

14 May 2021

ASX Announcement

ETHERSTACK PLC [ASX:ESK]

("Etherstack" or the "Company")

Trading Update

Etherstack plc wishes to provide a trading update in connection with trading in the first half of 2021 for the financial year ending 31 December 2021:

- **Revenue Uplift:** On the basis of orders previously announced management had noted that revenue for 2021 was expected to significantly outperform 2020 revenues. The Company is now in a position to provide quantitative guidance for the first half of 2021 noting that the non-recurring project revenues are characterised by a small number of large transactions and that as a consequence revenue trends may be volatile. Notwithstanding, the Company expects revenue for the half year ending 30 June 2021 to be in the range of US\$3.1m to US\$3.6m, representing an increase over the corresponding H1 period in 2020 of between approximately 30% to 50%.
- **Further Orders Expected:** In addition to the above revenues, management expects that further revenues in the current half year may be derived from the successful conclusion of advanced negotiations in progress, which will be announced if and when signed.
- **Major Contracts:** Key customer and development projects are progressing on schedule, including the Australian Defence related project and business development activities connected to Samsung pursuits.
- **Recurring Revenue Growth from Infrastructure:** Besides numerous network delivery and technology licensing deals within the first half of FY2021, the Company continues to experience recurring revenue growth associated with long term support revenues in relation to major infrastructure projects deployed by the Company in Canada and Australia in the past 12 months.

Etherstack CEO, David Deacon said, "The Company continues to deliver upon our business plan making significant progress in all major business units which will in turn drive long term growth and profitability for the Company and its shareholders. We expect FY2021 to continue to strengthen as new deals are closed."

Authorised for release by David Carter, Company Secretary

Enquiries

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About Etherstack plc (ASX:ESK):

Etherstack is a wireless technology company specialising in developing, manufacturing and licensing mission critical radio technologies for wireless equipment manufacturers and network operators around the globe. With a particular focus in the public safety, defence, utilities, transportation and resource sectors, Etherstack's technology and solutions can be found in radio communications equipment used in the most demanding situations. The company has R&D facilities in London, Sydney, New York and Yokohama.