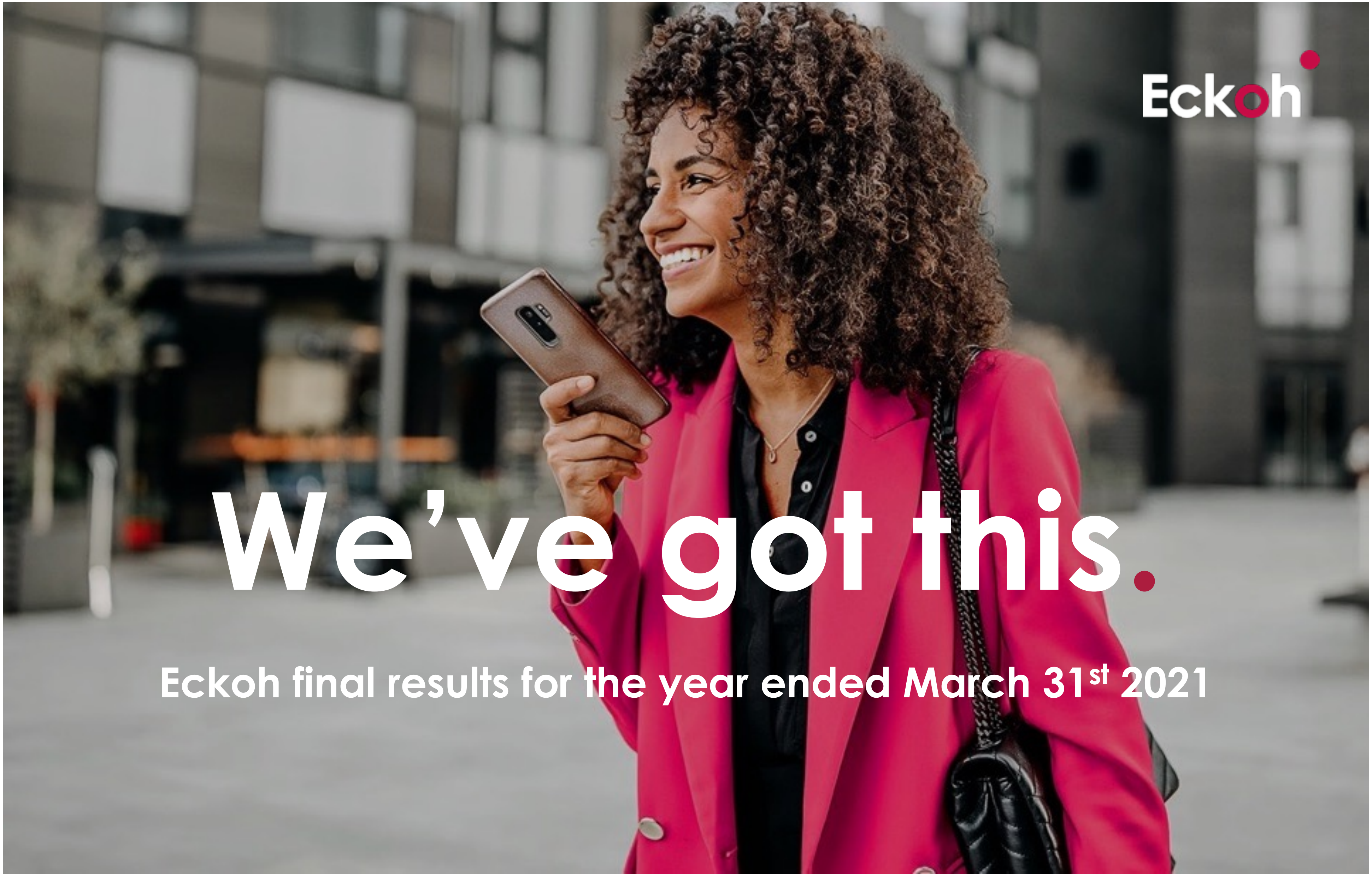
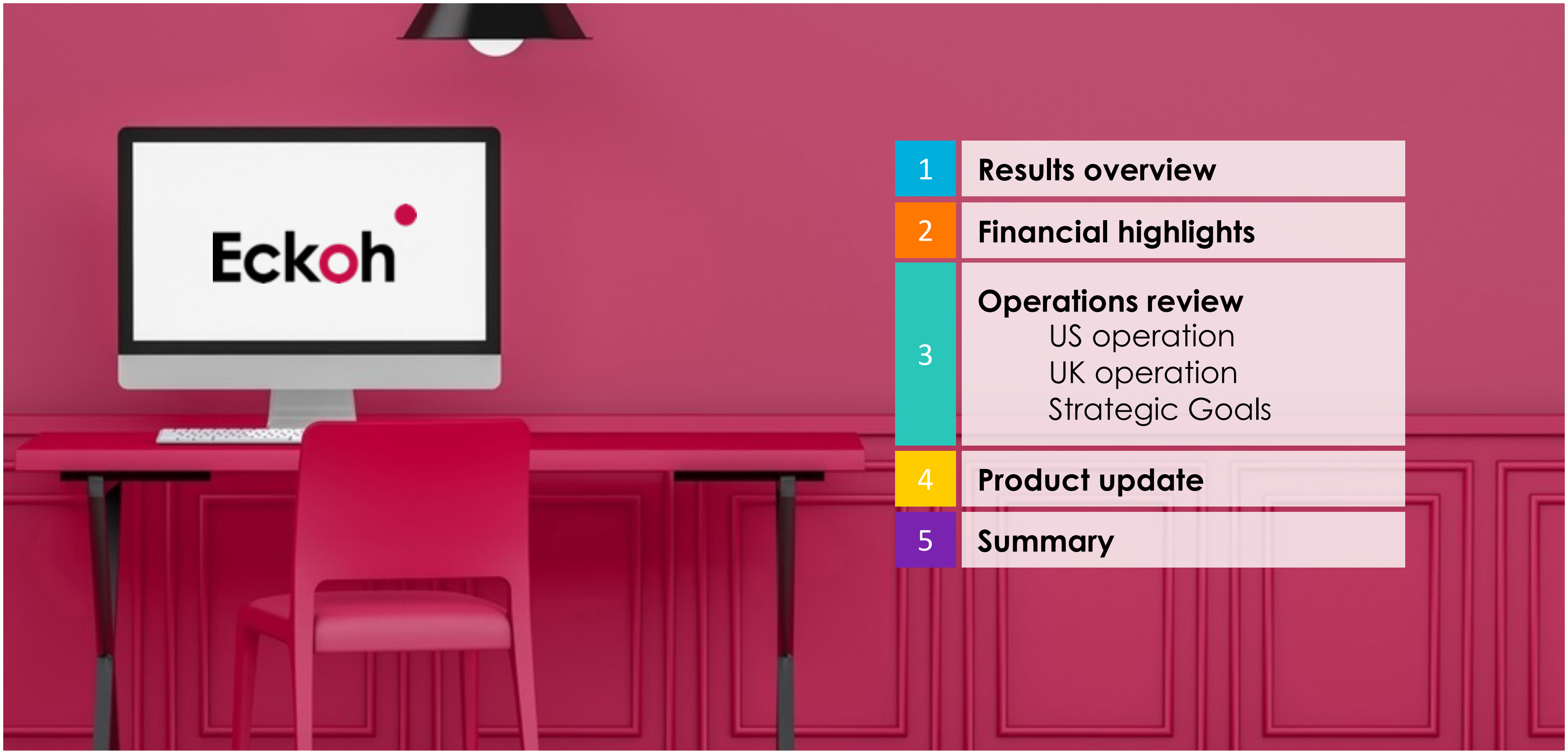

Eckoh
We've got this.
Eckoh final results for the year ended March 31st 2021

Agenda.



Highlights.

- Results in line with market expectations, despite a further unplanned UK lockdown
- Operating profit maintained against a challenging backdrop of the pandemic, a tough Coral comparator, the winddown in US Support and the dollar FX headwinds
- Strong revenue and order momentum in US Secure Payments and a shift to Cloud
- Successful and managed transition away from hardware-based US Support contracts
- Resilient performance in UK, but ongoing impact from lockdown to certain sectors
- Ongoing resilience in current trading with high recurring revenues, substantially underpinned by fixed fees and transactional commitments
- Outlook remains positive post-pandemic with double digit revenue and profit growth set to return in FY23 and a robust balance sheet

Financial Highlights

Revenue
£30.5m
↓ 8% ↓ 7%[1]
(FY20: £33.2m)

Operating profit [2]
£4.7m
→ 0%
(FY20: £4.7m)

Total business [3]
£30.7m
↓ 14%
(FY20: £35.9m)

Excluding Coral license orders in FY21 and FY20

Revenue
£29.8m
↓ 5% 4%
(FY20: £31.5m[4])

Operating profit [2]
£4.4m
↑ 13%
(FY20: £3.9m[4])

Total business [3]
£29.8m
↓ 9%
(FY20: £32.9m[4])

Recurring revenue
£21.7m
↓ 12% 71%
(FY20: £24.8m, 75%)

Deferred revenue
£12.5m
↓ 13%
(FY20: £14.4m)

Net cash
£11.7m
↑ £0.1m
(FY20 : £11.6m)

1. Constant exchange rates (using last year's exchange rates)
2. Excluding expenses relating to share option schemes, amortisation of acquired intangible assets and acquisition costs
3. Contracted business including new business and renewals with existing customers
4. Excluding $3.8m new order, $2.1m revenue related to the Coral contract & £0.8m Operating profit

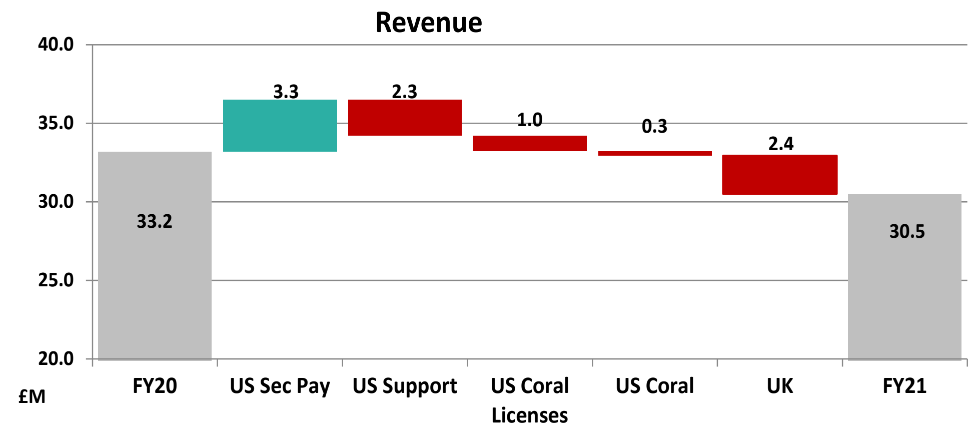
Summary Financials

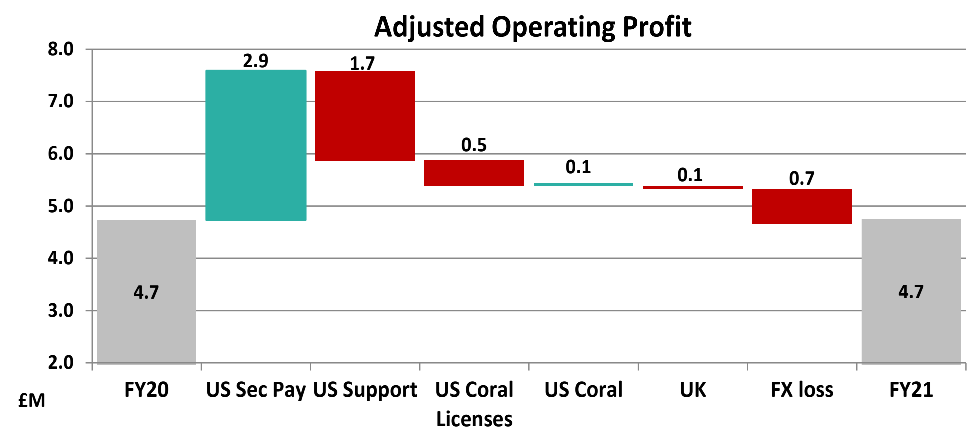
£M	31 Mar 21	31 Mar 20	*Variance*	Excluding Coral license orders: 31 Mar 21[2]	Excluding Coral license orders: 31 Mar 20[1]	Excluding Coral license orders: *Var*
Revenue	**30.5**	**33.2**	***(8%)***	***29.8***	***31.5***	***(5%)***
Gross profit	24.2	26.3	*(8%)*	*23.8*	*25.5*	*(2%)*
Gross profit margin (%)	*79%*	*79%*		*80%*	*81%*	*-1pts*
Adjusted[3] EBITDA	**6.4**	**6.4**	**---**	***6.0***	***5.5***	***+8%***
Adjusted[4] operating profit	4.7	4.7	---	*4.4*	*3.9*	*+13%*
Profit after tax	**2.8**	**3.1**	***(11%)***			
Diluted earnings per share	1.06p	1.20p	*(12%)*			
Change in working capital	(2.3)	1.1				
Cash generated from operating activities	**4.3**	**7.1**				
Cash	**12.7**	**13.5**	***(6%)***			
Net Cash	**11.7**	**11.6**	***+£0.1***			
Total contracted business[5]	**30.7**	**35.9**	***(14%)***			
New contracted business[6]	**15.7**	**18.6**	***(15%)***			
Dividend per share	**0.61p**	**0.61p**	**---**			

1. Excluding $3.8m new order, $2.1m revenue related to the Coral contract & £0.8m Operating profit
2. Excluding $1.0m new licence order, $1.0m revenue related to Coral licences & £0.3m Operating profit
3. & 4. Excluding expenses relating to share option schemes and amortisation of acquired intangible assets
5. Contracted business including new business and renewals with existing customers
6. New contracted business excluding renewals with existing customers

Adjusted Operating Profit and Revenue Bridge

- **Operating profit in line with FY20**
- **US Secure Payments** – strong momentum with 57% year on year growth in revenue and gross profit with limited additional costs
- **US Support** – planned transition from support with a further decline expected in FY22
- **Coral licenses** – net revenue $1.0m non-repeatable Coral licences from prior year
- **US Coral** – underlying level Coral business year on year
- **UK business** – profit maintained despite decline in revenue, due to prudent cost control
- **FX movement** – loss in the year of £0.4m versus a FX gain of £0.3m in prior year



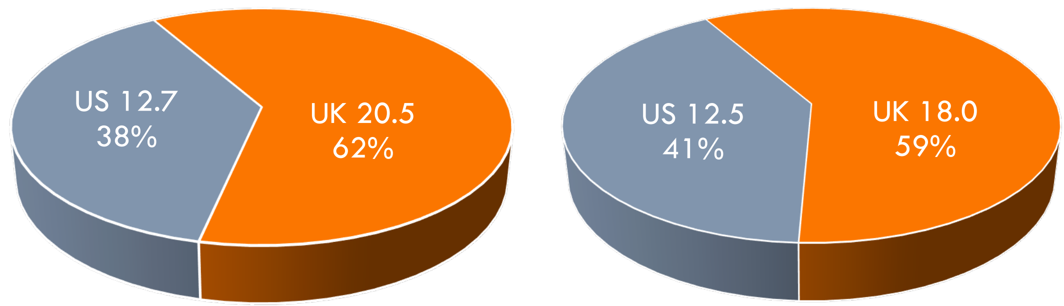


Divisional Trading Analysis

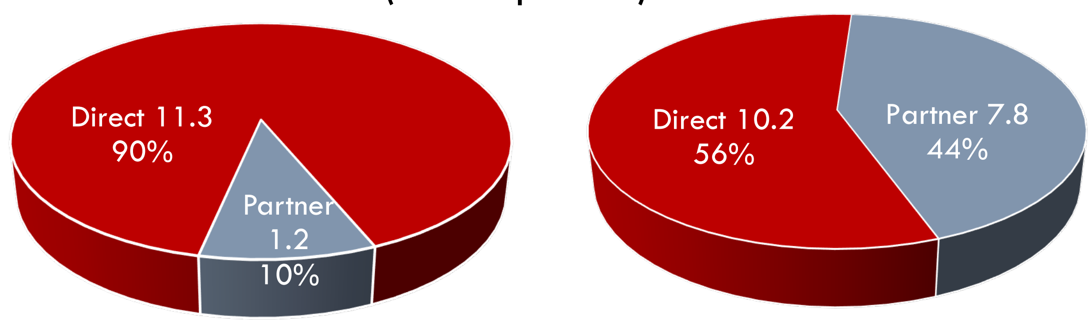
- In line with our strategic goal the US now accounts for 41% of Group revenue
- A resilient UK performance in light of the pandemic and unexpected further lockdown, demonstrating the strength of the recurring revenue model

- In UK, partner share increased (+10%) with BT and Olive deals going live
- US partners increased marginally (+1%), in line with overall US Secure Payments growth, but this share will start to increase at a greater rate this year

FY20 (Revenue £m) FY21



US (Sales split £m) UK

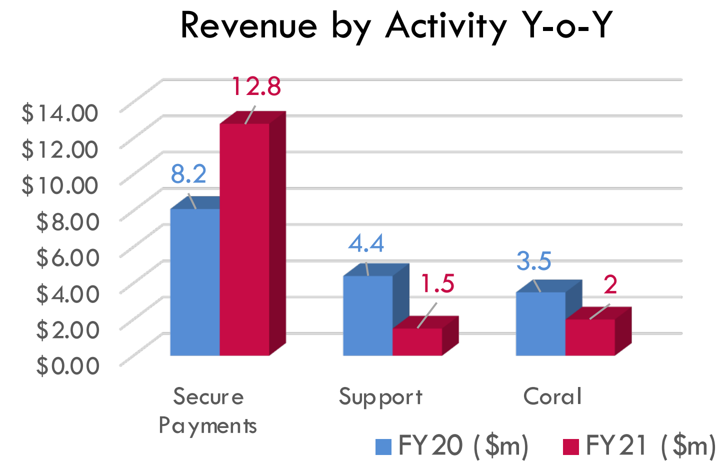


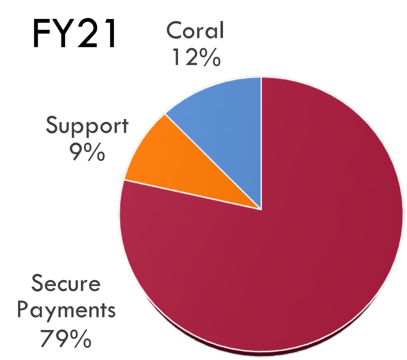
Main Partners: Intrado NICE inContact ribbon

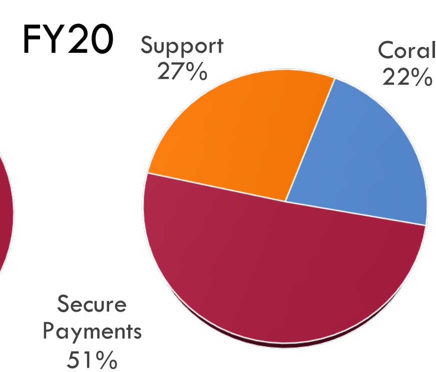
Main Partners: CAPITA BT Teleperformance

US Trading Analysis

- Strong momentum in Secure Payments revenue up 57% to $12.8m (FY20: $8.1m) and 79% of US revenues
- Total contracted business[1] down 22% to $15.5m (FY20:$19.9m)
- New contracted business[2] down 16% to $12.9m (FY20: $15.3m), Secure Payments $11.6m, (FY20:$10.7m)
- Successful managed transition away from third party Support, revenue declining to $1.5m
- Revenue increased 2% to $16.4m (FY20: $16.1m)
- Gross profit $11.7m (FY20: $11.7m)
- Gross margin 71% (FY20: 73%), excluding impact of Coral licenses 73% (FY20: 76%)
- Recurring revenue 57% excluding Coral licences (FY20: 61%)



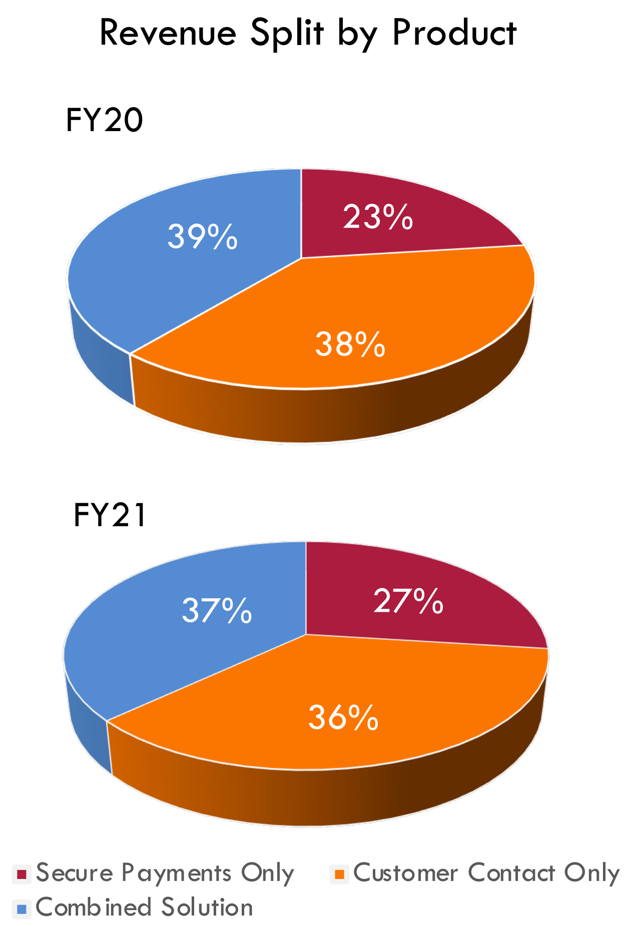




1. Total contract value from new and existing clients
2. Total contract value from new contracts, excluding renewals of contracts with existing clients.

UK Trading Analysis

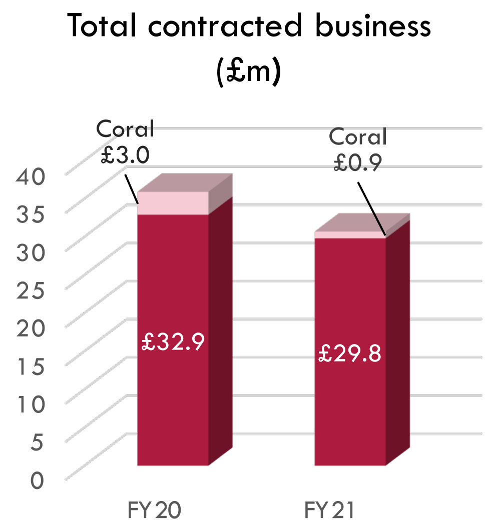
- Total contracted business[1] £18.9m, down only 6% on the previous record year (FY20: £20.2m)
- New contracted business[2] £5.9m (FY20: £6.6m)
- Revenue down 12% to £18.0m (FY20: £20.5m), impacted (although not proportionately) by lower transactional revenue from some customers in retail, travel and leisure sectors.
- Gross profit down 11% to £15.3m (FY20: £17.1m)
- Gross profit margin 85% (FY20: 83%)
- Recurring revenues at 84% (FY20: 88%)
- Shift towards Secure Payment solutions short term due to the impact on transactional revenue for clients with combined solutions

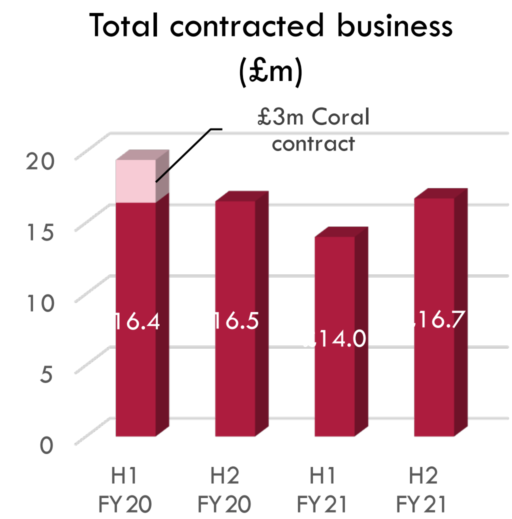


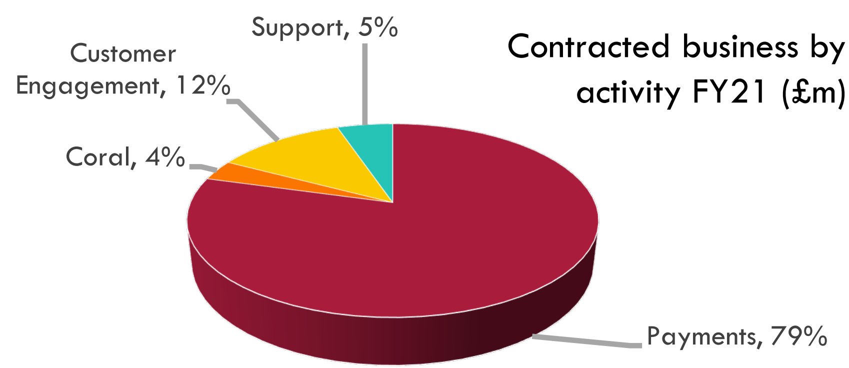
1. Total contract value from new and existing clients
2. Total contract value from new contracts, excluding renewals of contracts with existing clients.

Total Contracted Business

- Total contracted business[1] £30.7m compared to the record year of £35.9m in FY20
- Decline of only 8.3% when accounting for the £2.1m incremental benefit in FY20 from the one-off Coral contract
- Strong performance given the first 5 months of the period had very low levels of new business activity because of the pandemic
- Second half contracted business at £16.7m was higher than the prior year (FY20: £16.5m), and 20% higher than the first half despite the ongoing headwinds from the pandemic







1. Total contract value from new and existing clients

US Overview – Benefiting from external factors

- Strong growth in Secure Payments, revenue up 57% to $12.8m (FY20: $8.1m)
- Secure payments market trends and updates
  - The move to some level of remote working for most US Contact Centre operations due to the pandemic, is now set to become permanent for many businesses, leading to a greater need for payment security in remote locations
  - Our level 1 PCI DSS accreditation was retained for the 11th successive year; version 4 of the code will tighten compliance further, making it harder and more expensive to comply
  - Tougher data privacy regulation is driving interest in protecting other personal information such as SSN (Social Security Number), especially from the Healthcare sector where HIPAA is already a compliance driver
  - Increasing cyber insurance premiums are proving to be another driver
- Support declined as planned from 27% share of revenues to less than 9% (FY20: $4.4m, FY21: $1.5m). FY22 will be the last year that we will report on this activity separately
- Coral revenue share dropped as expected to 12% as Secure Payments grew and the impact of the large one-off contract in FY20 (net benefit of £1.0m)

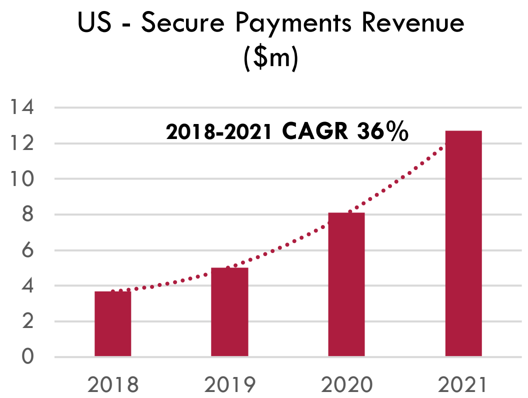
PCI Security Standards Council®

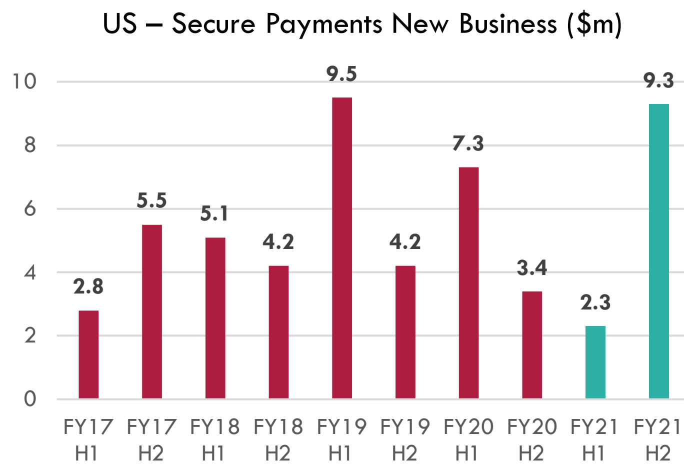
HIPAA COMPLIANT

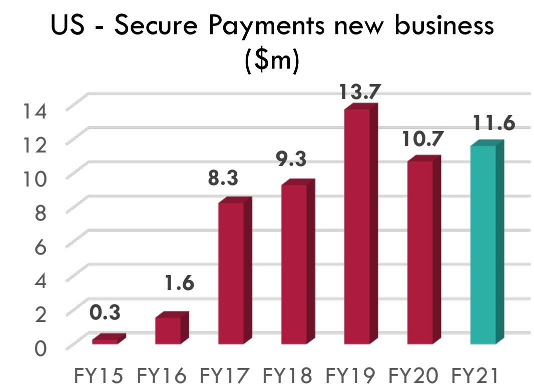
Eckoh

US Secure Payments – Continued momentum

- Strong momentum in Secure Payments, with CAGR of 36% over last 4 years
- Despite the pandemic new Secure Payments contracted business of $11.6m (FY20: $10.7m)
- $9.3m of this total won since September, with the largest number of deals won in a single year
- Significant shift to the Cloud, with over half the contract value coming from Cloud contracts
- Total unrecognised order book increased 1% to $26.2m (FY20: $25.9m)
- Pipeline remains strong and growing, with expectation of more Cloud deals going forward. Sales channels will become a more important feature with over 25% of pipeline now driven by partners







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UK Overview – Strong order levels despite backdrop

- UK has a combination of fixed fees and transactional charges, with a few longstanding clients having lower committed volumes, which has resulted in some impact to revenue from the pandemic
- Revenue declined 12%, this will continue into the new financial year at least until restrictions are lifted
- New contracted business contracted of £5.9m versus £6.6m in the prior year, a credible performance, with 60% driven by cross selling to existing customers, showing the strength of Eckoh's relationships
- The pandemic is continuing to create demand for remote working technology including CallGuard Remote and advanced self-service
- Total business down only 6% from the prior record year, driven by a strong year for large renewals, with no losses, including
  - Capita Transport for London Congestion Charge contract renewed for six years, with a total contract value of a minimum £4m
  - Other key renewals were Tenpin, Ministry of Justice, Target, Welsh Water, 1st Central and Yodel
  - Renewal value in total was £13.1m (FY20: £13.6m)

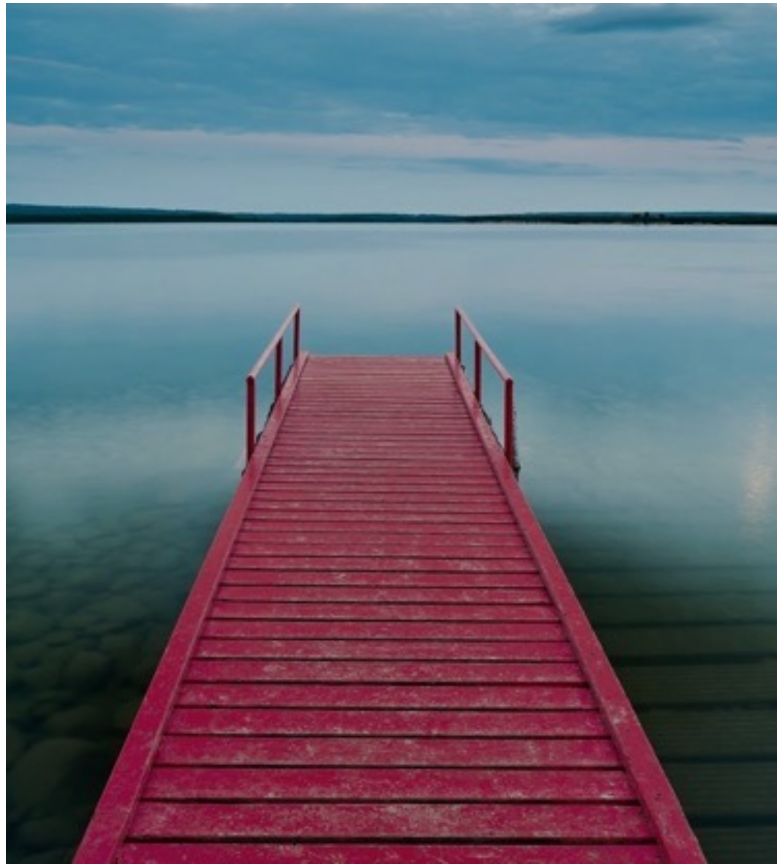
1st CENTRAL Insurance is rated **Excellent**

Based on 26,797 reviews

Trustpilot

Strategic Goals

- Being the market leader for Contact Centre payment security
- Capitalise on the fast-growing US market for Secure Payments
- Maximise client value and retention through cross-selling to generate higher levels of recurring income
- Continue to enable faster and more flexible delivery of our solutions in the UK and then export to the US tactically
- Make Cloud our primary platform and use Cloud technologies to develop and enhance our proprietary solutions
- Evaluate acquisition opportunities that can support our growth strategy in Contact Centre security and customer engagement



Cloud Opportunity – driving competitive advantage

- Customer trends shows that the pandemic has accelerated the planned move to the Cloud for larger enterprises
- FY21 saw a significant shift to Cloud-based US contracts, with more than 80% won this way compared to only 20% the prior year
- Cloud is expected to be the dominant delivery method going forward and will enable a wider range of contract sizes to be fulfilled efficiently
- The Cloud opportunity will see increased investment in FY22 to extend global reach by implementing new platforms and develop a multi-Cloud offering (some clients will not work with AWS)
- Cloud delivery should improve operational gearing and enable a more efficient way of cross-selling complementary services to Secure Payments clients

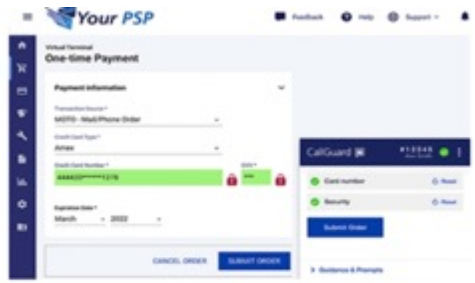
Commercial Model – Implications of shift to Cloud

- Move to Cloud drives greater revenue visibility and earnings quality
- More than 50% of US Secure Payments contract value in FY21 from Cloud contracts
- Upfront cash is reduced, due to lower hardware and set up fees
- Greater proportion of recurring revenue for Cloud or hosted solutions
- Implementation times typically 4 months (Cloud) to 8 months (On premise), but very much client dependant

	CLOUD/Hosted (US & UK)	On premise solution (US)
Typical Contract Length	3 year minimum	3 year minimum
Recurring Revenues	75-85% of contract value Fixed monthly management fee/ agent seats + volume of minutes	65-75% of contract value Fixed monthly management fee/ agent seats + volume of minutes
Non-Recurring Fees	15-25% of contract value Implementation fees + AWS set-up fees	25–35% of contract value Implementation fees, on premise hardware

Product Update

- **CallGuard Release** - Significant update to CallGuard launched in January including:
  - **Agent Control Panel** - a more intuitive interface for the Contact Centre Agent to take payments and reduce average handling time
  - **CallGuard Reporting Dashboard** - enhanced reporting package leveraging Domo
  - **CallGuard Speech Capture** – enhanced speech recognition option with multiple languages (primarily for US market)
- **CallGuard Autumn Release** - Further update to CallGuard targeted for Autumn 2021 with a more flexible delivery method and a tailored product for SMB customers
- **Amazon Connect** - Key initiative for FY21 is delivering 'stack solutions' incorporating Amazon Connect, Eckoh services (Omnichannel, Secure Payments and advanced voice self-service) and Coral



CallGuard Agent Control Panel

CallGuard Speech Capture

CallGuard Reporting Dashboard

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Summary and Outlook

- Robust performance given impact of COVID
- Continued excellent progress and growth in US Secure Payments revenue and orders, in line with our stated strategy
- US Secure Payments growth offset by impacted UK volumes
- Strong total order levels underpinning future trading
- Improved recurring revenue and operational gearing going forward with Cloud as the dominant delivery method in the US
- The Cloud opportunity will see increased investment in FY22 to extend global reach (already factored into guidance)
- Strong cash position, robust balance sheet enabling a maintained dividend
- With a highly relevant product portfolio and resilient business model, Eckoh can assist our clients to successfully manage the new business environment
- Guidance for FY22 is for comparable revenue and profit to prior year, with material revenue and profit growth expected in financial year 2023

Investment Case.

- Long term growth drivers
  - Significant market opportunity - largely untapped market
  - Patented IP and limited competitive threat - no homegrown US competitor
  - Macro factors - ongoing data breaches, increased regulation and shift to remote working
  - Low customer churn rates - retention almost 100%
- Strong momentum building in US Secure Payments
  - Strong levels of growth – CAGR of 36% in last 4 years
- High revenue visibility
  - High recurring revenue - 73% at a group level [1]
  - Growing order book and deferred revenue - US payments order book now at a record $26.2m
  - Increased visibility and quality of earnings driven by accelerating shift to Cloud
- Scalability - capacity for growth without significant investment
- Attractive financial model with strong operational gearing and cashflow

1. Excluding $1.0m of Coral license sales

Thank you.

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Appendix 1 – History

Dec 1999	Float on FTSE as 365 Corporation
Jan 2002	Sale of internet business
May 2002	Change of name to Eckoh, new customer engagement strategy
Jun 2003	Eckoh moves to AIM
Jul 2006	Symphony share sold to Redstone for £11m
Oct 2010	Level 1 PCI DSS Accreditation received, growth from EckohPay product
Jan 2012	EckohPROTECT launched generating significant sales interest
Jun 2013	Acquisition of Veritape Limited (On-premise payments solution provider)
Nov 2013	Eckoh Inc incorporated, US trading begins April 2014
Nov 2015	Acquisition of Product Support Solutions ('PSS Help') for $8m to expand US operation
Jul 2016	Acquisition of Klick2Contact for £2.35m (Omnichannel customer engagement specialist)
Mar 2017	Transformational year for US payments business with $8.3m contract value secured
Feb 2018	Two key US patents awarded for Eckoh Secure Payments
Sep 2018	Largest ever payment deal worth $7.4m
June 2020	Record total business contracted and market conditions support further long-term growth

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Appendix 2 – Market Opportunity

Product Set
Secure Payments, Support and Coral
Product Delivery
Primarily on site (80%+)
Partner channels
Intrado, Ribbon, NICE InContact

Product Set
All Products
Product Delivery
Primarily hosted managed service (90%+)
Partner channels
Capita, BT, Teleperformance

US

- 39,350 Contact Centers
- 3.73m Agent positions
- Addressable Market: 12,050 Centers of 50+ seats
- **Less than 1% of the addressable market**

UK

- 6,035 Contact Centres
- 812,000 Agent positions
- Addressable Market: 2,510 Centres of 50+ seats
- **3% of the addressable market**

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Appendix 3 – Growth drivers in a largely untapped market

Contact Centre Industry employs 4% of total UK and US workforce

US Target Market Size
12,050 Contact Centers
with 50+ agent seats

UK Target Market Size
2,510 Contact Centres
with 50+ agent seats

Reducing Fraud
PCI DSS Compliance
Managing Financial and Reputational Risk

Improving Engagement
Maximising Cost Benefit
Omnichannel Adoption
Transition to Cloud

Two highly complementary activities

Secure Payments ⟷ Cross Selling ⟷ **Customer Engagement**

Cigna, Telstra, Premier Inn, Ameriprise Financial, CenturyLink, O2, Disney Store, Sprint, BMW, HM Passport Office, MetLife, Transport for London

Appendix – Financial Information.

Appendix – Balance Sheet 31 March 2021

£'000	31 Mar 2021	31 Mar 2020	
Intangible Fixed Assets	6,527	7,313	Amortisation of intangibles
Tangible Fixed Assets	4,307	3,851	Mainly comprised of HQ building and hosted telephony platform
Leased Assets	1,310	277	UK Datacentre lease renewed + New Office lease in Omaha
Deferred Tax Asset	3,211	3,805	
Total Fixed Assets	**15,355**	**15,246**	
Non cash current assets	9,093	8,219	
Deferred asset – IFRS 15	4,358	5,587	
Cash	12,706	13,541	
Total Assets	**41,512**	**42,593**	
Trade & Other Payables	(5,958)	(6,678)	
Deferred liability	(12,524)	(14,400)	IFRS 15 – new business contracted
Lease liability	(1,342)	(266)	
Loans	(975)	(1,950)	Repayment of loan quarterly
Deferred tax liability	(296)	(290)	Arising from PSS and K2C acquisitions & amortises alongside the intangible asset. PSS will be fully amortised Nov 20
Net assets	**20,417**	**19,009**	

Appendix – Cashflow Statement

£'000	31 March 2021	31 March 2020
Profit after tax	2,794	3,136
Depreciation / Amortisation	2,270	2,632
Share based payments	303	468
Taxation	717	166
Other	561	(280)
Operating profit before changes in working capital	**6,645**	**6,122**
Movement in receivables, payables, inventory, tax & interest	(2,260)	1,118
Movement in tax and interest	(97)	(156)
Cash generated from operating activities	**4,288**	**7,084**
Purchase of property, plant and equipment	(1,175)	(571)
Purchase of intangible fixed assets	(573)	(951)
Principal lease repayments	(461)	(503)
Interest received	48	84
Net loan movement	(975)	(1,300)
Dividends	(1,558)	(1,558)
Other	(379)	(325)
Cash movement	**(785)**	**1,959**

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