

1 November 2022



Eckoh plc

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

Half year trading update

- *Trading in line with market expectations*
- *Strong double-digit revenue, profit, and order growth*
- *New security solutions proposition will broaden target market and increase client value*

Eckoh plc (AIM:ECK), the global provider of Customer Engagement Security Solutions, announces a trading update for the six months ended 30 September 2022. All commentary relates to this period, unless otherwise stated.

Trading update

The Group performed strongly in the first half of the year, in line with the Board's expectations. A highlight was the growth in revenue, which improved by 33% to £19.6m. The progress in revenue growth was also reflected in significantly higher levels of operating profit, which grew by more than 50%, including some benefit from positive currency movement.

Following the acquisition of Syntec and the expected increase in activity coming from a global market, we will now be reporting on UK, US and Rest of World revenues. All these markets grew, but particularly good progress was made in the US market, which increased from \$7.9m to \$10.6m, up 34%, and accounted for a 44% share of total revenue, up from 39%.

As reported in the order update on 6 October, following a challenging period last year, total order levels recovered strongly, increasing by more than 50% to £17.6m. This supports the expectations of future growth and underpins the increasing levels of ARR¹ which had grown by 52% to £27.8m at the end of the period.

Overall, the first half performance reflects the continued progress of Eckoh's strategy to pursue major opportunities for large blue-chip organisations, cross-sell from a broader product suite and continue the trend towards cloud adoption and more international mandates. Eckoh is increasingly focusing on attractive sectors which are suited to its model, technology, and product suite.

Product and market update

As showcased at last month's Capital Markets Day, Eckoh is developing a suite of new security solutions that will help organisations deal with the challenges that are arising from a rapidly changing customer engagement environment. Research shows that the industry shift to remote working over the pandemic is becoming a permanent feature, with 77% of US contact centres still having more than half their agents working remotely². This creates a security challenge for organisations that Eckoh can help solve, and alongside the core voice security products CallGuard and CardEasy, the new product offering already includes Secure Chat and Digital Payments.

With further complementary products set to launch in the coming months the ability for Eckoh to attract new clients, grow client value and aid retention will be further enhanced, and there have been early successes in cross selling multiple products into target accounts.

1. ARR is the annual recurring revenue of all contracts billing at the end of the period. Included within Group ARR is all revenue that is contractually committed and an element of UK revenue that has proven to be repeatable, but not contractually committed.
2. Contact Babel: US Contact Centers 2022-2026 - The State of the Industry & Technology. Published February 2022.
3. Eckoh believes that consensus market expectations for the year ending 31 March 2023 is revenue of £40.25 million and adjusted operating profit of £7.45 million.

Outlook and financial position

There was strong cash generation during the period and Eckoh's balance sheet remains robust with net cash of £4.4m at half year end up from £2.8m at year end.

Despite the ongoing macro-economic uncertainty, the Board expect revenue and profit for FY23 to be significantly higher than FY22. The Group is trading in line with consensus market expectations³, supported by long-term structural growth drivers, increasing Cloud adoption and Eckoh's strengthening product offering.

Notice of interim results date

The Group will report its results for the six months ended 30 September 2022 on 23 November 2022.

This announcement contains inside information for the purposes of Article 7 of Regulation 596/2014.

- Ends -

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About Eckoh plc

Eckoh is a global provider of Customer Engagement Security Solutions, supporting an international client base from its offices in the UK and US.

Our Customer Engagement Security Solutions enable enquiries and transactions to be performed on whatever device the customer chooses, allowing organisations to increase efficiency, lower operational costs and provide a true omnichannel experience.

We help our clients to take payments and transact securely with their customers through all customer engagement channels. The solutions, which are protected by multiple patents, remove sensitive personal and payment data from contact centres and IT environments and are delivered globally through our multiple cloud platforms or can be deployed on the client's site. They offer merchants a

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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, securing over £5 billion in payments annually.

Our large portfolio of clients come from a broad range of vertical markets and includes government departments, telecoms providers, retailers, utility providers and financial services organisations.

For more information go to www.eckoh.com or email MediaResponseUK@eckoh.com.

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