



2 February 2023

PCI-PAL PLC

("PCI Pal", "the Company" or "the Group")

Trading Update & Notice of Results

Continued Global Growth With Record New Customers Contracted

PCI-PAL PLC (AIM: PCIP), the global cloud provider of secure payment solutions for business communications, is pleased to announce a trading update for the six months to 31 December 2022.

The Board is pleased to report a strong first half with revenue growth of 33% to £7.3 million (2021: £5.5m). Adjusted EBITDA loss for the period was better than management expectations at a loss of £0.6 million (2021: loss of £0.6m).

The Company signed a record 116 new customer contracts in H1 contributing £1.5 million of new ACV¹ (2021: £1.8m). 83% of the new contracts were new logos (2021: 63%). As a result, the Group's leading indicator of future recurring revenues, Total Annual Contract Value² ("TACV"), has increased 29% to £14.7 million at end December 2022 (2021: £11.4 million). The Company's sales pipeline continues to grow with a strong outlook for H2.

In the period, the Company continued to successfully execute against the strategic initiatives commenced in FY22. These have included the on-going expansion of its global presence with new business sales and further pipeline growth from its new offices in Australia and Canada; as well as continued investment into both its product roadmap and customer success function, driving strong customer retention and upsell opportunities.

In April 2022 the Company announced the grant of its patent in the United States covering innovative integration methods for its Agent Assist solution. In particular this patent covers how PCI Pal's public cloud environment leverages modern voice IP capabilities to integrate to its customers and partners own networks in a light-touch, non-invasive, and cost-effective way. This patent has now also been granted in both Australia (AU2018349164) and, within the last month, the UK (GB2569772) respectively.

Furthermore, the Company continues to manage the unfounded patent-case being made against it by one of its competitors, and remains confident of not only defending its position on infringement, but also of proving the invalidity of the patents in question.

The Group is on track for sustainable cash breakeven in H2, and ended H1 with a cash balance of £1.9 million at 31 December 2022. Since the end of the half-year the cash position of the Group has increased and now stands at £2.7 million reflecting the continuing strong retention and renewal timing of our growing contract base.

Commenting on progress in the period, James Barham, Chief Executive Officer of PCI Pal, said:

"The investments we have made to date have created the most advanced cloud platform in our market with a market-leading partner eco-system. I am very pleased with the progress we are delivering in making our services available to customers on a truly global basis whilst remaining firmly on track to hit cashflow breakeven in this financial year.

"We are balancing this financial progress with continued investment into our product roadmap to further expand our

We are continuing this material progress with continued investment into our product roadmap to further expand our addressable market opportunity in the long term; and this is underpinned by a core product set that continues to gain increased levels of interest, which as a result is driving growth of our near term sales pipeline.

"With the strength of the pipeline, our partner eco-system, and high levels of customer retention, we are confident of achieving the board's expectations for the current financial year."

Notice of Results:

PCI Pal expects to announce its Interim Results on the week commencing 13 March 2023.

¹ ACV is the contracted annual recurring licence revenue component of the contract.

² TACV is the total expected annual recurring revenue from all contracted customers, whether invoiced and included in deferred revenue or still to be deployed and/or invoiced.

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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.

About PCI Pal:

PCI Pal is a leading provider of Software-as-a-Service ("SaaS") solutions that empower companies to take payments from their customers securely, adhere to strict industry governance, and remove their business from the significant risks posed by non-compliance and data loss. Our products secure payments and data in any business communications environment including voice, chat, social, email, and contact centre. We are integrated to, and resold by, some of the worlds' leading business communications vendors, as well as major payment service providers.

The entirety of our product-base is available from our global cloud platform hosted in Amazon Web Services ("AWS"), with regional instances across EMEA, North America, and ANZ.

For more information visit www.pcipal.com or follow the team on LinkedIn: <https://www.linkedin.com/company/pci-pal/>

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