

25 October 2018

Eckoh plc

("Eckoh" or the "Group")

H1 2019 trading update

Strong progress in both US and UK Orders

Eckoh (AIM: ECK), the global provider of secure payment products and customer contact solutions, today issues a trading update for the six months ended 30 September 2018.

The Board is pleased to announce that trading in the period was in line with market expectations and the Group continues to see excellent momentum in US Secure Payments, including the Company's largest ever secure payments contract win. As previously announced, this two-year contract, to provide secure payment solutions to one of the largest corporations in the United States, was worth \$7.4m. Consequently, Eckoh has already exceeded in H1 2019 the total contract value ("TCV") of \$9.3m for US Secure Payments it achieved in FY 2018 as a whole. Predicting the precise timing of when these large enterprise contracts will be signed remains challenging, but the Board is pleased with the level of TCV achieved in the first half.

Eckoh provided early visibility as to the impact IFRS 15 would have on the business in the short term and, as expected, it is the Group's US business that has been most affected by this change in accounting policy. All of the US payments contracts the Group has won in H1 2019 have been for our lead tokenisation solution. In accordance with IFRS 15, revenue from these new contracts will be spread evenly over future periods, underpinning the Group's quality of earnings and increasing revenue visibility going forward.

In the UK, we have seen excellent progress in contract wins after a period of transition in the prior year. The renewed momentum in our restructured UK sales function and a focus on larger strategic accounts are bearing fruit, returning us to the expected levels of new business. Indeed, as in the US, the TCV of new contracts won in H1 2019 has exceeded the total won in FY 2018, clearly illustrating the positive impact the changes have delivered. We have also, as expected, seen stronger performance from key channel partners such as BT and Capita. The contract win with Capita previously announced, was Eckoh's fifth significant contract won through the channel since the partnership was created in 2013, worth a minimum of £1.4m over a three-and-a-half-year period.

The Group's financial position remains robust with net cash of £3.4m at 30 September 2018 (H1 2018: net cash of £1.7m).

The Group will report its results for the six months ended 30 September 2018 on Tuesday, 20 November 2018.

- Ends -

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About Eckoh plc

Eckoh is a global provider of secure payment products and customer contact solutions, supporting an international client base from its offices in the UK and US.

Our secure payments products, which include the patented CallGuard, can be hosted in the cloud or deployed on the client's site and remove sensitive personal and payment data from contact centres and IT environments. The products offer merchants a simple and effective way to reduce the risk of fraud, secure sensitive data and become compliant with the Payment Card Industry Data Security Standards ("PCI DSS") and wider data security regulations. Eckoh has been a PCI DSS Level One accredited Service Provider since 2010, processing over £1.5 billion in card payments annually.

Eckoh's customer contact solutions enable inquiries and transactions to be performed on whatever device the customer chooses, allowing organizations to increase efficiency, lower operational costs and provide a true Omni-Channel experience. We also assist organisations in transforming the way that they engage with their customers by providing support and transition services as they implement our innovative customer contact solutions.

Our large portfolio of clients come from a broad range of vertical markets and includes government departments, telecoms, retailers, utilities, travel, transport, hospitality and financial services organisations.

More information at www.eckoh.com