



RESEARCH SOLUTIONS

Research Solutions, Inc. (NASDAQ:RSSS) www.researchsolutions.com

Includes Non-GAAP Financial Data

	FY2022				FY2023		Trailing Twelve Months	
	Q1 9/30/2021	Q2 12/31/2021	Q3 3/31/2022	Q4 6/30/2022	Q1 9/30/2022	Q2 12/31/2022	TTM 12/31/2021	TTM 12/31/2022
Platforms								
Revenue	\$ 1,509,874	\$ 1,604,829	\$ 1,786,224	\$ 1,886,845	\$ 2,019,967	\$ 2,110,272	\$ 5,888,045	\$ 7,803,308
% y/y	32.2%	31.5%	32.9%	32.0%	33.8%	31.5%	32.4%	32.5%
% q/q	5.6%	6.3%	11.3%	5.6%	7.1%	4.5%	n/a	n/a
Gross margin	\$ 1,264,218	\$ 1,373,161	\$ 1,567,173	\$ 1,646,631	\$ 1,789,494	\$ 1,857,199	\$ 4,919,705	\$ 6,860,497
% of revenue	83.7%	85.6%	87.7%	87.3%	88.6%	88.0%	83.6%	87.9%
ARR (Annual recurring revenue) ¹	\$ 6,282,927	\$ 6,848,613	\$ 7,348,847	\$ 7,922,188	\$ 8,331,770	\$ 8,776,977	\$ 6,848,613	\$ 8,776,977
% y/y	32.5%	36.4%	32.3%	34.7%	32.6%	28.2%	36.4%	28.2%
% q/q	6.8%	9.0%	7.3%	7.8%	5.2%	5.3%	n/a	n/a
Deployments	590	646	680	733	756	790	646	790
% y/y	36.6%	40.1%	32.8%	32.5%	28.1%	22.3%	40.1%	22.3%
% q/q	6.7%	9.5%	5.3%	7.8%	3.1%	4.5%	n/a	n/a
ASP (Average sales price)	\$ 10,649	\$ 10,602	\$ 10,807	\$ 10,808	\$ 11,021	\$ 11,110	\$ 10,602	\$ 11,110
Transactions								
Revenue	\$ 6,232,630	\$ 6,267,458	\$ 6,971,128	\$ 6,675,164	\$ 6,664,676	\$ 6,606,394	\$ 26,284,931	\$ 26,917,362
% y/y	-5.7%	0.6%	-0.4%	-1.7%	6.9%	5.4%	-1.5%	2.4%
Gross margin	\$ 1,396,157	\$ 1,464,499	\$ 1,671,324	\$ 1,636,511	\$ 1,559,754	\$ 1,546,628	\$ 6,023,185	\$ 6,414,217
% of revenue	22.4%	23.4%	24.0%	24.5%	23.4%	23.4%	22.9%	23.8%
Corporate customers	853	867	904	920	922	921	852	917
% y/y	6.0%	7.2%	7.5%	8.9%	8.1%	6.2%	4.3%	7.7%
Academic customers	300	312	289	293	298	302	292	296
% y/y	5.3%	4.0%	8.2%	2.1%	-0.7%	-3.2%	2.8%	1.4%
Total customers ²	1,153	1,179	1,193	1,213	1,220	1,223	1,143	1,212
% y/y	5.8%	6.3%	7.7%	7.2%	5.8%	3.7%	3.9%	6.1%
Company Total								
Revenue	\$ 7,742,504	\$ 7,872,287	\$ 8,757,352	\$ 8,562,009	\$ 8,684,643	\$ 8,716,666	\$ 32,172,976	\$ 34,720,670
% y/y	-0.1%	5.7%	5.0%	4.2%	12.2%	10.7%	3.3%	7.9%
Gross margin	2,660,375	2,837,660	3,238,497	3,283,142	3,349,248	3,403,827	10,942,890	13,274,714
% of revenue	34.4%	36.0%	37.0%	38.3%	38.6%	39.0%	34.0%	38.2%
Sales and marketing	522,951	518,357	543,496	691,368	521,216	666,608	\$ 2,129,241	\$ 2,422,688
% of revenue	6.8%	6.6%	6.2%	8.1%	6.0%	7.6%	6.6%	7.0%
Technology and product development	821,460	868,236	971,959	1,049,430	875,290	922,132	\$ 3,086,262	\$ 3,818,811
% of revenue	10.6%	11.0%	11.1%	12.3%	10.1%	10.6%	9.6%	11.0%
General and administrative	1,497,223	1,616,135	1,629,371	1,663,671	1,519,424	1,613,664	\$ 5,701,205	\$ 6,426,130
% of revenue	19.3%	20.5%	18.6%	19.4%	17.5%	18.5%	17.7%	18.5%
Depreciation and amortization	2,896	4,260	4,988	5,507	5,812	6,342	\$ 11,916	\$ 22,649
Stock-based compensation	171,110	300,539	399,234	225,501	175,361	608,703	872,583	1,408,799
Foreign currency translation loss (gain)	11,243	11,982	29,394	91,279	72,516	(84,179)	28,983	109,010
Total operating expenses	3,026,883	3,319,509	3,578,442	3,726,756	3,169,619	3,733,270	11,830,190	14,208,087
% of revenue	39.1%	42.2%	40.9%	43.5%	36.5%	42.8%	36.8%	40.9%
Other income (expenses) and income taxes	(5,494)	264	(585)	5,347	34,936	73,913	(5,416)	113,611
Income (loss) from continuing operations	(372,002)	(481,585)	(340,529)	(438,267)	214,565	(255,530)	(892,716)	(819,761)
% of revenue	-4.8%	-6.1%	-3.9%	-5.1%	2.5%	-2.9%	-2.8%	-2.4%
Income from discontinued operations	-	-	-	-	-	-	-	-
Gain on sale of discontinued operations	-	-	-	-	-	-	-	-
Net income (loss)	\$ (372,002)	\$ (481,585)	\$ (340,529)	\$ (438,267)	\$ 214,565	\$ (255,530)	\$ (892,716)	\$ (819,761)
% of revenue	-4.8%	-6.1%	-3.9%	-5.1%	2.5%	-2.9%	-2.8%	-2.4%
Adjusted EBITDA Reconciliation								
Net income (loss)	\$ (372,002)	\$ (481,585)	\$ (340,529)	\$ (438,267)	\$ 214,565	\$ (255,530)	\$ (892,716)	\$ (819,761)
Depreciation and amortization	2,896	4,260	4,988	5,507	5,812	6,342	11,916	22,649
Stock-based compensation	171,110	300,539	399,234	225,501	175,361	608,703	872,583	1,408,799
Foreign currency translation	11,243	11,982	29,394	91,279	72,516	(84,179)	28,983	109,010
Other income (expenses) and income taxes	5,494	(264)	585	(5,347)	(34,936)	(73,913)	5,416	(113,611)
Income from discontinued operations	-	-	-	-	-	-	-	-
Gain on sale of discontinued operations	-	-	-	-	-	-	-	-
Adjusted EBITDA ³	\$ (181,259)	\$ (165,068)	\$ 93,672	\$ (121,327)	\$ 433,318	\$ 201,423	\$ 26,182	\$ 607,086
% of revenue	-2.3%	-2.1%	1.1%	-1.4%	5.0%	2.3%	0.1%	1.7%

¹ Annual Recurring Revenue (Non-GAAP Measure) - the value of contracted platform subscription recurring revenue normalized to a one year period.

² Customers - the sum of the total quantity of customers per month for each month in the period, divided by the respective number of months in the period. The quantity of customers per month is defined as customers with at least one transaction during the month.

³ Adjusted EBITDA (Non-GAAP Measure) - defined as net income (loss), plus interest expense, other income (expense), foreign currency transaction loss, provision for income taxes, depreciation and amortization, stock-based compensation, income and gain on sale of discontinued operations, and other potential adjustments that may arise.