

6th July 2021

ASX Announcement
ETHERSTACK PLC [ASX:ESK]
("Etherstack" or the "Company")
H1 Trading Update – Revenues up 76%

On 27 May 2021, the Company provided revenue guidance advising the market that the expected revenue for the half year ending 30 June 2021 would be in the range of USD \$3.5m to US\$4.0m.

After this date, the Company ran slightly ahead of schedule on two projects and completed delivery of items which were not included in this revenue forecast. The Company wishes to advise the market that revenue for the half year is likely to exceed this previous guidance and is now expected to be in excess of USD \$4.2m depending upon final quarterly royalty reports to be received from international licensees.

Management wishes to provide the following comments on revenues:

- **H1 Revenue up 76% to USD \$4.2m:** revenue for the half year ending 30 June 2021 will be approximately US\$4.2m, an increase of 76% over the previous corresponding period in 2020
- **H2 Contracted Revenues of a further USD \$4.2m:** the Company has contracts in hand from which the Company expects to report revenues of approximately:
 - USD \$3m in the second half of 2021, excluding additional revenues from new pursuits and any carrier licensing deals that are expected from the Samsung teaming agreement announced in June 2020
 - USD \$1.2m of Samsung related revenue announced in February 2021 that is expected to be recognised in H2 FY2021

Accordingly, management wishes to reaffirm its previous guidance that the full year FY2021 (31 Dec year-end), will significantly outperform FY2020. The above revenue components do not consider any additional project wins or product sales that would be reasonably expected to conclude and be recognised in the second half of the Company's financial year.

The Company cautions that its revenues can be derived from a small number of individually material contracts and any acceleration or delay to delivery timelines can cause material shifts in the timing of recognition of revenues.

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.

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