

RNS Number : 3830M
ECSC Group PLC
21 January 2021

This announcement contains inside information as stipulated under the UK Market Abuse Regulations ("MAR"). With the publication of this announcement, this information is now considered to be in the public domain.

21 January 2021

ECSC Group plc
('ECSC' or the 'Company' or the 'Group')

Trading Update

for the 12 months ended 31 December 2020

Growing Profits and Strong COVID-19 Recovery

ECSC Group plc (AIM: ECSC), the provider of cyber security services, is pleased to announce a trading update for the twelve months ended 31 December 2020.

Highlights*

- Adjusted EBITDA** profit in excess of £0.4m (2019: break-even)
- Managed Detection & Response (MDR) division recurring revenue growth of 22% to £2.42m (2019: £1.98m)
- Group revenue of £5.7m (2019: £5.9m)
- 90 new Assurance division clients (2019: 118)
- Cash of £1.12m at period end (31 December 2019: £0.35m), including £0.42m of COVID-19 related medium-term government support relating to VAT and PAYE deferral. The Group's bank facility of £0.5m remains unutilised.

* Financial information for the year ended 31 December 2020 remains subject to audit

** Adjusted EBITDA is defined as Earnings before Interest, Tax, Depreciation and Amortisation and excludes one-off charges and share based charges

Ian Mann, Chief Executive Officer of ECSC, commented:

"Despite the challenges posed by the COVID-19 pandemic, the Group made solid progress during the 2020 financial year, and we are particularly pleased to report growing adjusted EBITDA profitability and cash generation.

"The £3m of Group revenue in H2 illustrates the recovery in the Assurance division following the COVID-19 related impact seen in Q2. The continued growth in recurring MDR revenue demonstrates the resilience of this service line, and our effective strategy of winning consulting clients and converting them into long-term managed services clients.

"ECSC is well-positioned in the growing cyber security marketplace, and we are now resuming our organic growth strategy and related recruitment activities. I would like to thank the whole team for an outstanding performance under challenging circumstances."

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