI Pal regions
- Launched Speech for Agent Assist & IVR in Sept 20
- Transition from Gen1 platform to AWS in UK underway

Channel-First Sales Model

Partner Type & Sample Partners

Integrated Partners

CCaaS, UCaaS, CPaaS, Carriers



Solution Providers

VARs, SIs, Payment Providers, BPOs



Referral Partners

Agents, Master Agents, VARs, PSPs



Technology Partners



Period Highlights

- 78% new logo contracts through channel partners (2020: 78%)
- 72% value new sales contracts through partners (2020: 44%)
- Highly targeted partner acquisition strategy
- Significant contract extensions to key global partner contracts including Genesys and 8x8
- 78% increase in new contracts signed through channel partners to 153 (2020: 86)
- Held first annual virtual conference in our space, attended by majority of our partners
- Continued competitor displacement successes in the UK market

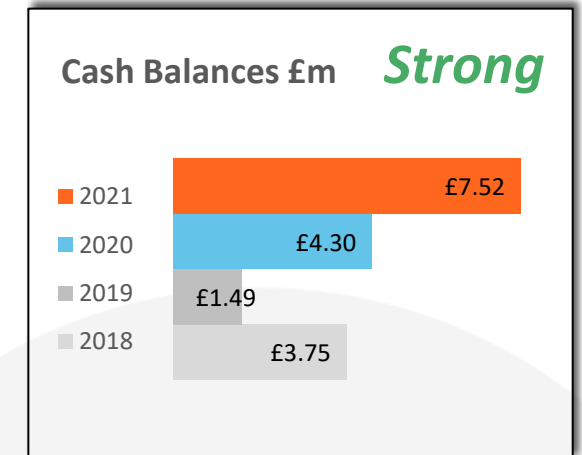
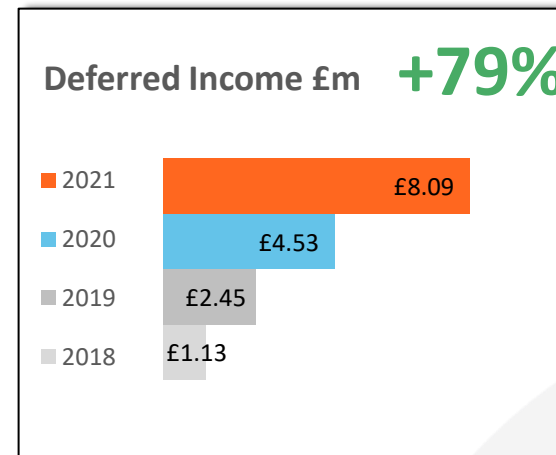
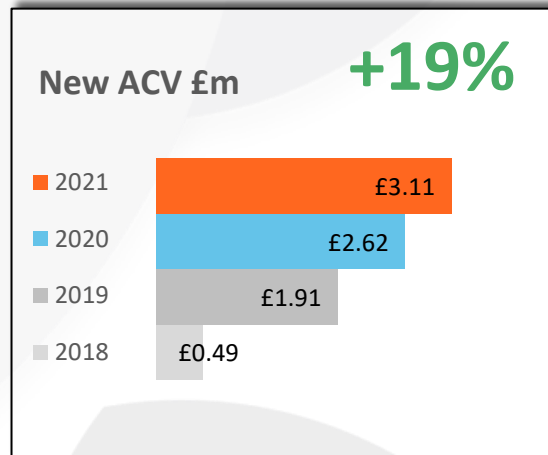
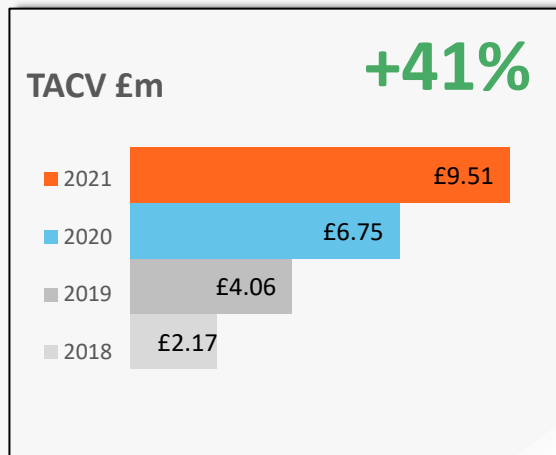
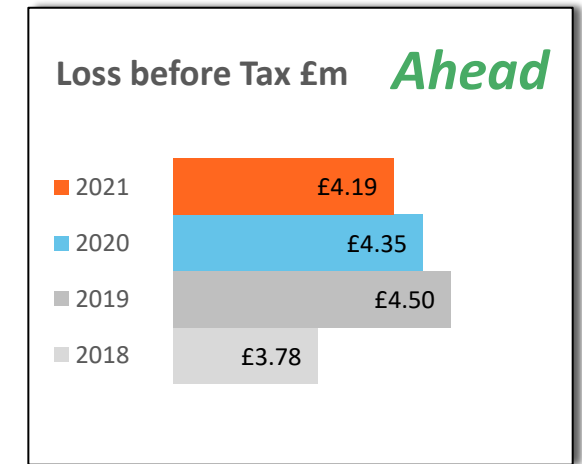
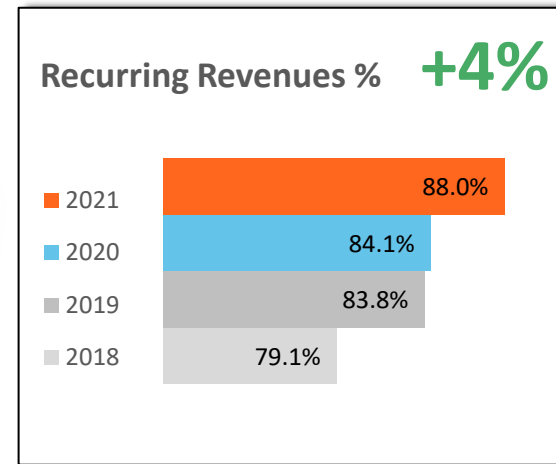
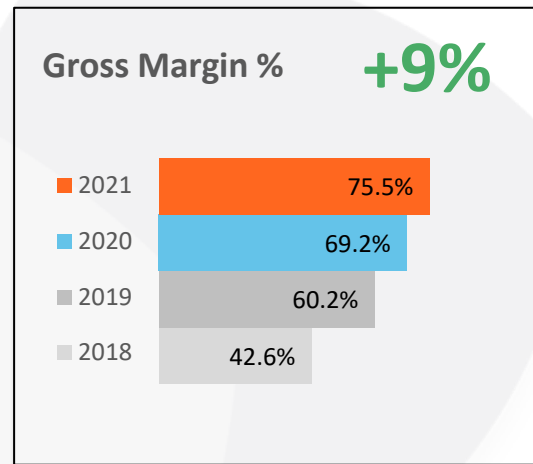
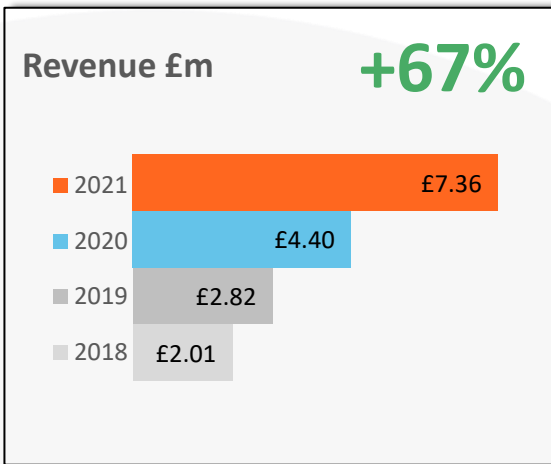


FY21 Financials

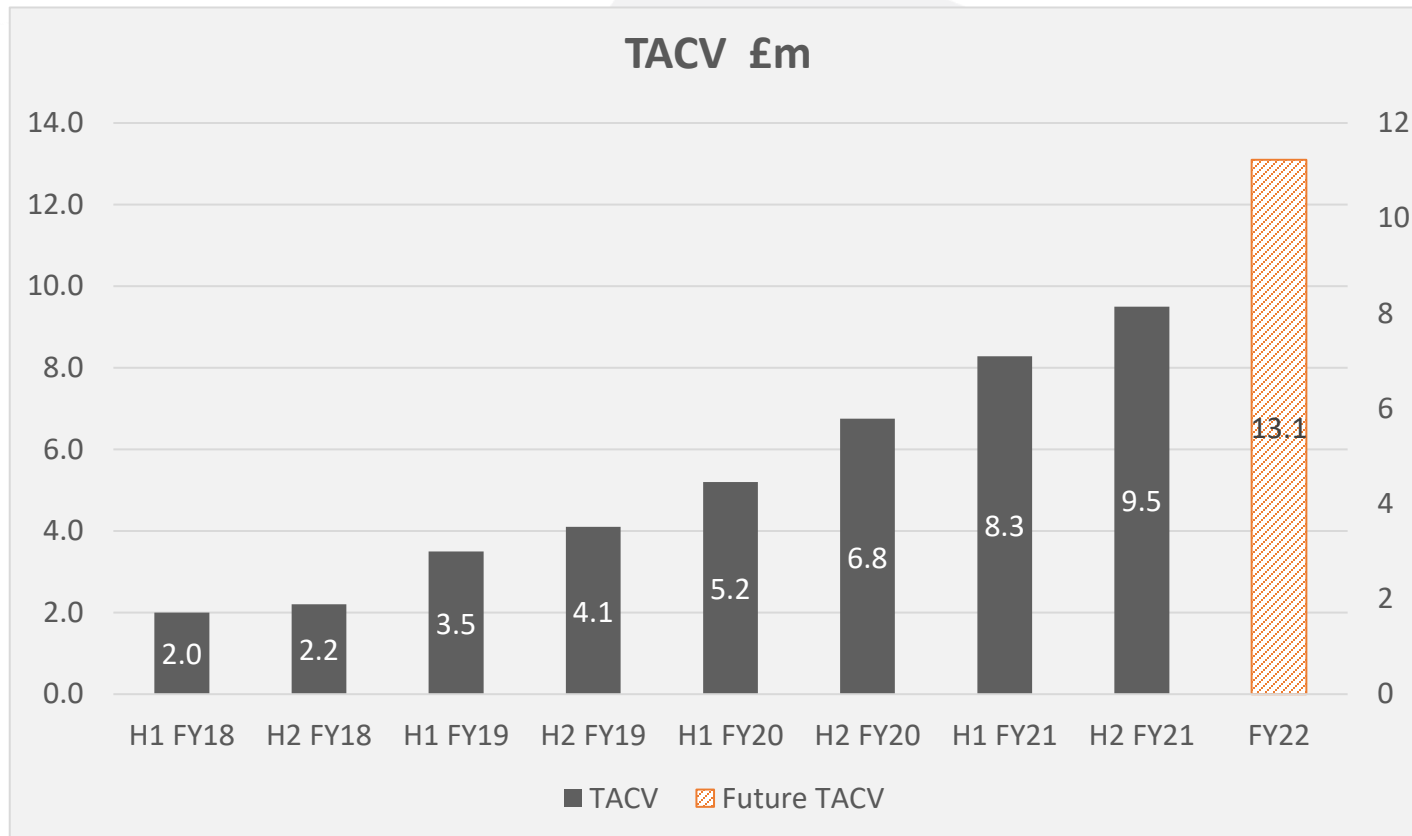


Financial Highlights

Significant progress across all metrics



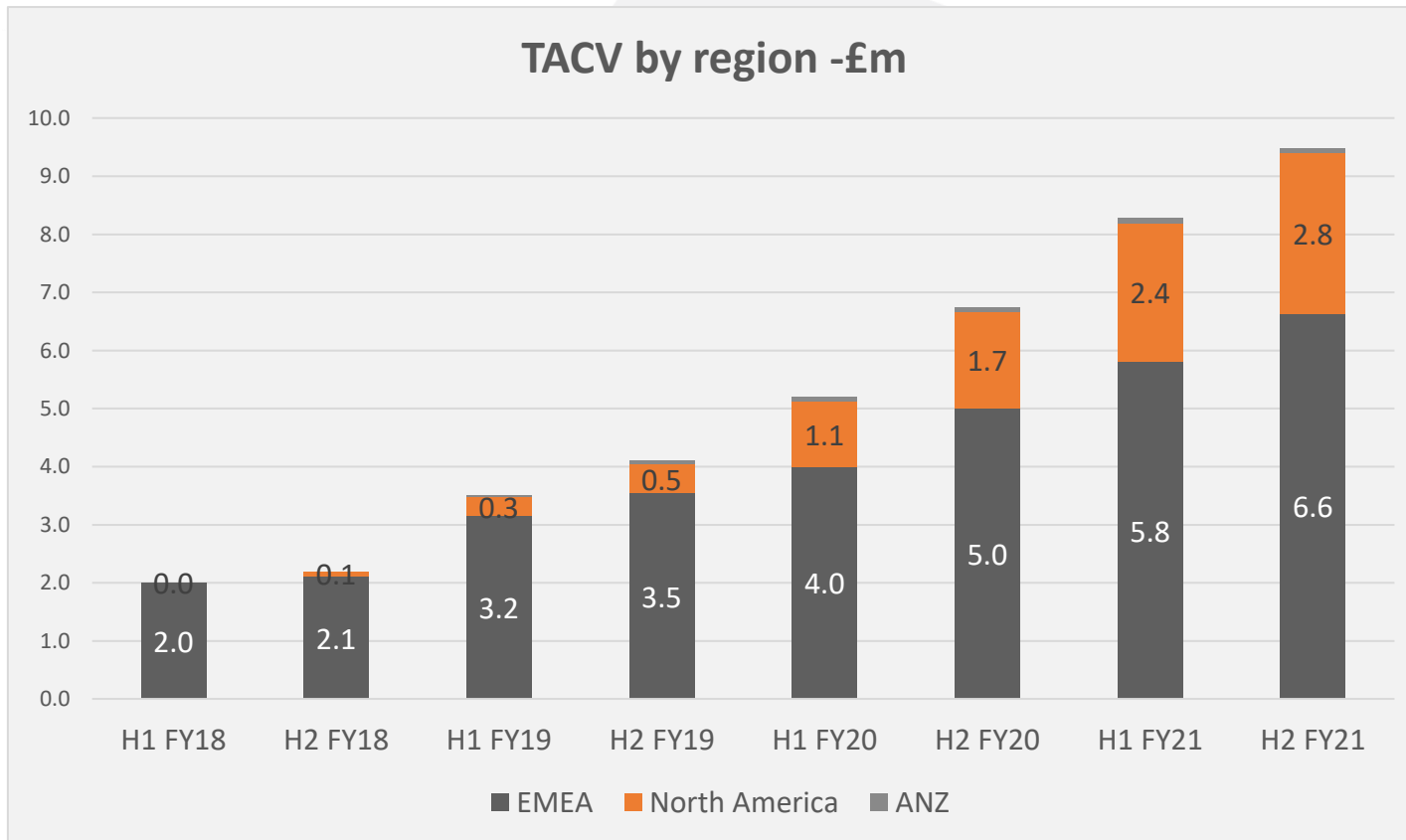
Growth in TACV



TACV is the total annual recurring revenue of all signed contracts, whether invoiced and included in deferred revenue or still to be deployed and/or not yet invoiced

- **TACV:** metric for sustained cash flow and profitability
- Underpins following years financial forecast revenue
- Up 41% since June 20
- US Dollar strengthened to \$1.40 during year – decreased TACV by £0.25m due to FX translation
- Opening £9.5m of TACV equates approximately to £10.4m FY22 TACV forecast.

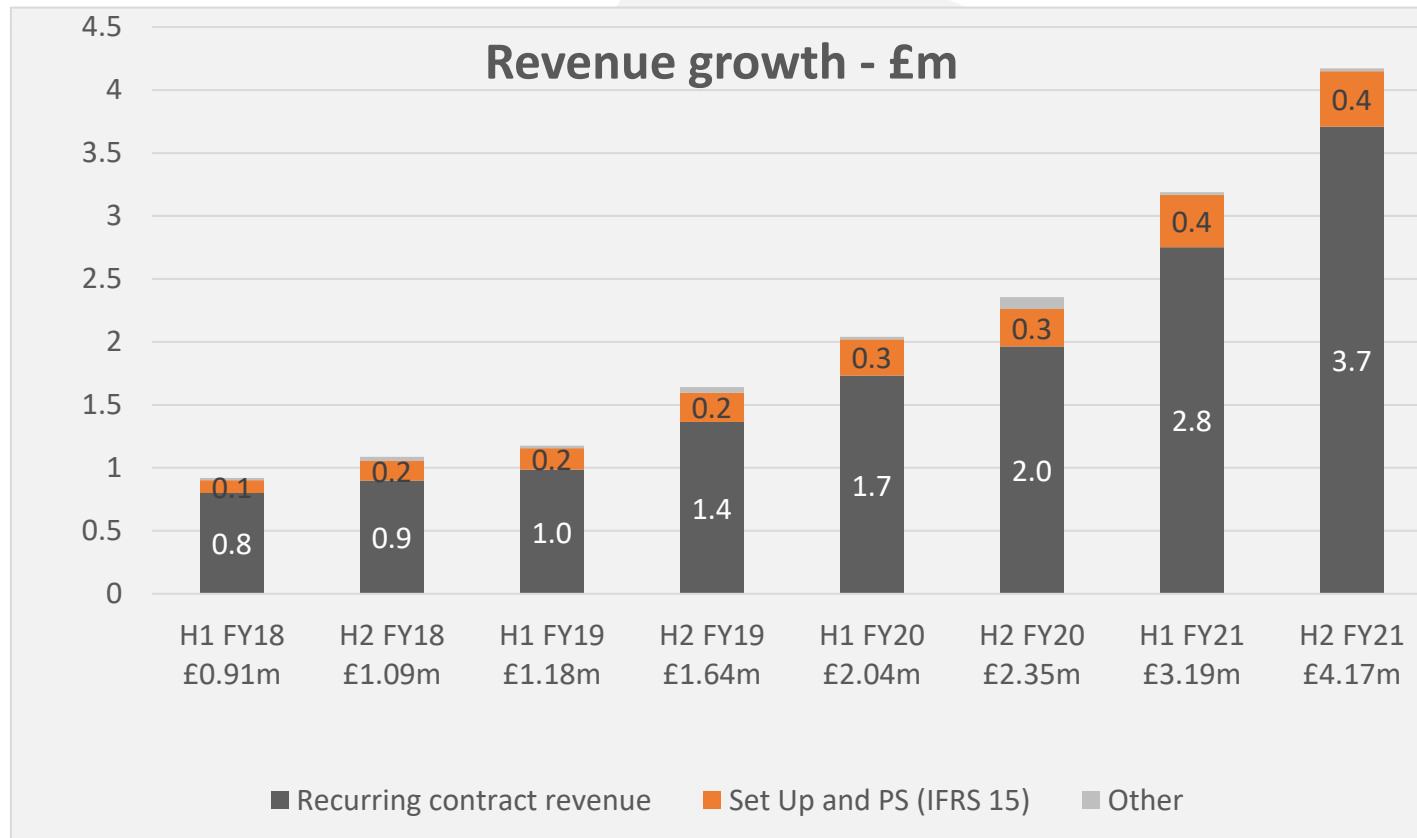
TACV Analysis



TACV Breakdown by stage

	Jun 21	Jun 20
Deployed and recognising revenue	£7.69m	£4.04m
In deployment	£1.12m	£2.19m
On hold	£0.70m	£0.52m

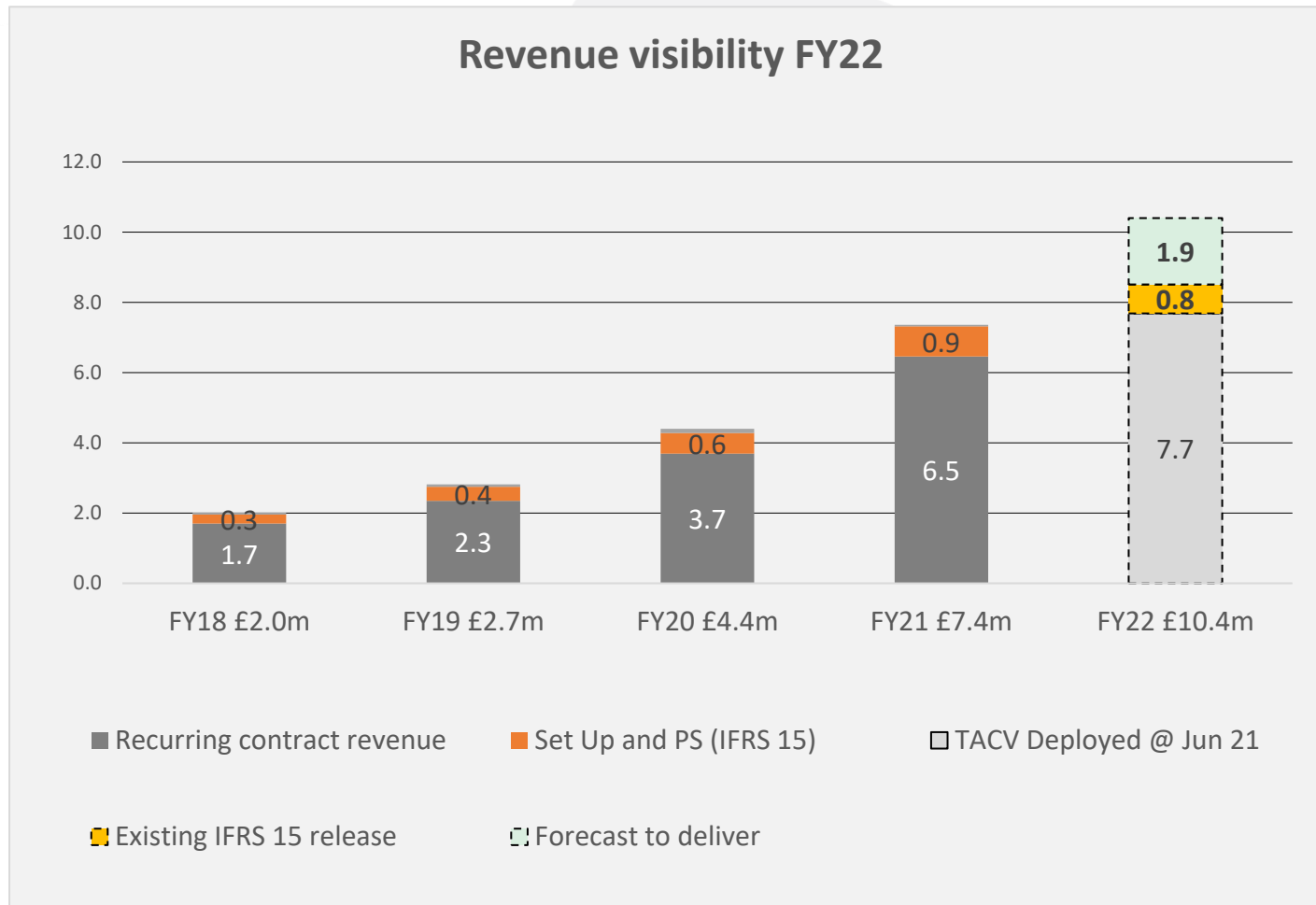
Recognised Revenue for Period



Revenue & Gross Profit

- Revenue up 31% H1 FY21 v H2 FY21 and 67% YoY
- Recurring revenue at 88% (2020: 84%)
- Professional Services release £0.86 m (2020: £0.59 m) up 46% YoY
- New contract PS signed up 26% at £1.63 m (2020: £1.29 m)
- Continued improvement in gross profit margin 76% (2020: 69%)

Revenue visibility FY22



Revenue

- Deployed TACV = ARR = £7.7m
- Existing IFRS 15 revenues to release = £0.82m
- Consensus forecast revenue for FY22 = £10.4 m - so £1.9m to deliver in year from:
 - Existing contracts in deployment - £1.12m
 - On hold projects - £0.7m
 - New sales delivered in year – ACV and IFRS15 set up and professional services

Income Statement

	FY21	FY20	Change
	£000s	£000s	%
Recurring revenue	6,477	3,697	75%
Other revenue	885	699	27%
Total revenue	7,362	4,396	67%
Cost of sales	(1,805)	(1,353)	-33%
Gross Profit	5,557	3,043	83%
Staff Costs	(6,301)	(5,544)	-14%
Other Expenses	(2,476)	(1,166)	-112%
EBITDA	(3,220)	(3,667)	12%
Depreciation and Amortisation	(740)	(544)	-36%
Loss from Operations	(3,960)	(4,211)	6%
Exchange losses/(gains) recognised	550	(15)	
Expenses relating to share options	115	108	
Adjusted Operating loss	(3,295)	(4,118)	20%

Highlights

- ❑ Recurring revenue continues to grow strongly making up 88% of total revenue
- ❑ Gross margin increased to 76% reflecting higher margin of AWS platform
- ❑ Underlying staff cost increase 14% reflecting growth in headcount which increase from 58 to 71 employees at the year end as the Group expands
- ❑ Adjusted underlying operating loss £3.30 m (2020: £4.12 m) slightly ahead of market expectation

Cash Flow

	FY21 £000s	FY20 £000s
EBITDA	(3,220)	(3,667)
Other non cash movements	766	45
Increase in trade and other receivables	(1,017)	(713)
Increase in trade and other payables	160	495
Increase in deferred income	3,561	2,080
Cash used in operating activities	250	(1,760)
Income tax received	153	221
Net interest (paid)/received	(206)	(125)
Purchase of property plant and equipment	(40)	(329)
Development expenditure capitalised	(920)	(1,004)
Cash used in business before financing	(763)	(2,997)
Cash at start	4,301	1,492
Used in business - per above	(763)	(2,997)
Lease repayment	(33)	(35)
Net equity fundraise	5,286	4,568
Net borrowing	(1,273)	1,273
Cash at end	7,518	4,301
Debt available to draw	0	1,250
Cash facility	7,518	5,551

Highlights

Business funded by:

- Advanced invoicing
- Cash reserve
- Debt & equity

Summary:

- ❑ Net £3.56 million of advance billing in period – including US\$1.13m multi year prepayment
- ❑ Cash used in business in period £0.76 million
- ❑ Borrowing fully repaid
- ❑ Net £5.29 million of equity
- ❑ Period end cash of £7.52 million
- ❑ Cash to be invested to accelerate growth in Canada, Australia and mainland Europe

Balance Sheet

	FY21	FY20
	£000s	£000s
Fixed assets	2,440	2,242
Trade Debtors	2,416	1,263
Other receivables	1,313	1,448
Cash and cash equivalents	7,518	4,301
Total Assets	13,687	9,254
Deferred revenue	(8,094)	(4,533)
Trade and other payables	(1,664)	(1,536)
Bank Borrowing	-	(1,273)
Net Assets	3,929	1,912
Share capital and premium	14,898	9,612
Share based payment reserve	404	289
Currency reserve	466	(187)
Retained losses	(11,839)	(7,802)
Equity attributable to shareholders	3,929	1,912

Highlights

- Fixed asset primarily development capitalisation
- Trade receivables
 - Average collection period just over 2 months
 - No debt over 120 days
- Deferred revenue growth reflects net new advanced billing
- Bank borrowing fully repaid

US Opportunity



- ❑ PCI Pal Launched in North America in Feb-18
- ❑ 40,000 contact centres with >11 agents
- ❑ 5 - 6 times size of UK contact centre market
- ❑ 37,000 contact centres with <250 agents
- ❑ Agent numbers are increased in recent years
- ❑ Majority of global partners and target partners HQ'd in US

US Business Update

3rd full year in
North America

+26%

Increase in new contract
ACV signed to £1.34m
(2020: £1.08m)

+68%

Increase in
new customer
contracts
signed to 62
(2020: 37)

Sales highlights in period included:

- 1,500+ seat deal, with lead sports retail brand with stores globally (live in record time!)
- Several Fortune 500 companies added
- Several new BPO partners signed, including global providers with more than 50,000 seats

25%

Of group revenues
represented by the
region in the year
(2020: 10%)

Benefits Group

US headquartered
partners benefitting
business globally.

New agreements in
place with Genesys and
8x8.

TACV
+66%

TACV for North America
increased to £2.76m (2020:
£1.66m)

EMEA Business Update

+41% Revenue

Increased to £5.5m
(2020: £3.9m)

+12%

Increase in new contract
ACV signed to £1.7m
(2020: £1.5m)

**TACV
+33%**

TACV for EMEA increased to
£6.7m (2020: £5.0m)

+80%

Increase in
new customer
contracts to
126 (2020: 70)

Sales highlights in period included:

- Pan-European UK HQ'd airline
- A FTSE100 energy provider
- 25+ further government agencies

Top performing EMEA
partners include a
number of US HQ'd
partners, benefitting
the group

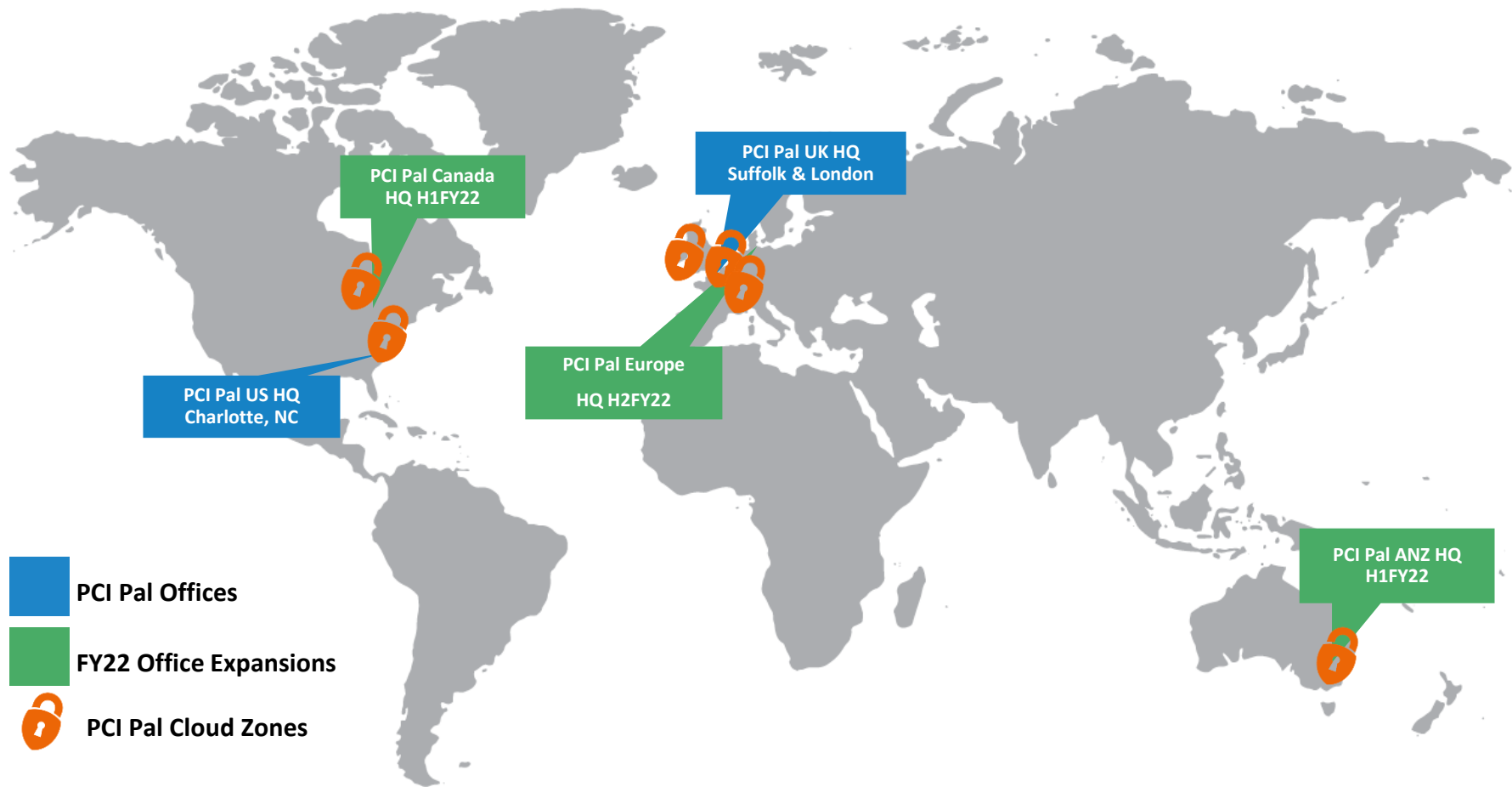
**24% Revenues from
Gen1 Platform**

Transition project
underway moving
customers to higher
margin AWS
platform.

Expanding Global Reach

FY22 & Beyond

***Growing
Addressable
Market by 40%+***



Outlook



Expecting another year of substantial progress



Growing addressable market through international expansion



Maintained focus on our people, maximising our resources, protecting people retention



Strong start to financial year, with sales inline with management expectations to end Aug-21



Further investment in product management and innovation; as well as Customer Success



Capitalise on the benefits of the expanded Advisory Committee



Questions



Appendices

Disclaimer

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PCI Pal Advisory Committee



Emilia D'Anzica - Advisor

Appointment Date: 1st September 2021

With more than twenty years of customer success experience, Emilia is Managing Director of Growth Molecules, a management consulting firm focused on customer success. Previously, Emilia has held senior positions, and has been an early-stage employee, at several successful high-growth SaaS companies including WalkMe, the Forbes Cloud 100 unicorn, where she was VP of Customer Engagement. Emilia is based in the San Francisco Bay area, US.



Neira Jones – Advisor

Appointment Date: 1st September 2020

With more than 20 years in financial services & technology, Neira advises organisations on payments, fintech, regtech, cyber & information security, regulations & digital innovation. She always strives to demystify the hype surrounding current issues and is a professional speaker and industry commentator. She holds a number of NED and advisory positions and has received numerous industry awards. She has previously worked for Barclaycard, Santander, Abbey National, Oracle Corp. and Unisys. Neira is UK based.



Jay Patel - Advisor

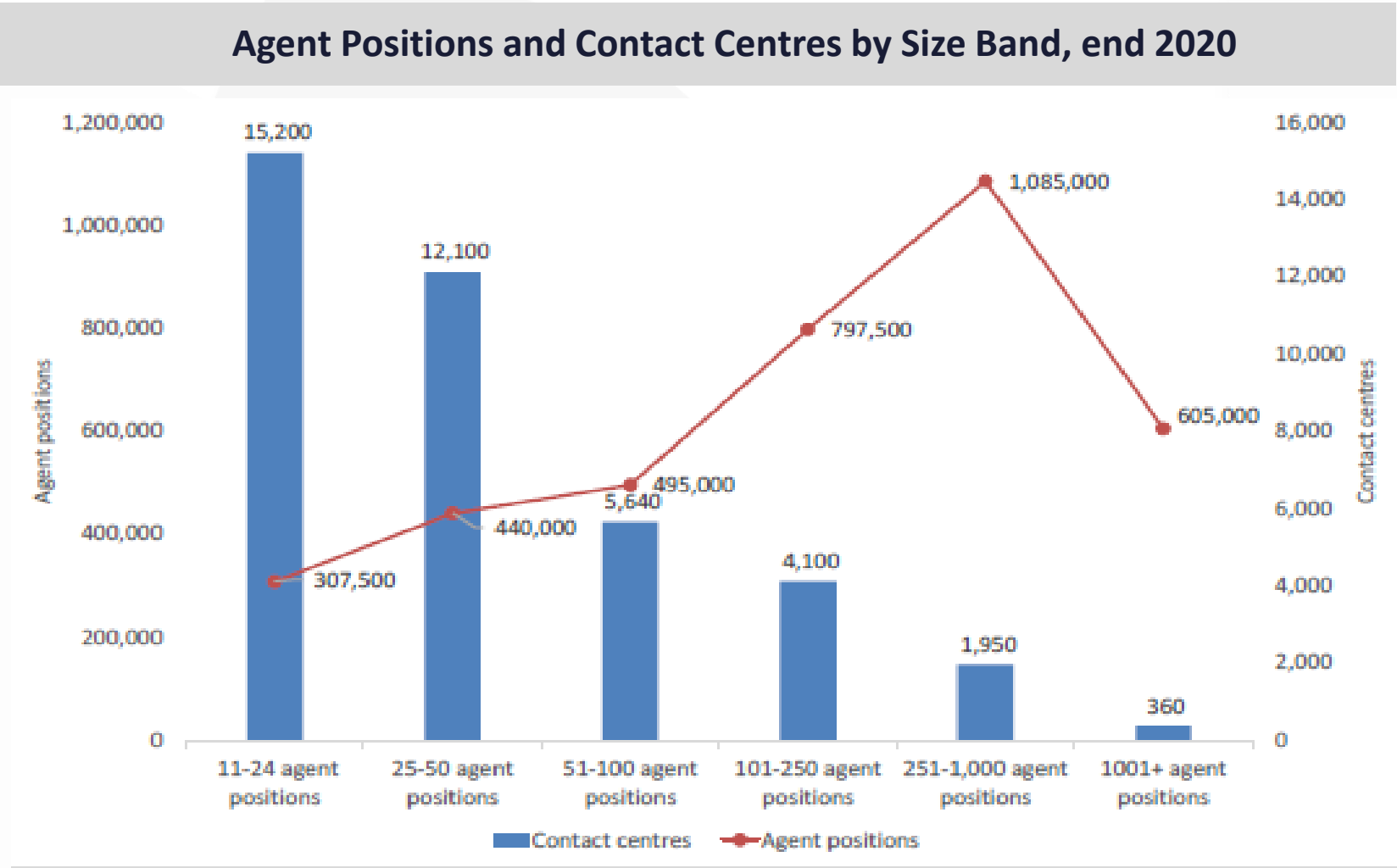
Appointment Date: 1st September 2021

Jay Patel is a results-driven global executive with more than 25 years experience developing and executing growth strategies and developing innovative products and technology. Most recently Jay served as Chief Product Officer for Vonage Inc, a leading global cloud communications provider. Jay has also held various leadership roles with Motorola Mobility including leading engineering teams and leading the corporate strategy function. Jay is based in Chicago, US.

Company History

- ❑ FY2011 – PCI Pal Concept Conceived within IPPlus PLC
- ❑ FY2013 – First Gen PCI Pal privately hosted platform launched in UK
- ❑ FY2016 – Commenced build of true-cloud AWS PCI Pal Platform
- ❑ FY2017 – Sold Group’s call centre businesses raising £6.7 million, renamed group PCI-PAL PLC
- ❑ H1 FY2018 – Achieved PCI DSS compliance of true-cloud AWS platform across UK and Ireland
- ❑ H2 FY2018 – Raised £4.95 million for North America expansion
- ❑ H2 FY2018 – Extended PCI Pal’s AWS Platform to US and Canada regions
- ❑ H1 FY2019 – First contract through reseller relationship with leading Canadian Telco
- ❑ H1 FY2019 – Signed first customers in Australia through existing global partners
- ❑ H2 FY2019 – Launched global Partner Program
- ❑ H2 FY2019 – Extended PCI Pal’s AWS Platform to Germany and Australia regions
- ❑ H2 FY2019 – Transition to channel substantially complete with 84% of sales from partner
- ❑ H1 FY2020 - £2.75 million of debt finance raised to fund expansion
- ❑ H2 FY2020 – Launched PCI Pal Digital solution
- ❑ H2 FY2020 – Raised £5.0 million from existing institutions to fund working capital and expansion
- ❑ H1 FY2021 – Launched PCI Pal Speech solution
- ❑ H2 FY2021 – Debt facility repaid
- ❑ H2 FY2021 – Raised £5.5 million from new and existing institutions to fund international expansion

US Contact Centres and Agent Positions



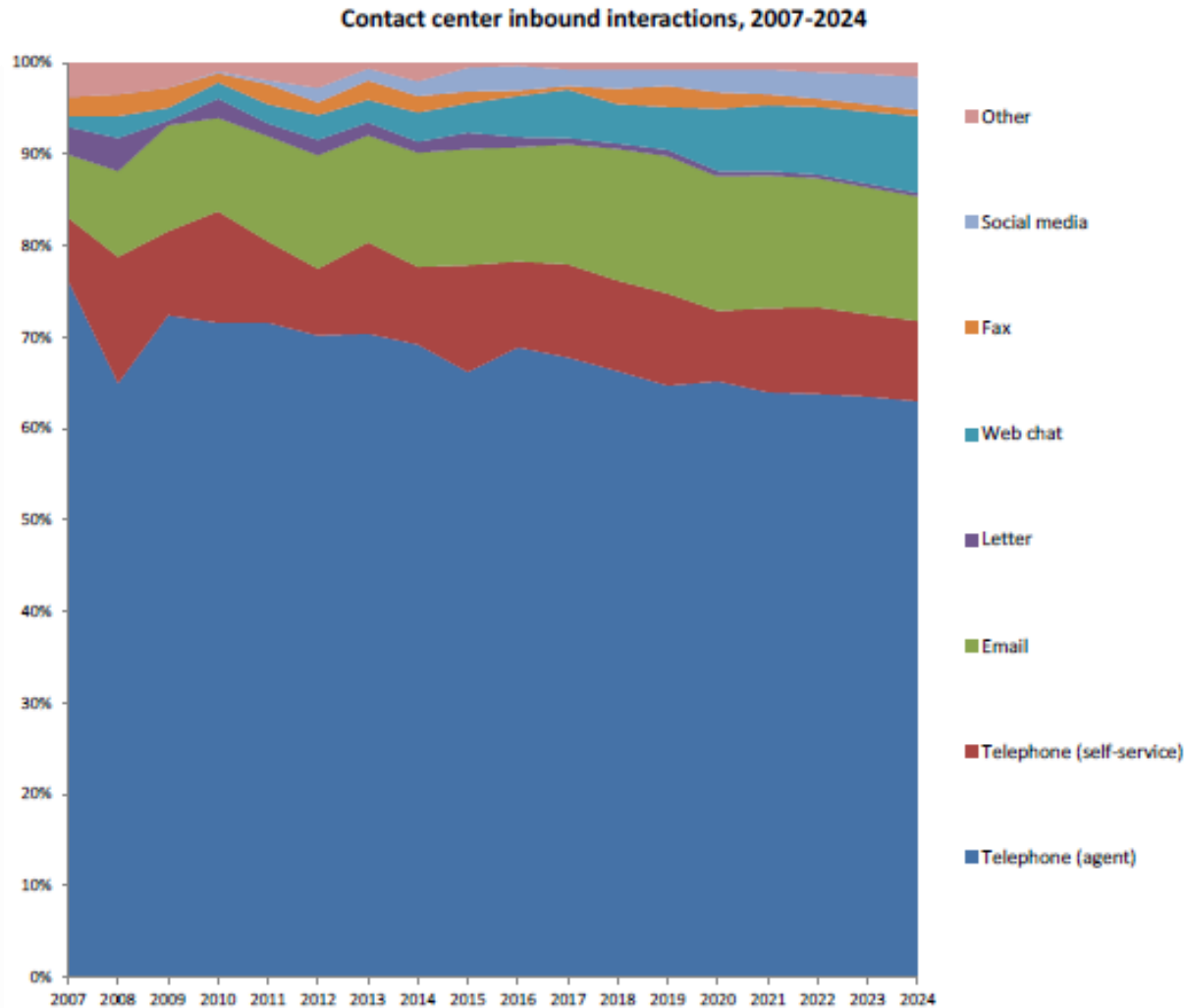
Source: Contact Babel - US Contact Centres 2021-2025 "The State of the Industry"

US Contact Centre Agent Positions

Agent Positions and Contact Centres by Size Band, end 2020

Year	Agent positions	Net annual change (APs)
2004	3,115,000	-
2005	3,090,000	- 25,000
2006	3,070,000	- 20,000
2007	3,146,750	76,750
2008	3,203,500	56,750
2009	3,100,000	- 103,500
2010	3,080,000	- 20,000
2011	3,125,000	45,000
2012	3,195,000	70,000
2013	3,315,000	120,000
2014	3,430,500	115,500
2015	3,485,000	54,500
2016	3,545,000	60,000
2017	3,595,000	50,000
2018	3,625,000	30,000
2019	3,660,000	35,000
2020	3,730,000	70,000
2021	3,710,000	- 20,000
2022	3,700,000	- 10,000
2023	3,685,000	- 15,000
2024	3,670,000	- 15,000

US Contact Centres Channel Mix



PCI Pal products secure payments across all channels where payments are handled in contact centres:

- *Telephone (agent)*
- *Telephone (self-service)*
- *Email*
- *Web chat*
- *Social Media*



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