



9 August 2023

**PCI-PAL PLC**

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

**Trading Update**

**Strong growth momentum continues - driven by excellent H2 new business sales performance and continued high retention rates**

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 year ended 30 June 2023 ("FY2023").

The Board anticipates full year results to be in line with the Board's expectations, with revenue growth of approximately 25% to £14.9m (2022: £11.9m) and adjusted loss before tax for the year estimated to be approximately £2.3m (2022: £2.9m).

As anticipated at the interims, the Company had a very strong H2, signing £2.7m of new contracts, allowing us to record total new business ACV sales for the year of £4.2m, a 21% increase on FY2022. Of the new business in the year, £3.5m was from net new logo sales, a 49% increase on the prior year.

Supporting these key growth indicators, PCI Pal's retention metrics continue to perform well with gross revenue retention (GRR) for the year at over 95%.

The Group finished the year with net cash of £1.2m (2022: £4.9m) having spent £2.0m on the on-going patent case in the year. The Company generated a positive cashflow in H2 of FY2023, before the costs of the patent case. The Group has £4.2m of available finance (2022: £4.9m) which includes an undrawn £3.0m revolving credit facility with its bank HSBC.

**Unfounded Patent Case Update**

Investors are referred to the Company's patent case update included in its trading update released on 24 May 2023. As indicated, the UK trial was held across eight days from 12 June 2023. We are now waiting for the judge's ruling and, once it is received, we will update the market accordingly.

The FY2023 results date will be confirmed once the ruling is received.

**Commenting on FY2023, James Barham, Chief Executive Officer of PCI Pal, said:**

"PCI Pal has delivered another strong year. We have again proven the effectiveness of our strategy to be the market leader in secure payment solutions for the business communications space.

"I am particularly pleased with the excellent H2 new business sales achieved. We continue to drive a strong mix of run-rate small to mid-market size new logo wins, as well as numerous new enterprise-class contracts particularly in the US, where we are experiencing significant sales momentum both via our partner eco-system and direct channel.

"We remain highly confident in our position on the unfounded patent claim being brought against us by a competitor, and we look forward to the UK court's ruling in the near future.

"Overall, the Board is very pleased with the momentum being shown by the business and we look ahead with confidence to FY2024."

*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.*

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**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](http://www.pcipal.com) or follow the team on LinkedIn: <https://www.linkedin.com/company/pci-pal/>

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