11 September 2023

WANdisco plc

("WANdisco", the "Company" or the "Group")

Interim unaudited results for the six months ended 30 June 2023

WANdisco (LSE: WAND), the data activation platform, announces Interim unaudited results for the six months ended 30 June 2023.

Financial headlines

- Transitional year establishing a sustainable growth platform
- Revenue for the period of $3.0m (H1 2022: $5.8m)
- Bookings[4] of $2.8m (H1 2022: $7.3m)
- Cash overheads[1] of $17.6m (H1 2022: $19.5m)
- Adjusted EBITDA[2] loss of $14.8m (H1 2022: $14.1m, loss)
- Statutory loss from operations of $18.8m (H1 2022: $17.2m, loss)
- Cash at 30 June 2023 of $3.2m (31 December 2022: $19.1m)

Outlook

Management expects to deliver a second half 2023 (H2 2023) and full year (FY 2023) performance within the following ranges:

- H2 2023 Bookings are expected to be in the range of $4.3m to $6.0m.
- Relative to prior periods this would represent;
  - Sequential progression on H1 2023, with 54% bookings growth at the low end and 114% at the high end
  - 5% bookings growth relative to H2 2022 at the low end and 46% growth at the high end
  - FY 2023 bookings performance in the range of $7.1m to $8.8m.
- Forecast closing cash position as of 31st December 2023 of $16.0m to $16.5m

As communicated with shareholders during the recent equity fundraise, the discovery of the Irregularities[3] had a significant impact on prospective customers, strategic partners, the pipeline and the overall business. Not only did the Company suffer interruption to normal commercial activities, but a review of pipeline qualification was also a necessary step in the instigation of the Turnaround Plan to set a realistic baseline.

The pipeline was appropriately cleansed and qualified, and Management are confident that what remains is robust and of high quality. However, overall, the pipeline continues to be in the early stages of a rebuild and we are highly focused on creating a strong basis for growth in 2024 as set out in the Company's Turnaround Plan.

Company Rebranding

As previously announced, a key part of Management's Turnaround Plan was to rebrand the Company, aligned to the transformation required across the whole business. At the Annual General Meeting on 30 August 2023, shareholders voted in favor of the name change to Cirata PLC.

Cirata reflects the updated vision for the Company, its values and future growth plans. Over the coming weeks there will be a rolling program of brand introduction and delivery across all the Company's areas of operation and touchpoints. Whilst the financial results included in this document relate to the operations of the trading Company, WANdisco plc, all other operational and business-related matters will adopt the new entity name Cirata PLC.

As part of the rebranding to Cirata PLC, Management is targeting transition of the Company name and ticker by early October 2023, with the Company's shares to trade under the ticker "CRTA", and all rebranding workstreams complete by 31 December 2023. Its ISIN will remain unchanged. Further updates will be made relating to this transition in due course.

Stephen Kelly, Chief Executive Officer, commented:

"Since our appointment, the new and existing Management team has worked tirelessly to steady the ship, deal with and resolve the significant difficulties the Company faced, and stay focused on the significant growth opportunity that we know lies ahead. Our colleagues and our shareholders have been through tremendous turmoil throughout all of this. The entire Board and Management team extend their thanks to our colleagues for their commitment and to our shareholders for the support they have shown with our recent and crucial $30m equity fundraise.

Together, we have conducted a" root and branch" review of everything we need to do to create a world-class growth company worthy of its investors, customers and colleagues. Our first fundamental building block is governance, placing the highest standards of integrity at the heart of our business.

Sadly, very little from the past deserves preservation, except for the excellence of the technology, strong engineering, marquee customers and loyal committed colleagues. Nearly every other aspect of our business, especially Go-To-Market, is now in the process of necessary radical change as outlined in the previously announced Turnaround Plan. We are building from the ground up.

We are pleased with the progress as evidenced by recent contract announcements and have set out a realistic H2 2023 outlook.

Our new name, Cirata, captures the opportunity of moving massive datasets to power analytic and AI strategies for customers, but also must embed our values and vision for a growth company centered on trust and integrity. Our partners and customers are re-engaging. We have important validation of the continuous use case opportunity, and we have a senior Management team who understand that execution must improve on every measure. The vote of confidence from our shareholder base can only be repaid by flawless execution from here on. Our focus now necessarily turns to delivering on our growth plans and our commitments to customers, colleagues and shareholders."

Footnotes:

1 *Operating expenses adjusted for: advisor costs relating to the investigation into the Irregularities and fund raising, depreciation, amortisation, capitalisation of development expenditure and equity-settled share-based payment. See Note 4 to the condensed consolidated interim financial statements for a reconciliation.*

2 *Operating loss adjusted for: : advisor costs relating to the investigation into the Irregularities and fund raising, impairment loss, depreciation, amortisation and equity-settled share-based payment. See Note 4 to the condensed consolidated interim financial statements for a reconciliation.*

3 *On 9 March 2023, the Company released two RNS announcements collectively stating that: The Board had become aware of significant, sophisticated and potentially fraudulent irregularities which related to received purchase orders and related revenue and bookings, as represented by one senior sales employee (the "Irregularities").*

4 *Total contract value of contracts signed during the period.*

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

This announcement contains information that qualifies or may qualify as inside information. The person responsible for arranging the release of this announcement on behalf of WANdisco plc is Larry Webster, Company Secretary.

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About WANdisco

WANdisco is the data activation platform for accelerating digital transformation at scale. WANdisco makes infinite data actionable across clouds and enterprises in real time. WANdisco customers unleash the business value of the cloud with zero downtime, data loss, or disruption to fuel AI and machine learning, create new services, and transform businesses. For more information about WANdisco, visit www.wandisco.com

Chief Executive Business Review

H1 2023 was a traumatic time for shareholders and employees. The 9 March 2023 announcement led in short order to the suspension of the stock on AIM, with major changes to the Board and to the Executive, the instigation and completion of the internal investigations and a cost base realignment taking the cost run rate down from $41m to an expected c.$22-23m per annum run-rate as we exit the 2023 fiscal year. The headcount was reduced from 193 in March 2023 and as of 31 August stands at 112. This has been a difficult but necessary part of the review of the business to ensure a more rapid path to cash-flow breakeven and profitable growth. In addition, the new Board and Management has instigated a “root and branch” transformation program to rescue, recover, and rebuild the Company. The first foundation stone of the recovery is Governance, with the implementation of new policies, procedures, training and certification. This places the highest standards of integrity at the heart of our business.

As a consequence of the disruption, normal commercial activities with our partners and direct clients were severely impacted and paused. This, together with the necessary steps taken to align costs in the business and to requalify the existing pipeline, has had the effect of reducing pipeline cover and extending sales cycles. In short, H1 2023 was poor for both bookings and revenue.

By the end of June 2023, the Company had depleted its cash reserves to $3.2m. During the fundraise, Management had approximately 100 meetings with our shareholders leading eventually to a $30m fundraise and the lifting of the trading suspension on AIM. It cannot be overstated how important the lifting of this suspension has been to the rehabilitation of the Company.

As stated in our communications to date with shareholders, 2023 is a transition year which will lead us towards a sustainable growth orientated future for our business. We are building from the ground up.

As noted in our outlook statement, we anticipate growth in our bookings off a weak H1 2023. We are regaining the trust and confidence of our customers and we are setting a path to “business as usual”, with the re-engagement of customers, prospects and partners having reached a level in line with the ambitions of our Turnaround Plan.

The re-engagement with our customer and partner network is not only evidence of the progress made since the dark days of March 2023, but should also be seen as validation of the fundamental, compelling value proposition we represent to our customers.

Our partners value Cirata’s technology and continue to seek ways to partner with us. I understand that we win more and faster with our partners, and I am encouraged to note that the majority of the H2 FY23 new business potential in our pipeline is sourced with partners.

I have personally met with our key customers and partners and have been left in no doubt that despite the trauma of recent months they want to engage with Cirata to help them solve their complex business and technology data problems: Moving data at scale to support their analytics and AI strategies.

Commercial discussions that were in flight pre-9 March 2023 have re-commenced and the recent announcement of our contract with a global automotive manufacturer, General Motors transacted through the Microsoft Azure marketplace strongly supports our partnership Go-To-Market model. This is an example of Cirata’s product being implemented in a highly complex environment, enabling the continuous movement of data to the cloud. Engagements such as this give us reason for optimism that the opportunities, we see in the Automotive vertical for our product are real and have the potential to scale to multi petabyte levels. Yet, while the continuous movement of data opportunity is validated it is down to us to execute more effectively.

We are working hard to align our core technologies more directly to our customers’ use cases, with new file sources and more targeted conversations on how we go to market with our partners to solve our customer needs. We see opportunities here as the first step to grow our addressable market.

In addition to the outlook, we have provided for H2 2023, we are pleased to share more details around the progress to-date of our previously announced Turnaround Plan. As a part of the plan, we have established eight workstreams that touch every aspect of the business and combine to deliver an organization fit for the task of growing sales in a competitive and growing market. Ultimately, the" Go-To-Market" function needs to be built from the" ground-up" to become" fit for purpose". The sales and marketing functions were performing poorly with few of the essential basics in place from sales commission plans to win/loss analysis. The fundamental elements of the "Go-To-Market" function, from pipeline development, Account-Based-Marketing & Growth ("ABMG"), through to territory assignment, value-based sales training, and account planning are undergoing a rigorous period of review, change and implementation.

One very important aspect of the Turnaround Plan is the rebranding of the Company. We were delighted that our shareholders voted overwhelmingly in support of this initiative. Cirata PLC is not just a name change, it is a new beginning for the Company, and will positively impact every aspect of our business. The rebranding program best reflects the updated vision for the Company, its values and future growth plans and we are excited to have the opportunity to build Cirata into a category leader. We will be sharing more with our shareholders on this important initiative as we move through Q3 2023.

Each of the workstreams within the Turnaround Plan is owned by one of our Leadership Team and reviewed with me personally. I anticipate the workstreams will complete by 31 December 2023 when the process, people, and system changes will be adopted as "business as usual" as we execute on the growth strategy in 2024.

We believe that our investors deserve the highest levels of disclosure and transparency to give real insight to business performance and outlook, therefore we lay out today for the first time a series of Key Performance Indicators ("KPIs") that investors should use to track the performance of the Company going forward. We will be using these KPIs internally to measure the progress of the Company transformation and value creation strategies. We plan to share these KPIs quarterly with investors.

This is a Company going through a significant transition. Many colleagues were" shell-shocked" by the discovery of the Irregularities, and it may take time to change the culture to a high growth enterprise software company. This will need careful transitioning to keep the core of talented individuals motivated whilst shifting gears to a faster paced customer obsessed innovative culture. The transition we are making will be both a challenge and an extraordinary opportunity, progression will not be linear. Our medium-term goals are clear and non-negotiable, and we continue to target cashflow break even as we exit 2024 and move into 2025: a necessary requirement for a sustainable growth business.

It is important to note however, that Cirata has the key ingredients for success-namely excellent differentiated technology and a world-class engineering team, product market fit, blue chip multinational customers: a cadre of talented and committed motivated people and a growing billion-dollar+ market opportunity.

My primary focus going forward is to nurture a performance culture throughout the organization and establish a leading market presence for the Company, building on our competitive positioning in this growing market. The top priority is to fix the Go-To-Market organization. The vote of confidence from our shareholder base can only be repaid by flawless execution from here on out. Our focus now necessarily turns to delivering on our plans and our commitments to shareholders.

The Turnaround Plan

As reported at the time of the Equity Fundraise round the Company has initiated an internal program dedicated to the turnaround of the business. This is a program to drive the required changes to set the Company up for success in FY24 and beyond. As part of the program, Management have established eight workstreams that touch every aspect of the business and combine to deliver an organization fit for the task of growing sales in a competitive market. Each workstream is owned by individual members of the Leadership team reporting directly to the Chief Executive. These workstreams will drive towards our strategic goals.

The strategic goals of the Turnaround Plan can be summarized as building a high quality, predictable, customer- focused and sustainable growth company to;

- Develop a sales, partner and business development organization that better articulates the use case and **proves value to new and existing customers** and **partners** effectively.
- Drive **sales growth** and **control cost base.**
- Grow **direct sales alongside partner** relationships.
- **Transition to higher quality revenue with the introduction of some subscription sales** away from perpetual license sales.
- Sell **professional services** alongside software sales.
- Build **strong account management**.
- **Ensure ease of implementation** and deployment and world class 24/7 support.

The Turnaround Plan scorecard is presented below and will be updated in further communications with investors through FY23. The Turnaround Plan workstreams are to be completed by the year end 2023 and will transition to a business-as-usual framework for the organization as we enter the 2024 period.

Turnaround Plan Scorecard

Workstreams	Completed	In progress	In planning
Company Positioning	Account updates. Industry analyst refresh.	Rebrand. Positioning statement. Customer reference accounts.	Customer campaign planning
Recurring Revenues	Delegation of Authority (DoA).	Pricing model aligned with customer value.	Pricing structure H2. Updated pricing tools.
Partner strategy	Compensation plans. Account allocation.	Partner selection for business development. Sales enablement.	Revised partner strategy. Recruitment of key sales talent.
Focused proposition	First iteration value propositions and use cases.	Clarity on proposition & focus. Agreed roadmap. Customer derived roadmap process.	Market segmentation.
Customer first	Top 10 customer outreach. Services charging schedule set up.	Professional services framework. Professional services opportunity review.	
Application Lifecycle Management ("ALM") leverage			Re-engagement campaign & cross-selling planning.
Retention program	Top talent retention plan.	Motivate past relist. Office upgrade.	Updated values & culture roll out.
Cost realignment	Target run rate plan.		

As previously referenced, a significant achievement against these aims is the rebranding of the Company to Cirata.

The cost realignment workstream has been a necessary process to put the Company on a sustainable footing and set it on a path to cash flow break even as we exit 2024. However, cost cutting cannot be made without regard to the impact on our key talent within the Company. The retention program is an important workstream that identifies our key talent and ensures that key colleagues commit to join us on the journey to rebuild the Company.

Other workstreams address the basics on what good execution should look like especially in the ‘Go-To-Market’ functions, Customers will be at the heart of everything Cirata does, engineering road maps shall be commercially aligned, salespeople will be correctly incentivized, and our partners will be aligned and recognize Cirata as collaborators and drivers of revenue growth for their business as well as our own.

Key Performance Indicators (“KPIs”)

Management monitors the business against a series of KPIs. Management is sharing a subset of the key indicators with investors so that they may more easily assess our progress against these key performance measures. On every measure we are underperforming relative to reasonable expectations for a company with our stated ambitions and technology positioning. The numbers speak for themselves, but clearly a higher cadence of bookings particularly from our Data Integration product offering new customer acquisition and expanding our footprint with existing customers will be a leading indicator of greater visibility. Management also needs to see a greater contribution coming from our services engagement and Proof of Concept (“POC”) implementations. Importantly Management needs to be a better custodian of shareholders’ cash. The outline of current Key Performance Indicators (KPIs) is set out below. Management plan to evolve the KPI’s to include operational metrics when appropriate, for example, Petabytes of data moved.

Key Performance Indicators

KPI	2022Q1	2022Q2	2022Q3	2022Q4	2023Q1	2023Q2
Bookings ($m)	2.6	4.8	1.9	2.2	2.1	0.7
Total revenue ($m)	1.3	4.5	1.9	2.0	2.0	1.0
-ALM Revenue ($m)	0.8	2.5	1.3	0.8	1.7	0.6
-DI Revenue ($m)	0.5	2.0	0.6	1.2	0.3	0.4
-Services Revenue	0.2	0.1	0	0	0.1	0.1
#New DI contracts	4	1	2	2	2	1
#New DI Logos	3	1	1	1	2	1
#Contracts >$250K	3	4	3	1	2	0
Cash Overheads ($m)	9.4	10.1	10.0	11.1	9.4	8.2
Cash Balance ($m)	21.3	32.7	26.3	19.1	9.3	3.2

Table abbreviations; DI is Data Integration and is a broad category that includes Data Migration (DM); ALM is Application Lifecycle Management.

In summary, the Company suffered months of trauma following the announcement of 9 March 2023. Even prior to the announcement, the underlying Company was performing poorly as evidenced with the H1 FY23 KPIs. Since the appointment of the interim Chair, Ken Lever in April 2023, the company has changed the Board, Management Team, company name and brand. The Turnaround Plan is in full-flight and will establish the fundamentals of the platform for sustainable growth in FY24 towards cash-flow break-even, profitability and ultimately market leadership of this billion-dollar plus category. Again, the Board and Management Team express gratitude to the shareholders and employees for their support, commitment, and patience.

Financial Review

Revenue for the period ended 30 June 2023 was $3.0m (H1 2022: $5.8m).

Deferred revenue from sales booked during H1 2023 and in previous years, and not yet recognised as revenue, is $1.9m at 30 June 2023 (H1 2022: $1.6m). Our deferred revenue represents future revenue from new and renewed contracts, many of them spanning multiple years.

Adjusted EBITDA loss[2] was $14.8m (H1 2022: $14.1m, loss), due primarily to reduced revenues and a high 2023 opening operating cost run-rate before cost reduction efforts undertaken following the discovery of the Irregularities announced on 9 March 2023.

The prior period results to 30 June 2022 have been restated to reflect the removal of trade receivables, deferred income and commissions related to the Irregularities, along with the reassessment of the amount of development costs capitalised.

Revenue

Revenue was $3.0m (H1 2022: $5.8m). Revenue performance in the first half of 2023 was adversely affected by the discovery of the alleged fraud which resulted in customers pausing their commercial activities with the Company due to the uncertainty surrounding the business. Consequently, bookings in the period, which are a key driver of revenues, were $2.8m (H1 2022: $7.3m).

The Data Integration revenues were $0.7m (H1: 2022: $2.5m) with Application Lifecycle Management (ALM) revenues making up $2.3m (H1 2022: $3.3m) during the period. The relative bigger decline in the Data Integration revenues demonstrates the lumpy nature of the contracts in this business which were affected more by the significant uncertainty facing the Company in the first half of this year.

Looking ahead to H2 2023 Management expect bookings to be in the range of $4.3m to $6.0m. This leads us to a full year 2023 expectation of $7.1m-$8.8m. This would represent progression on H1 2023 with 54% booking growth at the low end and 114% at the high end. The H2 outlook relative to H2 FY22 is 5% bookings growth relative to H2 2022 at the low end of expectations and 46% bookings growth at the high end of expectations.

As we re-build the business and our commercial model, we aim to transition to greater recurring revenue over time, to reduce the volatility of our revenue base and provide greater forward visibility.

Operating costs

Cash overheads[1] decreased in the period partially reflecting the impact of the restructuring undertaken by the business, falling to $17.6m in H1 2023 (H1 2022: $19.5m). The Company began the year with an elevated cost base as it anticipated significant new business from commit-to-consume contracts which turned out to be non-existent. The actions taken by Management between March and June 2023 significantly reduced the cost base with the full impact coming through in H2 2023. Management have continued these cost-cutting actions in the second half of 2023 and now expect the annualized run-rate going into 2024 to be c.$22-23m. Our headcount was 127 as at 30 June 2023 (31 December 2022: 177, 30 June 2022: 164) following the restructuring undertaken in H1 2023. Following the end of the first half of 2023, the headcount has reduced further to 112 as at the end of August 2023.

Cash overheads exclude the costs associated with the investigation into the alleged Irregularities, financial and legal advice associated with the fund raise, enhanced audit, regulation and governance matters, and advice on employee matters. The total billed costs have been negotiated down to c.$6.9m. Of this amount, $2.8m had been charged to the Profit and loss account in H1 2023 (see Note 4). $1.4m was paid during H1 2023 and $5.5m has subsequently been paid or due for payment after the half year-end. The table below provides a broad breakdown of the costs:

Category	**Cash ($m)**	**Comment**
Audit, regulation and governance	2.0	Audit fees, financial and legal advice
Investigation into the Irregularities	1.8	Legal fees and independent investigation
Fund raising	2.3	Broker commission and legal fees
Employee matters	0.2	Legal advice
Other	0.6	Includes project management and media relations
Total	**6.9**	

Profit and loss

Adjusted EBITDA[2] loss for the period was $14.8m (H1 2022: $14.1m, loss).

The loss after tax for the period increased to $22.5m (H1 2022: $7.0m), principally because of reduced revenue, increased equity share-based payment expense and net foreign exchange loss of $3.9m (H1 2022: $10.2m gain), reported within finance costs/income. The net foreign exchange loss arose from the retranslation of intercompany balances at 30 June 2023, reflecting the appreciation of the sterling against the US dollar. The impact of FX rates changes on the financial statements should be restricted to the retranslation of US dollar denominated intercompany loans, as opposed to the operating activities of the business. A translation gain/(loss) on the net assets of overseas subsidiaries reported in reserves results in a minimal impact on the Group net assets.

Balance sheet and cash flow

Trade and other receivables at 30 June 2023 were $4.3m (31 December 2022: $4.9m). This includes $1.0m of trade receivables (31 December 2022: $1.0m) and $3.3m related to non-trade receivables (31 December 2022: $3.9m).

Net consumption of cash was $16.1m before financing (H1 2022: $13.8m), resulting in a closing cash balance of $3.2m as at 30 June 2023. The higher cash burn was driven by lower bookings compared to the prior year period partly offset by a decrease in cash overheads. For the full year, we expect a significantly stronger cash position primarily driven by proceeds from the fund raise completed in July 2023 net of cash payments for the costs associated with the investigation into the alleged Irregularities, financial and legal advice associated with the fund raise, enhanced audit, regulation and governance matters, and advice on employee matters. We also expect further cash burn albeit at lower levels than in H1 2023 which will affect the year-end cash position. Management continues to be focused on driving the business to a cash flow break-even position as the Company exits 2024.

Subsequent events

On 4 July 2023 the Group announced the subscription and placing of 47,528,517 new ordinary shares of 10 pence each in the Company by existing shareholders at a price of 50 pence raising gross proceeds of $30.0m. The proceeds are being used to provide growth working capital. The settlement of the shares occurred on 25 July 2023 following a general meeting of the shareholders to approve the resolution to increase the share capital on 24 July 2023.

On 25 July 2023 the Group announced that the AIM suspension had been lifted.

On 26 July 2023 the Group announced that Stephen Kelly and Ijoma Maluza had joined the Board as Chief Executive Officer and Chief Financial Officer respectively having previously served in interim roles. In addition, Xenia Walters joined the Board as a Non-Executive Director and Chair of the Audit and Risk Committee, and that Chris Baker had also joined the Board as a Non-Executive Director and Chair of the Remuneration Committee. Karl Monaghan, Non-Executive Director and Chair of the Audit and Risk Committee and Yeturu Aahlad, Chief Scientist, have stepped down from the Board. The Company also announced that it had started the process for identifying a permanent Chair of the Board.

On 30 August 2023 the Annual General Meeting approved the change in Company name to Cirata PLC.

Consolidated statement of profit or loss and other comprehensive income

For the six months ended 30 June 2023

	Note	Six months ended 30 June 2023 (Unaudited) $'000	Six months ended 30 June 2022 As restated (Unaudited) $'000	Year ended 31 December 2022 (Audited) $'000
Revenue	3	**2,992**	5,823	9,685
Cost of sales		**(277)**	(451)	(695)
Gross profit		**2,715**	5,372	8,990
Operating expenses	4	**(21,477)**	(22,548)	(47,926)
Impairment loss		**-**	-	(2,151)
Operating loss	4	**(18,762)**	(17,176)	(41,087)
Finance income	5	**122**	10,267	11,423
Finance costs	5	**(3,892)**	(62)	(110)
Net finance (costs)/income	5	**(3,770)**	10,205	11,313
Loss before tax		**(22,532)**	(6,971)	(29,774)
Income tax		**(3)**	6	169
Loss for the period		**(22,535)**	(6,965)	(29,605)
Other comprehensive income/(loss)				
Items that are or may be reclassified subsequently to profit or loss:				
Foreign operations – foreign currency translation differences		**4,193**	(10,363)	(10,821)
Other comprehensive income/(loss) for the period, net of tax		**4,193**	(10,363)	(10,821)
Total comprehensive loss for the period attributable to owners of the parent		**(18,342)**	(17,328)	(40,426)
Loss per share				
Basic and diluted loss per share	6	**($0.34)**	($0.12)	($0.47)

The notes form an integral part of these condensed consolidated interim financial statements.

Consolidated statement of financial position

At 30 June 2023

	Note	**30 June 2023 (Unaudited) $'000**	30 June 2022 As restated (Unaudited) $'000	31 December 2022 (Audited) $'000
Assets				
Property, plant and equipment		**442**	1,706	727
Intangible assets		**-**	2,967	-
Other non-current assets	7	**391**	849	864
Non-current assets		**833**	5,522	1,591
Trade and other receivables	8	**4,275**	5,978	4,900
Cash and cash equivalents		**3,176**	32,745	19,108
Current assets		**7,451**	38,723	24,008
Total assets		**8,284**	44,245	25,599
Equity				
Share capital		**9,546**	9,365	9,524
Share premium		**233,881**	232,572	232,861
Translation reserve		**(9,380)**	(13,115)	(13,573)
Merger reserve		**1,247**	1,247	1,247
Retained earnings		**(235,264)**	(193,091)	(213,496)
Total equity		**30**	36,978	16,563
Liabilities				
Loans and borrowings	9	**-**	884	119
Deferred income	10	**223**	385	220
Deferred tax liabilities		**3**	3	3
Non-current liabilities		**226**	1,272	342
Current tax liabilities		**9**	11	11
Loans and borrowings	9	**41**	564	420
Trade and other payables		**6,304**	4,235	6,225
Deferred income	10	**1,674**	1,185	2,038
Current liabilities		**8,028**	5,995	8,694
Total liabilities		**8,254**	7,267	9,036
Total equity and liabilities		**8,284**	44,245	25,599

The notes form an integral part of these condensed consolidated interim financial statements.

Consolidated statement of changes in equity

For the six months ended 30 June 2023

Six months ended 30 June 2023 (Unaudited)	Share capital $'000	Share premium $'000	Translation reserve $'000	Merger reserve $'000	Retained earnings $'000	Total equity $'000
	Attributable to owners of the Company					
Balance at 1 January 2023	9,524	232,861	(13,573)	1,247	(213,496)	16,563
Total comprehensive (loss)/income for the period						
Loss for the period	-	-	-	-	(22,535)	(22,535)
Other comprehensive income for the period	-	-	4,193	-	-	4,193
Total comprehensive income/(loss) for the period	-	-	4,193	-	(22,535)	(18,342)
Transactions with owners of the Company						
Contributions and distributions						
Equity-settled share-based payment	-	-	-	-	767	767
Share options exercised	22	1,020	-	-	-	1,042
Proceeds from share placing	-	-	-	-	-	-
Total transactions with owners of the Company	22	1,020	-	-	767	1,809
Balance at 30 June 2023	9,546	233,881	(9,380)	1,247	(235,264)	30

Six months ended 30 June 2022 (Unaudited) – As restated	Share capital $'000	Share premium $'000	Translation reserve $'000	Merger reserve $'000	Retained earnings $'000	Total equity $'000
Balance at 1 January 2022	8,608	213,762	(2,752)	1,247	(186,442)	34,423
Total comprehensive (loss)/income for the period						
Loss for the period	-	-	-	-	(6,965)	(6,965)
Other comprehensive loss for the period	-	-	(10,363)	-	-	(10,363)
Total comprehensive (loss)/income for the period	-	-	(10,363)	-	(6,965)	(17,328)
Transactions with owners of the Company						
Contributions and distributions						
Equity-settled share-based payment	-	-	-	-	316	316
Share options exercised	29	3				32
Proceeds from share placing	728	18,807	-	-	-	19,535
Total transactions with owners of the Company	757	18,810	-	-	316	19,883
Balance at 30 June 2022	9,365	232,572	(13,115)	1,247	(193,091)	36,978

The notes form an integral part of these condensed consolidated interim financial statements.

Consolidated statement of cash flows

For the six months ended 30 June 2023

	Note	Six months ended 30 June 2023 (Unaudited) $'000	Six months ended 30 June 2022 As restated (Unaudited) $'000	Year ended 31 December 2022 (Audited) $'000
Cash flows from operating activities				
Loss for the period		**(22,535)**	**(6,965)**	(29,605)
Adjustments for:				
- Depreciation of property, plant and equipment		**375**	**456**	870
- Amortisation of intangible assets		**-**	**2,285**	3,903
- Impairment of right of use asset		**-**	**-**	69
- Impairment of intangible assets		**-**	**-**	1,349
- Net finance costs (excluding foreign exchange)		**(122)**	**(8)**	(20)
- Income tax		**3**	**(6)**	(169)
- Unrealised foreign exchange		**4,182**	**(9,921)**	(10,383)
- Equity-settled share-based payment	11	**767**	**316**	2,551
		(17,330)	**(13,843)**	(31,435)
Changes in:				
- Trade and other receivables		**798**	**(1,235)**	43
- Trade and other payables		**163**	**286**	2,288
- Deferred income		**(361)**	**(185)**	503
Net working capital change		**600**	**(1,134)**	2,834
Cash used in operating activities		**(16,730)**	**(14,977)**	(28,601)
Interest paid		**(2)**	**(62)**	(110)
Income tax received		**680**	**1,354**	1,216
Net cash used in operating activities		**(16,052)**	**(13,685)**	(27,495)
Cash flows from investing activities				
Interest received		**2**	**1**	48
Acquisition of property, plant and equipment		**(90)**	**(72)**	(206)
Development expenditure		**-**	**-**	-
Net cash used in investing activities		**(88)**	**(71)**	(158)
Cash flows from financing activities				
Proceeds from issue of share capital		**1,042**	**19,679**	20,307
Share issue costs		**-**	**(112)**	(292)
Payment of lease liabilities		**(499)**	**(364)**	(532)
Net cash from financing activities		**543**	**19,203**	19,483
Net (decrease)/increase in cash and cash equivalents		**(15,597)**	**5,447**	(8,170)
Cash and cash equivalents at 1 January		**19,108**	**27,759**	27,759
Effect of movements in exchange rates on cash held		**(335)**	**(461)**	(481)
Cash and cash equivalents at the end of the period		**3,176**	**32,745**	19,108

The notes form an integral part of these condensed consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

For the six months ended 30 June 2023

1. Reporting entity

WANdisco plc (the "Company") is a public limited company incorporated and domiciled in Jersey. The Company's ordinary shares are traded on AIM. These condensed consolidated interim financial statements ("Interim financial statements") as at and for the six months ended 30 June 2023 comprise the Company and its subsidiaries (together referred to as the "Group"). The Group is primarily involved in the development and provision of global collaboration software.

2. Basis of preparation

a Basis of accounting

These interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2022 ("last annual financial statements"). They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

These interim financial statements were authorised for issue by the Company's board of directors on 10 September 2023.

b Going concern

These interim financial statements have been prepared on a going concern basis.

As at 30 June 2023 the Group had net assets of $nil (31 December 2022: $16.6m), including cash of $3.2m (31 December 2022: $19.1m) as set out in the interim consolidated statement of financial position. In the six months ended 30 June 2023, the Group incurred a loss before tax of $22.5m (H1 2022: $7.0m) and net cash outflows before financing of $16.1m (H1 2022: $13.8m).

Revenue for H1 2023 was $3.0m (H1 2022: $5.8m), with an operating loss of $18.8m (H1 2022: $17.2m), mainly due to reduced revenue and increased operating expenses.

The Directors have prepared a detailed budget and forecast of the Group's expected performance over a period covering at least the next twelve months from the date of the approval of these unaudited interim financial statements. Whilst the Directors are confident in the Group's ability to grow revenue, the Board's sensitivity modelling (which considered the impact of Brexit, recession risks and the conflict in Ukraine) shows that the Group can remain within its cash resources in the event that revenue growth is delayed (i.e. bookings are reduced to a level of $5m per annum) for a period in excess of twelve months. The Directors' financial forecasts and operational planning and modelling also include the actions, under the control of the Group, that they could take to further significantly reduce the cost base during the coming year in the event that longer-term revenues were set to remain consistent with the level reported in 2022. On the basis of this financial and operational modelling, the Directors believe that the Group has the capability and the operational agility to react quickly, cut further costs from the business and ensure that the cost base of the business is aligned with its revenue and funding scale. As well as modelling the realisation of the sales pipeline a number of sensitivities have been applied to the forecast in order for the Board to satisfy itself that the Group remains within its current cash facilities. The cash flow model includes the injection of $30.0m cash which was announced following the half year end on 4 July 2023.

The Directors have a reasonable expectation that the Group can continue to operate within its existing facilities and be able to meet its commitments and discharge its liabilities in the normal course of business for a period of not less than twelve months from the date of approval of these interim financial statements. Accordingly, they continue to adopt the going concern basis in preparing the Group financial statements.

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c Functional and presentational currency

The interim consolidated financial statements are presented in US dollars, as the revenue for the Group is predominately derived in this currency. Billings to the Group's customers during the period by WANdisco, Inc. were all in US dollars with certain costs being incurred by WANdisco International Limited in sterling and WANdisco, Pty Ltd in Australian dollars. All financial information has been rounded to the nearest thousand US dollars unless otherwise stated.

d Alternative performance measures

The Group uses several alternative performance measures ("APMs") which are non-IFRS measures to monitor the performance of its operations. The Group believes these APMs provide useful historical financial information to help investors and other stakeholders evaluate the performance of the business and are measures commonly used by certain investors for evaluating the performance of the Group. In particular, the Group uses APMs which reflect the underlying performance on the basis that this provides a more relevant focus on the core business performance of the Group and aligns with our KPIs. Adjusted results exclude certain items because if included, these items could distort the understanding of our performance for the period and the comparability between periods. The Group has been using the following APMs on a consistent basis and they are defined and reconciled as follows:

2. Basis of preparation (continued)

d Alternative performance measures (continued)

- Cash overheads: Operating expenses adjusted for: advisor costs relating to the investigation into the Irregularities and fund raising, depreciation, amortisation, capitalisation of development expenditure and equity-settled share-based payment. See Note 4 for a reconciliation.
- Adjusted EBITDA: Operating loss adjusted for: advisor costs relating to the investigation into the Irregularities and fund raising, impairment loss, depreciation, amortisation and equity-settled share-based payment. See Note 4 for a reconciliation.

e Use of judgements and estimates

In preparing these Interim financial statements, Management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

3. Revenue and segmental analysis

a Operating segments

The Directors consider there to be one operating segment, being that of development and sale of licences for software and related maintenance and support.

b Geographical segments

The Group recognises revenue in three geographical regions based on the location of customers, as set out in the following table:

Revenue	**Six months ended 30 June 2023 (Unaudited) $'000**	Six months ended 30 June 2022 (Unaudited) $'000	Year ended 31 December 2022 (Audited) $'000
North America	**1,658**	2,909	5,504
Europe	**985**	1,201	2,088
Rest of the world – China	**230**	1,683	1,894
Rest of the world - Other	**119**	30	199
	2,992	5,823	9,685

Management makes no allocation of costs, assets or liabilities between these segments since all trading activities are operated as a single business unit.

c Major products

The Group's core patented technology, DConE, enables the replication of data. This core technology is contained in the vast majority of the Group's products.

d Major customers

	Six months ended 30 June 2023 (Unaudited) % of revenue	**Six months ended 30 June 2023 (Unaudited) Revenue $'000**	Six months ended 30 June 2022 (Unaudited) % of revenue	Six months ended 30 June 2022 (Unaudited) Revenue $'000	Year ended 31 December 2022 (Audited) % of revenue	Year ended 31 December 2022 (Audited) Revenue $'000
Customer 1	**20%**	**603**	-	16	5%	505
Customer 2	**12%**	**358**	-	5	-	11
Customer 3	**3%**	**83**	15%	881	10%	926
Customer 4	**1%**	**39**	14%	842	9%	871
Customer 5	**4%**	**107**	11%	667	8%	777

No other single customers contributed 10% or more to the Group's revenue (2022: $nil).

3. Revenue and segmental analysis (continued)

e Split of revenue by timing of revenue recognition

Revenue	Six months ended 30 June 2023 (Unaudited) $'000	Six months ended 30 June 2022 (Unaudited) $'000	Year ended 31 December 2022 (Audited) $'000
Licences and services transferred at a point in time	**1,821**	**4,726**	7,466
Maintenance and support services transferred over time	**1,171**	**1,097**	2,219
	2,992	**5,823**	9,685

f Contract balances

The following table provides information about receivables, contract assets and liabilities from contracts with customers.

	Six months ended 30 June 2023 (Unaudited) $'000	Six months ended 30 June 2022 As restated (Unaudited) $'000	Year ended 31 December 2022 (Audited) $'000
Receivables, which are included in "Other non-current assets - accrued income"	**381**	818	843
Receivables, which are included in "Trade and other receivables – accrued income"	**774**	762	843
Contract liabilities, which are included in "Deferred income - non-current"	**(223)**	(385)	(220)
Contract liabilities, which are included in "Deferred income – current "	**(1,674)**	(1,185)	(2,038)

4. Cash overheads and Adjusted EBITDA

a Reconciliation of operating expenses to "Cash overheads":	Note	Six months ended 30 June 2023 (Unaudited) $'000	Six months ended 30 June 2022 As restated (Unaudited) $'000	Year ended 31 December 2022 (Audited) $'000
Operating expenses		**(21,477)**	(22,548)	(47,926)
Adjusted for:				
Advisor costs		**2,781**	-	-
Amortisation and depreciation		**376**	2,741	4,773
Equity-settled share-based payment	11	**767**	316	2,551
Development expenditure capitalised		**-**	-	-
Cash overheads		**(17,553)**	(19,491)	(40,602)

b Reconciliation of operating loss to "Adjusted EBITDA":	Note	Six months ended 30 June 2023 (Unaudited) $'000	Six months ended 30 June 2022 As restated (Unaudited) $'000	Year ended 31 December 2022 (Audited) $'000
Operating loss		**(18,762)**	(17,176)	(41,087)
Adjusted for:				
Advisor costs		**2,781**	-	-
Impairment loss		**-**	-	2,151
Amortisation and depreciation		**376**	2,741	4,773

Equity-settled share-based payment	**11**	**767**	316	2,551
Adjusted EBITDA		**(14,838)**	(14,119)	(31,612)

5. Net finance (costs)/income

	Six months ended 30 June 2023 (Unaudited) $'000	Six months ended 30 June 2022 (Unaudited) $'000	Year ended 31 December 2022 (Audited) $'000
Interest income on cash and cash equivalents	**2**	**1**	48
Interest income on non-current assets	**120**	**69**	82
Net foreign exchange gain	**-**	**10,197**	11,293
Finance income	**122**	**10,267**	11,423
Net foreign exchange loss	**(3,892)**	**-**	-
Interest payable on bank borrowings	**-**	**-**	(5)
Finance charges	**-**	**(2)**	-
Leases (interest portion)	**-**	**(60)**	(105)
Loan amortisation costs	**-**	**-**	-
Finance costs	**(3,892)**	**(62)**	(110)
Net finance (costs)/income	**(3,770)**	**10,205**	11,313

The net foreign exchange loss (2022: gain, H1 2022: gain) arose on sterling-denominated intercompany balances in a US dollar denominated subsidiary. These balances were retranslated at the closing exchange rate at 30 June 2023, which was 1.266, a 5% increase compared to the rate of 1.21 at 31 December 2022. The loss on intercompany balances in the Consolidated statement of profit or loss is offset by an equivalent exchange gain (2022: loss, H1 2022: loss) on the retranslation of the intercompany balances, which is included in the retranslation of net assets of foreign operations, included in the other comprehensive income.

6. Loss per share

a Basic loss per share

The calculation of basic loss per share has been based on the following loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding:

	Six months ended 30 June 2023 (Unaudited) $'000	Six months ended 30 June 2022 As restated (Unaudited) $'000	Year ended 31 December 2022 (Audited) $'000
Loss for the period attributable to ordinary shareholders	**22,535**	6,965	29,605

Weighted average number of ordinary shares	**Number of shares '000s**	Number of shares '000s	Number of shares '000s
Issued ordinary shares at 1 January	**67,015**	59,612	59,612
Effect of shares issued in the period	**162**	658	3,850
Weighted average number of ordinary shares during the period	**67,177**	60,270	63,462

Basic loss per share	**$0.34**	$0.12	$0.47

6. Loss per share (continued)

b Adjusted loss per share

Adjusted loss per share is calculated based on the loss attributable to ordinary shareholders before net foreign exchange (loss)/gain, advisor costs relating to the investigation into the Irregularities and fund raising, and the cost of equity-settled share-based payment, and the weighted average number of ordinary shares outstanding:

Adjusted loss for the period:	Note	**Six months ended 30 June 2023 (Unaudited) $'000**	Six months ended 30 June 2022 As restated (Unaudited) $'000	Year ended 31 December 2022 (Audited) $'000
Loss for the period attributable to ordinary shareholders		**22,535**	6,965	29,605
Adjusted for:				
Advisor costs		**(2,781)**	-	-
Impairment loss		**-**	-	(2,151)
Net foreign exchange (loss)/gain		**(3,892)**	10,197	11,293
Equity-settled share-based payment	11	**(767)**	(316)	(2,551)
Adjusted loss for the period		**15.095**	16,846	36,196
Adjusted loss per share		**$0.22**	$0.28	$0.57

c Diluted loss per share

Due to the Group having losses in all years presented, the fully diluted loss per share for disclosure purposes, as shown in the Consolidated statement of profit or loss and other comprehensive income, is the same as for the basic loss per share.

7. Other non-current assets

Due in more than a year:	**30 June 2023 (Unaudited) $'000**	30 June 2022 As restated (Unaudited) $'000	31 December 2022 (Audited) $'000
Other receivables	**10**	31	21
Accrued income	**381**	818	843
Total other non-current assets	**391**	849	864

8. Trade and other receivables

Due within a year:	30 June 2023 (Unaudited) $'000	30 June 2022 As restated (Unaudited) $'000	31 December 2022 (Audited) $'000
Trade receivables	**1,046**	2,947	1,038
Other receivables	**650**	159	689
Accrued income	**774**	762	843
Corporation tax	**736**	1,166	1,371
Prepayments	**1,069**	944	959
Total trade and other receivables	**4,275**	5,978	4,900

9. Loans and borrowings

	30 June 2023 (Unaudited) $'000	30 June 2022 (Unaudited) $'000	31 December 2022 (Audited) $'000
Non-current lease liabilities	**-**	884	119
Current lease liabilities	**41**	564	420
Total loans and borrowings	**41**	1,448	539

10. Deferred income

Deferred income represents contracted sales for which services to customers will be provided in future periods.

Deferred income which falls due:	30 June 2023 (Unaudited) $'000	30 June 2022 As restated (Unaudited) $'000	31 December 2022 (Audited) $'000
Within a year	**1,674**	1,185	2,038
In more than a year	**223**	385	220
Total deferred income	**1,897**	1,570	2,258

11. Share-based payment

The Group operates share option plans for employees of the Group. Options in the plans are settled in equity in the Company and are normally subject to a vesting schedule but not conditional on any performance criteria being achieved.

The terms and conditions of the share option grants are detailed in the Group annual financial statements for the year ended 31 December 2022.

a Expense recognised in profit or loss

	Six months ended 30 June 2023 (Unaudited) $'000	Six months ended 30 June 2022 (Unaudited) $'000	Year ended 31 December 2022 (Audited) $'000
Total equity-settled share-based payment charge	**767**	316	2,551

b Summary of share options outstanding

Number of share options outstanding:	**Six months ended 30 June 2023 (Unaudited) Number**	Six months ended 30 June 2022 (Unaudited) Number	Year ended 31 December 2022 (Audited) Number
Outstanding at the start of the period	**5,449,095**	3,834,400	3,834,400
Granted	**343,347**	-	(344,852)
Forfeited	**(2,052,711)**	(100,711)	(1,544,523)
Exercised	**(181,887)**	(365,058)	3,504,070
Outstanding at the end of the period	**3,557,844**	3,368,631	5,449,095
Exercisable at the end of the period	**2,122,687**	3,299,367	2,269,063
Vested at the end of the period	**2,122,687**	3,299,367	2,269,063

12. Contingent liabilities

The Group has a contingent liability at 30 June 2023 whereby an additional $241,794 was due to be paid under certain conditions that were subject to post year end outcomes (30 June 2022: none, 31 December 2022: $362,691).

13. Subsequent events

On 4 July 2023 the Group announced the subscription and placing of 47,528,517 new ordinary shares of 10 pence each in the Company by existing shareholders at a price of 50 pence raising gross proceeds of $30.0m. The proceeds are being used to provide growth working capital. The settlement of the shares occurred on 25 July 2023 following a general meeting of the shareholders to approve the resolution to increase the share capital on 24 July 2023.

On 25 July 2023 the Group announced that the AIM suspension had been lifted.