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Date: 10 December 2020  
 On behalf of: Jaywing plc (“Jaywing”, “the Company” or “the Group”)  
 Embargoed: 0700 hrs on 10 December 2020

## Jaywing plc Interim Results 2020/2021

Jaywing plc (AIM: JWNG) the integrated agency powered by data science, today announces its interim results for the six months ended 30 September 2020 (“H1”).

### Financial Highlights

|   | 6 months to 30<br>September 2020<br>£'000 | 6 months to 30<br>September 2019<br>£'000 |
|---|---|---|
| Net Revenue*  | 9,342                                     | 11,996                                    |
| Adjusted EBITDA**<br>Including IFRS 16              | 1,389                                     | (573)                                     |
| Excluding IFRS 16                                   | 1,034                                     | (945)                                     |
| Cash Generated from Operations<br>Including IFRS 16 | 1,914                                     | 380                                       |
| Excluding IFRS 16                                   | 1,559                                     | 8   |
| Net Debt (excluding IFRS 16) ***                    | (5,131)                                   | (5,748)                                   |

### Reconciliation of Operating Profit / (Loss) with Adjusted EBITDA

|   | 6 months to 30<br>September 2020 £'000 | 6 months to 30<br>September 2019 £'000 |
|---|--|--|
| <b>Operating Profit / (Loss)</b>        | <b>72</b>                              | <b>(1,380)</b>                         |
| Add Back:                               |  |  |
| Depreciation                            | 126                                    | 187                                    |
| Depreciation of right of use assets     | 332                                    | 333                                    |
| Amortisation of intangibles             | 660                                    | 777                                    |
| <b>EBITDA</b>                           | <b>1,190</b>                           | <b>(83)</b>                            |
| Impairment of other intangibles****     | 690                                    | -                                      |
| Restructuring charges                   | 205                                    | 295                                    |
| Share based payment charges / (credits) | (696)                                  | (785)                                  |
| <b>Adjusted EBITDA</b>                  | <b>1,389</b>                           | <b>(573)</b>                           |

\* Revenue less third-party direct costs of sale

\*\* Adjusted EBITDA represents EBITDA before restructuring costs, impairment charges and share based payment charges / (credits)

\*\*\* Including accrued interest

\*\*\*\* Impairment of historic trademark assets following brand integration under Jaywing during the period

### Operational Highlights

- £2.0m improvement in adjusted EBITDA to £1.4m, compared with a £0.6m loss in the prior comparative period
- £1.9m cash generated from operations including IFRS 16 (£1.6m Excluding IFRS 16)
- Reduction of net debt excluding IFRS 16 to (£5.1m)
- Business now integrated with a sector-focused structure and a platform for growth

**Commenting on the results, Andrew Fryatt, CEO of Jaywing plc, said:**

"I'm delighted to report a significant turnaround in Jaywing's profitability, to deliver £1.4m of adjusted EBITDA for the half year period, compared with a loss of £0.6m for the prior year comparative period, despite a fall in revenue primarily brought about by the COVID pandemic. We have been able to stabilise the business and restore it to both profitability and strong cashflow generation. We continue to operate successfully on a remote basis, and have taken measures to secure our financial position, including voluntary salary reductions, cost reductions, rent deferrals, use of Government grant income and deferral of certain HMRC payments. These actions have ensured that despite the revenue reduction, the impact on EBITDA was mitigated and we have been able to retain key employees so that we are now well positioned to benefit as revenues start to rebuild.

There was a strong improvement in cash generation in the half (£1.9m including IFRS16), enabling a reduction in net debt excluding IFRS 16 to (£5.1m).

The restructuring plan that commenced last year continued into the current year, and in August we reorganised our UK businesses to focus on making our full range of services available to our entire client base, whilst reducing headcount by a further 20 heads. Our front office teams are now focused on three broad sectors: Retail, FMCG and Financial & Professional Services (the full make up of each sector is detailed in Note 5). They are supported by 4 operational divisions: Data Science, Performance & Media Science, Creative and Public Relations. Together, these enable our proposition of an "integrated agency powered by data science", which is proving ever more relevant in the current climate.

In Australia, just after the end of the first half of the year we completed the acquisition of the remaining 25% of the shares of Massive Group Pty Ltd, not already owned by Jaywing, a key step towards our two Australian businesses coming together as "Jaywing Australia", to deliver the same integrated approach. Our Australian and UK teams are working increasingly closely to develop capabilities and deliver client projects, including some initial projects in the data science space.

Despite the COVID-related revenue reduction, net revenue per employee increased by 3.8% to £32.7k in the first half, with an adjusted EBITDA of £5.1k per employee.

Across the Group, Online Performance remains our biggest workstream, at 43% of net revenues, but we are focused on increasing the breadth of services delivered in each of our core sectors. In the first half, for example, we achieved a 7% increase in Brand Performance from Financial Services clients, as well as Data Science & Analysis based contracts increasing as a share of net revenues (now 27%). We believe that our ability to bring together these disciplines to solve client challenges, whether in Marketing or Risk, gives us a fundamental advantage in the marketplace.

Having just moved from the second lockdown into the new tiered structure, we remain cautious about the full year outlook. We have continued to win new business with new clients including Ikano Bank, Starling Bank, Studio Retail and Costcutter, and also additional business with existing clients, including award-winning work for KCOM. However, whilst some clients are now spending at or above pre-pandemic levels, others have continued to defer expenditure in the face of the ongoing COVID impact on their business. We are nonetheless confident that the business is now on a secure footing with the foundations in place for recovery and future growth."

**Enquiries:**

**Jaywing plc**

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## Consolidated statement of comprehensive income

|   | Unaudited<br>Six months<br>ended<br>30 Sept 2020<br>£'000 | Unaudited<br>Six months<br>ended<br>30 Sept 2019<br>£'000 | Audited year<br>ended<br>31 March 2020<br>£'000 |
|---|---|---|---|
| Revenue   | 11,319  | 13,815  | 29,723  |
| Direct costs  | (1,977)   | (1,819)   | (5,680)   |
| Net Revenue   | 5   | 9,342   | 11,996  |
| Other operating income  | 6   | 599   | 20  |
| Amortisation  | (660)   | (777)   | (1,547)   |
| Operating expenses  | (9,209)   | (12,619)  | (31,408)  |
| Operating income / (loss)   | 72  | (1,380)   | (8,874)   |
| Finance income  | -   | 1   | -   |
| Finance costs   | (323)   | (157)   | (518)   |
| Net financing costs   | (323)   | (156)   | (518)   |
| <b>Loss before tax</b>  | <b>(251)</b>  | <b>(1,536)</b>  | <b>(9,392)</b>                                  |
| Tax (charge) / credit   | (136)   | 321   | 436   |
| <b>Loss after tax for the period</b>                                  | <b>(387)</b>  | <b>(1,215)</b>  | <b>(8,956)</b>                                  |
| <b>Loss for the period is attributable to:</b>                        |   |   |   |
| Non-controlling interests   | 114   | 74  | 188   |
| Owners of the parent  | (501)   | (1,289)   | (9,144)   |
|   | <b>(387)</b>  | <b>(1,215)</b>  | <b>(8,956)</b>                                  |
| <b>Other comprehensive income</b>                                     |   |   |   |
| <b>Items that will be reclassified subsequently to profit or loss</b> |   |   |   |
| Exchange differences on retranslation of foreign operations           | 181   | (13)  | (155)   |
| <b>Total comprehensive loss for the period</b>                        | <b>(206)</b>  | <b>(1,228)</b>  | <b>(9,111)</b>                                  |
| <b>Total comprehensive loss is attributable to:</b>                   |   |   |   |
| Non-controlling interests   | 114   | 74  | 188   |
| Owners of the parent  | (320)   | (1,302)   | (9,299)   |
|   | <b>(206)</b>  | <b>(1,228)</b>  | <b>(9,111)</b>                                  |
| <b>Loss per share</b>   | 7   |   |   |
| Basic loss per share from continuing operations                       | (0.54p)   | (1.38p)   | (9.95p)   |
| Diluted loss per share from continuing operations                     | (0.54p)   | (1.38p)   | (9.95p)   |

## Consolidated balance sheet

|   | Unaudited<br>30 Sept 2020 | Unaudited<br>30 Sept 2019<br># | Audited<br>31 March 2020 |
|---|---------------------------|--------------------------------|--------------------------|
| Note  | £'000                     | £'000                          | £'000                    |
| <b>Assets</b>   |                           |                                |                          |
| <b>Non-current assets</b>   |                           |                                |                          |
| Property, plant and equipment   | 2,460                     | 3,330                          | 2,887                    |
| Goodwill  | 27,865                    | 33,054                         | 27,586                   |
| Other intangible assets   | 1,302                     | 3,650                          | 2,604                    |
|   | <b>31,627</b>             | <b>40,034</b>                  | <b>33,077</b>            |
| <b>Current assets</b>   |                           |                                |                          |
| Trade and other receivables   | 5,856                     | 6,522                          | 5,877                    |
| Tax receivable  | 421                       | 285                            | 391                      |
| Cash and cash equivalents   | 3,044                     | 1                              | 1,996                    |
|   | <b>9,321</b>              | <b>6,808</b>                   | <b>8,264</b>             |
| <b>Total assets</b>   | <b>40,948</b>             | <b>46,842</b>                  | <b>41,341</b>            |
| <b>Liabilities</b>  |                           |                                |                          |
| <b>Current liabilities</b>  |                           |                                |                          |
| Bank overdraft  | 8                         | (549)                          | -                        |
| Other interest-bearing loans and borrowings                               | 8                         | (1,800)                        | (7,939)                  |
| Trade and other payables  | (9,141)                   | (8,154)                        | (8,447)                  |
| Current lease liabilities   | (678)                     | (678)                          | (678)                    |
| Tax payable   | -                         | -                              | (106)                    |
| Provisions  | (42)                      | (42)                           | (42)                     |
|   | <b>(18,036)</b>           | <b>(11,223)</b>                | <b>(17,212)</b>          |
| <b>Non-current liabilities</b>  |                           |                                |                          |
| Other interest-bearing loans and borrowings                               | 8                         | (3,400)                        | -                        |
| Lease liability   | (1,200)                   | (1,770)                        | (1,515)                  |
| Deferred tax liabilities  | (422)                     | (552)                          | (422)                    |
|   | <b>(1,622)</b>            | <b>(5,722)</b>                 | <b>(1,937)</b>           |
| <b>Total liabilities</b>  | <b>(19,658)</b>           | <b>(16,945)</b>                | <b>(19,149)</b>          |
| <b>Net assets</b>   | <b>21,290</b>             | <b>29,897</b>                  | <b>22,192</b>            |
| <b>Equity</b>   |                           |                                |                          |
| <b>Capital and reserves attributable to equity holders of the company</b> |                           |                                |                          |
| Share capital   | 9                         | 34,992                         | 34,992                   |
| Share premium account   | 10,088                    | 10,088                         | 10,088                   |
| Capital redemption reserve  | 125                       | 125                            | 125                      |
| Shares purchased for treasury   | (25)                      | (25)                           | (25)                     |
| Share option reserve  | -                         | 683                            | 696                      |
| Foreign currency translation reserve                                      | 26                        | (13)                           | (155)                    |
| Retained earnings   | (25,369)                  | (17,178)                       | (24,868)                 |
| <b>Equity attributable to owners of the parent</b>                        | <b>19,837</b>             | <b>28,672</b>                  | <b>20,853</b>            |
| Non-controlling interest  | 1,453                     | 1,225                          | 1,339                    |
| <b>Total equity</b>   | <b>21,290</b>             | <b>29,897</b>                  | <b>22,192</b>            |

# 2019 Interim balance sheet restated (see note 4)

## Consolidated cash flow statement

|  | Unaudited<br>Six months<br>ended<br>30 Sept 2020 | Unaudited<br>Six months<br>ended<br>30 Sept 2019<br># | Audited year<br>ended<br>31 March 2020 |
|--|--|---|--|
| Note   | £'000  | £'000   | £'000                                  |
| <b>Cash flow from operating activities</b>                                     |  |   |  |
| Loss for the period  | (387)  | (1,215)   | (8,956)                                |
| Adjustment for:  |  |   |  |
| Depreciation, amortisation and impairment                                      | 1,808  | 1,297   | 8,333                                  |
| Foreign exchange   | -  | (15)  | -                                      |
| Finance income   | -  | (1)   | -                                      |
| Finance costs  | 323  | 157   | 518                                    |
| Share based payment charge   | (696)  | (155)   | (484)                                  |
| Taxation   | 136  | (321)   | (436)                                  |
| <b>Operating cash flow before changes in working capital</b>                   | <b>1,184</b>                                     | <b>(253)</b>  | <b>(1,025)</b>                         |
| (Increase) / Decrease in trade and other receivables                           | (20)   | 1,736   | 2,428                                  |
| Increase / (Decrease) in trade and other payables                              | 750  | (1,103)   | (450)                                  |
| <b>Cash (used in)/generated from operations</b>                                | <b>1,914</b>                                     | <b>380</b>  | <b>953</b>                             |
| Interest received  | -  | 1   | -                                      |
| Interest paid  | (41)   | (103)   | (279)                                  |
| Tax paid   | (152)  | (273)   | (309)                                  |
| <b>Net cash flow from operating activities</b>                                 | <b>1,721</b>                                     | <b>5</b>  | <b>365</b>                             |
| <b>Cash flows from investing activities</b>                                    |  |   |  |
| Payment of deferred consideration  | (279)  | (325)   | (325)                                  |
| Acquisition of intangible assets   | (48)   | (63)  | (108)                                  |
| Acquisition of property, plant and equipment                                   | (31)   | (33)  | (66)                                   |
| <b>Net cash outflow from investing activities</b>                              | <b>(358)</b>                                     | <b>(421)</b>  | <b>(499)</b>                           |
| <b>Cash flows from financing activities</b>                                    |  |   |  |
| Increase in borrowings   | -  | -   | 7,700                                  |
| Repayment of borrowings  | -  | (450)   | (5,650)                                |
| Repayment of lease liabilities   | (315)  | (372)   | (610)                                  |
| Acquisition of non-controlling interest  | -  | -   | -                                      |
| <b>Net cash outflow from financing activities</b>                              | <b>(315)</b>                                     | <b>(822)</b>  | <b>1,440</b>                           |
| <b>Net increase / (decrease) in cash, cash equivalents and bank overdrafts</b> | <b>1,048</b>                                     | <b>(1,238)</b>  | <b>1,306</b>                           |
| Cash and cash equivalents at beginning of period                               | 1,996  | 690   | 690                                    |
| <b>Cash and cash equivalents at end of period</b>                              | <b>3,044</b>                                     | <b>(548)</b>  | <b>1,996</b>                           |
| <b>Cash and cash equivalents comprise:</b>                                     |  |   |  |
| Cash at bank and in hand   | 3,044  | 1   | 1,996                                  |
| Bank overdrafts  | -  | (549)   | -                                      |
| <b>Cash and cash equivalents at end of period</b>                              | <b>3,044</b>                                     | <b>(548)</b>  | <b>1,996</b>                           |

# 2019 Interim cashflow statement restated (see note 4)

## Consolidated statement of changes in equity

|   | Share capital<br>£'000 | Share premium account<br>£'000 | Capital redemption reserve<br>£'000 | Treasury Shares<br>£'000 | Share option reserve<br>£'000 | Foreign currency translation reserve<br>£'000 | Retained earnings<br>£'000 | Equity attributable to parent<br>£'000 | Non-controlling interest<br>£'000 | Total equity<br>£'000 |
|---|------------------------|--------------------------------|-------------------------------------|--------------------------|-------------------------------|---|----------------------------|--|-----------------------------------|-----------------------|
| <b>Balance at 31 March 2019 (audited)</b>       | <b>34,992</b>          | <b>10,088</b>                  | <b>125</b>                          | <b>(25)</b>              | <b>838</b>                    | <b>-</b>                                      | <b>(15,889)</b>            | <b>30,129</b>                          | <b>1,151</b>                      | <b>31,280</b>         |
| Charge in respect of share-based payments       | -                      | -                              | -                                   | -                        | (155)                         | -   | -                          | (155)                                  | -                                 | (155)                 |
| Transactions with owners                        | -                      | -                              | -                                   | -                        | (155)                         | -   | -                          | (155)                                  | -                                 | (155)                 |
| Loss for the period                             | -                      | -                              | -                                   | -                        | -                             | -   | (1,289)                    | (1,289)                                | 74                                | (1,215)               |
| Retranslation of foreign currency               | -                      | -                              | -                                   | -                        | -                             | (13)  | -                          | (13)                                   | -                                 | (13)                  |
| Total comprehensive income for the period       | -                      | -                              | -                                   | -                        | -                             | (13)  | (1,289)                    | (1,302)                                | 74                                | (1,228)               |
| <b>Balance at 30 September 2019 (unaudited)</b> | <b>34,992</b>          | <b>10,088</b>                  | <b>125</b>                          | <b>(25)</b>              | <b>683</b>                    | <b>(13)</b>                                   | <b>(17,178)</b>            | <b>28,672</b>                          | <b>1,225</b>                      | <b>29,897</b>         |
| Charge in respect of share-based payments       | -                      | -                              | -                                   | -                        | 178                           | -   | -                          | 178                                    | -                                 | 178                   |
| Transactions with owners                        | -                      | -                              | -                                   | -                        | 178                           | -   | -                          | 178                                    | -                                 | 178                   |
| Loss for the period                             | -                      | -                              | -                                   | -                        | -                             | -   | (7,855)                    | (7,855)                                | 114                               | (7,741)               |
| Transfer in relation to lapsed share options    | -                      | -                              | -                                   | -                        | (165)                         | -   | 165                        | -                                      | -                                 | -                     |
| Retranslation of foreign currency               | -                      | -                              | -                                   | -                        | -                             | (142)   | -                          | (142)                                  | -                                 | (142)                 |
| Total comprehensive income for the period       | -                      | -                              | -                                   | -                        | (165)                         | (142)   | (7,690)                    | (7,997)                                | 114                               | (7,883)               |
| <b>Balance at 31 March 2020 (audited)</b>       | <b>34,992</b>          | <b>10,088</b>                  | <b>125</b>                          | <b>(25)</b>              | <b>696</b>                    | <b>(155)</b>                                  | <b>(24,868)</b>            | <b>20,853</b>                          | <b>1,339</b>                      | <b>22,192</b>         |
| Charge in respect of share-based payments       | -                      | -                              | -                                   | -                        | (696)                         | -   | -                          | (696)                                  | -                                 | (696)                 |
| Transactions with owners                        | -                      | -                              | -                                   | -                        | (696)                         | -   | -                          | (696)                                  | -                                 | (696)                 |
| Loss for the period                             | -                      | -                              | -                                   | -                        | -                             | -   | (501)                      | (501)                                  | 114                               | (387)                 |
| Transfer in relation to lapsed share options    | -                      | -                              | -                                   | -                        | -                             | -   | -                          | -                                      | -                                 | -                     |
| Retranslation of foreign currency               | -                      | -                              | -                                   | -                        | -                             | 181   | -                          | 181                                    | -                                 | 181                   |
| Total comprehensive income for the period       | -                      | -                              | -                                   | -                        | -                             | 181   | (501)                      | (320)                                  | 114                               | (206)                 |
| <b>Balance at 30 September 2020 (unaudited)</b> | <b>34,992</b>          | <b>10,088</b>                  | <b>125</b>                          | <b>(25)</b>              | <b>-</b>                      | <b>26</b>                                     | <b>(25,369)</b>            | <b>19,837</b>                          | <b>1,453</b>                      | <b>21,290</b>         |

## 1. General Information

Jaywing plc (the "Company") is incorporated and domiciled in the United Kingdom. The Company is listed on the AIM market of the London Stock Exchange. The registered address is Albert Works, Sidney Street, Sheffield, S1 4RG.

The interim financial information was approved for issue on 10 December 2020.

## 2. Basis of preparation

The consolidated interim financial statements for the six months ended 30 September 2020, which are unaudited, have been prepared in accordance with applicable accounting standards and under the historical cost convention except for certain financial instruments that are carried at fair value.

The financial information for the year ended 31 March 2020 set out in this interim report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 March 2020 have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain statements under Section 498 (2) or Section 498 (3) of the Companies Act 2006. The report of the auditor did however draw attention by way of emphasis, without qualifying the report, to the material uncertainty due to Covid-19 identified by the directors in relation to the going concern basis of preparation.

The consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2020, which have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

## 3. Accounting policies

The principal accounting policies of Jaywing plc and its subsidiaries ("the Group") are consistent with those set out in the Group's 2020 annual report and financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

## 4. Comparative Restatement

The amounts in the prior year consolidated balance sheet and consolidated interim cash flow statement have been restated for misstatements relating to the presentation of IFRS 16 lease disclosures. These restatements have no effect on the Group's loss or net assets in the prior period.

## 5. Segment information (unaudited)

Jaywing reports its business activities by net revenue in three areas: Brand Performance, Online Performance and Data Science & Analysis and by three main market facing sectors and groups. The 2019 results have been restated into the new segments.

### Net Revenue by Segment

| Six months ended 30 Sept 2020 | Retail       | FMCG         | F&PS         | Total        |
|-------------------------------|--------------|--------------|--------------|--------------|
|                               | £'000        | £'000        | £'000        | £'000        |
| Brand Performance             | 643          | 1,488        | 661          | 2,792        |
| Online Performance            | 2,478        | 902          | 682          | 4,062        |
| Data Science & Analysis       | 333          | 276          | 1,879        | 2,488        |
| <b>Total</b>                  | <b>3,454</b> | <b>2,666</b> | <b>3,222</b> | <b>9,342</b> |

  

| Six months ended 30 Sept 2019 | Retail       | FMCG         | F&PS         | Total         |
|-------------------------------|--------------|--------------|--------------|---------------|
|                               | £'000        | £'000        | £'000        | £'000         |
| Brand Performance             | 871          | 2,052        | 616          | 3,539         |
| Online Performance            | 2,978        | 1,603        | 918          | 5,499         |
| Data Science & Analysis       | 449          | 415          | 2,094        | 2,958         |
| <b>Total</b>                  | <b>4,298</b> | <b>4,070</b> | <b>3,628</b> | <b>11,996</b> |

"Retail" includes: Retail, Travel & Leisure, Hospitality, Property & Utilities

"FMCG" includes: Consumer Goods, Industrial, Telecoms, Support Services, Healthcare, Education, Public Sector & Non-Profit

"F&PS" includes: Financial & Professional Services

## 6. Other Operating Income

The group has been in receipt of various Government funds in the period to 30 September 2020 relating to COVID-19 programs. The amounts in Other Operating Income reflect income relating to the UK Government's Coronavirus Job Retention Scheme, and the Australian Government's Job Keepers and Cash flow Boost schemes.

## 7. Loss per share (unaudited)

|                        | <b>Six months<br/>ended<br/>30 Sept 2020</b> | Six months<br>ended<br>30 Sept 2019 | Audited year<br>ended<br>31 March<br>2020 |
|------------------------|--|-------------------------------------|---|
|                        | <b>Pence per<br/>share</b>                   | Pence per<br>share                  | Pence per<br>Share                        |
| Basic loss per share   | <b>(0.54p)</b>                               | (1.38p)                             | (9.95p)                                   |
| Diluted loss per share | <b>(0.54p)</b>                               | (1.38p)                             | (9.95p)                                   |

Loss per share has been calculated by dividing the loss attributable to shareholders by the weighted average number of ordinary shares in issue during the period. The calculations of basic and diluted loss per share are:

|  | <b>Six months<br/>ended<br/>30 Sept 2020</b> | Six months<br>ended<br>30 Sept 2019 | Audited year<br>ended<br>31 March 2020 |
|--|--|-------------------------------------|--|
|  | <b>£'000</b>                                 | £'000                               | £'000                                  |
| Loss for the period attributable to shareholders             | <b>(501)</b>                                 | (1,289)                             | (9,299)                                |
| Weighted average number of ordinary shares in issue:         | Number '000                                  | Number '000                         | Number '000                            |
| Basic  | <b>93,432</b>                                | 93,432                              | 93,432                                 |
| Adjustment for share options, warrants and contingent shares | -  | 3,688                               | 3,243                                  |
| Diluted  | <b>93,432</b>                                | 97,120                              | 96,675                                 |



## 8. Bank overdraft, borrowings and loans (unaudited)

|                                     | 30 Sept 2020 | 30 Sept 2019 | Audited<br>31 March 2020 |
|-------------------------------------|--------------|--------------|--------------------------|
| Summary                             | £'000        | £'000        | £'000                    |
| Bank overdraft                      | -            | 549          | -                        |
| Borrowings, undiscounted cash flows | 8,175        | 5,200        | 7,939                    |
|                                     | <b>8,175</b> | <b>5,749</b> | <b>7,939</b>             |

Borrowings are repayable as follows:

|   |              |              |              |
|---|--------------|--------------|--------------|
| Within 1 year                                 |              |              |              |
| Bank overdraft                                | -            | 549          | -            |
| Borrowings                                    | 8,175        | 1,800        | 7,939        |
| Total due within 1 year                       | <b>8,175</b> | <b>2,349</b> | <b>7,939</b> |
| In more than one year but less than two years | -            | 3,400        | -            |
| Total amount due                              | <b>8,175</b> | <b>5,749</b> | <b>7,939</b> |

| Average interest rates at the balance sheet date were: | %    | %    | %    |
|--|------|------|------|
| Overdraft  | N/A  | 2.00 | -    |
| Term loan  | 5.10 | 4.05 | 5.42 |

As the loans are at variable market rates their carrying amount is equivalent to their fair value.

A composite accounting system was set up with the Group's bankers in the period ending 30 September 2019, which allowed debit balances on overdraft to be offset across the Group with credit balances.

| Reconciliation of net debt | Cash at bank<br>and in hand | Overdraft | Borrowings | Net debt |
|----------------------------|-----------------------------|-----------|------------|----------|
|                            | £'000                       | £'000     | £'000      | £'000    |
| 30 September 2020          | 3,044                       | -         | (8,175)    | (5,131)  |
| 31 March 2020              | 1,996                       | -         | (7,939)    | (5,943)  |
| 30 September 2019          | 1                           | (549)     | (5,200)    | (5,748)  |

## 9. Share capital (unaudited)

### Authorised:

|   | 45p deferred shares | 5p ordinary shares |
|---|---------------------|--------------------|
|   | £'000               | £'000              |
| Authorised share capital at 31 March 2020 and 30 September 2020 | <b>45,000</b>       | <b>10,000</b>      |

### Allotted, issued and fully paid

|   | 45p deferred shares | 5p ordinary shares |        |
|---|---------------------|--------------------|--------|
|   | Number              | Number             | £'000  |
| Issued share capital at 31 March 2020 and 30 September 2020 | 67,378,520          | 93,432,217         | 34,992 |

## 10. Related party transactions (unaudited)

There were no significant changes in the nature and size of related party transactions for the period from those disclosed in the Annual Report for the year ended 31 March 2020.

## 11. Post balance sheet event

On 21 October 2020, the business completed the acquisition of the remaining 25% of the shares in Massive Group PTY Ltd ("Massive Group") which were not already owned by Jaywing following the exercise of the put option in relation to that 25% stake by entities controlled by the two directors of Massive Group in Australia. Jaywing now owns 100% of the shares in Massive Group, which has traded as Jaywing Australia since 2017. The 25% stake was acquired for \$4.0m (£2.2m) and the total consideration for the purchase of the 100% interest was \$9.6m (£5.4m).

On 8 October 2020, the Company's Performance Share Plan terminated.