

12 July 2017

CloudCall Group plc
(“CloudCall”, the “Company” or the “Group”)

Trading update for the six months ended 30 June 2017

- *Revenue up 40% vs H1 2016 with recurring revenue up 61%*
- *Strong US growth driven by Bullhorn sales partnership*
- *Q2'17 - strongest ever quarter for new orders*
- *Trading in line with market expectations*
- *New Barclays revolving credit facility on improved terms*
- *Available cash of £2.8 million*

CloudCall (AIM: CALL), a leading cloud-based software business that integrates communications into Customer Relationship Management (CRM) platforms, announces the following trading update for the six months ended 30 June 2017:

The Company is pleased to report that trading for the period continues to be in line with market expectations. The Group continues to witness strong demand for its products and services from both new and existing customers, resulting in record levels of new user additions in the period, taking the total number of users to 20,200, up 25% since 31 December 2016.

Revenues for the period are expected to be £3.2 million, an increase of 40% against H1 2016, with recurring revenue up by 61% compared to the same period and up by over 24% against H2 2016. The Company continues to carefully manage operating expenses as it works towards profitability.

Growth has been mainly driven by new Bullhorn users, a key CRM partner, whose relationship with CloudCall continues to strengthen. In addition, the Company's strategy to focus on acquiring larger customers, and to expand CloudCall usage within existing customers, continues to gather momentum. Q2 2017 was the strongest ever quarter for new orders signed, providing strong visibility over Q3 2017's revenues and underpinning the Board's confidence in the outlook for 2017.

Following the progress that the Company has made and reflecting the strengthening of the relationship with its lender, Barclays, the Company has secured a new revolving credit facility of up to £1.9 million* - replacing, on better terms, the original £900,000 term loan which was due for repayment in March 2018. This, combined with cash at bank, provides the Company with available cash of £2.8 million.

Simon Cleaver, CEO of CloudCall, commented:

“We are delighted to report that the strong growth in new orders in H2 2016 has continued and, in fact, accelerated in H1 2017, driven by significant demand for our solutions both in the UK and the US. The dual strategy to focus both on larger customers and on our partnership with Bullhorn is clearly delivering results for the Group.

“These new orders are now translating through to revenue, and our annualised run rate** broke through £6 million in February and £7 million in June. This revenue growth, combined with the strengthening relationship with Bullhorn, means that we are well placed to deliver substantial operational and financial progress in the current financial year. The pathway to EBITDA breakeven remains clearly within our sights.”

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About CloudCall Group Plc

CloudCall is a software and unified communications business that has developed and provides a suite of cloud-based software and telephony products and services. CloudCall's products and services are aimed at enabling organisations to leverage their voice communications more effectively.

The CloudCall suite of products allows companies to fully integrate their telephony systems into their existing CRM software, enabling calls to be made, recorded, logged and categorised from within the customer relationship management (CRM) system with detailed activity reports capable of being easily generated.

The Company has approximately 100 staff based predominantly in Leicester (UK) and Boston (US). The Company currently has approximately 850 customers, equating to just over 20,000 users.

Notes

* The new Barclays revolving credit facility (RCF) provides borrowing facilities of up to £1.85 million for a 3-year term. Interest is set at 7.45% above 3 month LIBOR rate for funds drawn. Funds can be drawn as required by the Company, typically for fixed periods of 3, 6 or 12 months. Interest is payable upon settlement of each tranche drawn. The facility is secured over the assets of the Group.

**Annualised Run Rate (sometimes referred to as Annualised Revenue Run Rate) is a measure of the annualised monthly revenue and is calculated as: Monthly Revenue x 12 = Annualised Run Rate.