AIM Investor Update

Thursday 25th August 2022

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Eckoh (ECK)

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Eckoh win 'significant' cloud contract

Secure payment company **Eckoh (ECK)** announced two contract wins last week...

The first was a 2-year contract worth a minimum of $1.3m with a leading, global hotel company following a successful competitive process. Eckoh will provide a cloud solution to the new client, incorporating both voice payment security, digital payments, and advanced speech recognition.

When fully deployed, it is expected to cover more than 20 territories and an equivalent number of different languages.

The second contract win was for voice payment security with the Irish division of one the world's largest insurance companies. The deal is worth a minimum of £0.6m over 5 years and it is expected that this will be one of the first clients to utilise Eckoh's new enhanced cloud platform that has been developed through its 'Syntegration' project.

Eckoh CEO, Nik Philpot said:

"These and other recent contract wins are important for three reasons. First, they underline the momentum behind our decision to invest in broadening our cloud proposition geographically, with multiple suppliers and product offerings to support the growing international mandates. Second, they show the success of our strategy to cross-sell from our new suite of products. Third, they show progress for our strategy to target attractive sectors which are best suited to our model, technology, and product suite."

"We expect the momentum we have seen in the first few months to help support our expectations of significant revenue and profit growth for Eckoh this year."

ECK Daily Candle Chart

Boohoo announces strategic investment in Revolution Beauty

Boohoo (BOO) announced last week that it had made a strategic investment into Revolution Beauty Group, amounting to a direct interest of just under 13% of Revolution Beauty's issued share capital.

Revolution Beauty products are sold through several of Boohoo's direct to consumer brand websites and its online digital department store, Debenhams.

Boohoo said, "the investment reflects boohoo's belief in the growth potential of Revolution Beauty and it intends to be a supportive stakeholder and long-term partner".

The news has not been warmly received by the market and on Friday Revolution Beauty said trading in its shares will be suspended from Sept. 1 as the beauty products maker does not expect to release its 2022 results by Aug. 31 after auditors flagged accounting issues.

Boohoo's share price remains very much in bargain basement territory with the stock trading on a forward price to earnings growth (PEG) ratio of just 0.3.

BOO Daily Candle Chart

Tremor to accelerate share buyback programme

Shares in **Tremor International (TRMR)** dropped last week after the smart TV advertiser released a disappointing set of Q2 numbers…

On an ex-TAC basis (removing traffic acquisition costs), Tremor guided for a Q2 revenue ex-TAC of $75m-$80m. However, it came up short of this guidance with $70.8m – causing the drop in the share price.

Tremor had also guided for adjusted earnings (EBITDA) of $40m and a 50% margin compared to revenue ex-TAC. This also fell short of guidance with EBITDA of $39.1m, but an improved margin of 51%.

On outlook, Tremor were very upbeat and expect to deliver ex-TAC revenue of $500m which includes a approx. $150m from newly acquired Amobee.

Tremor's CEO, Ofer Druker said the business "displayed impressive resiliency while generating record profitability and best-in-class industry margins for both Q2 and H1, despite ongoing macroeconomic challenges".

He also said that the acquisition of Amobee will help to further scale and differentiate the business.

TRMR Daily Candle Chart

Gattaca sees strong demand for permanent recruitment within the UK

Gattaca (GATC) published a positive trading update last week in which it said Full-Year NFI (net fee income) would be approx. £44m, a 4% increase year-on-year.

The specialist recruiter said it saw strong demand for permanent recruitment within the UK, which was up 33% year-on-year, driven by particularly strong demand in the mobility market and professional skills.

Full-Year profit before tax is expected to be break-even which is in-line with previous guidance.

Gattaca CEO, Matthew Wragg said:

"We are pleased with the performance of the Group through the second half of the year and importantly the speed in which the business is embracing our four strategic pillars; increased external focus, improved culture, operational performance, and cost rebalancing. We have established a solid foundation from which we can grow, leaving us well placed as we enter our new financial year, which has started well."

"We are mindful of the current macro-economic conditions as we continue to see robust demand in our key markets. There remains a shortage of candidates which plays to our key strength of deep knowledge and understanding of our sectors and niche STEM skills. We remain confident that the long-term fundamentals in our core STEM markets provide an exciting future for the business as it returns to growth."

GATC Daily Candle Chart

Tracsis expects earnings ahead of expectations

Tracsis (TRCS) shares rallied yesterday after a strong full-year trading update...

The traffic and transport data specialist said it expects full-year earnings ahead of expectations on strong revenue growth.

Tracsis expect to deliver revenue of £69m for the financial year which ended July 31. This would represent a 37% increase from £50.2m the year before – Tracsis attributed this to strong organic and acquisitive growth.

Further, it cited a good recovery from Covid-19 in its Data, Analytics, Consultancy & Events, as well as its Rail Technology & Services divisions, which recorded "high levels of revenue growth".

Tracsis expect adjusted earnings (EBITDA) to be ahead of market expectations. The business also maintained a healthy balance sheet with cash of approx. £17.2m which Tracsis said "enables the Group to continue to invest in its technology base and to support future organic and acquisitive growth opportunities".

As prices approach key resistance, we are currently reviewing our position in Tracsis and will update clients accordingly.

TRCS Daily Candle Chart

Performance (Open)

The table below shows performance data for every AIM Investor open position since the service was launched in January 2019*.

Name	Ticker	Open Date	Entry Price	Current Price*	Profit/Loss (%)*
Bioventix	BVX	19/09/2019	3825	3408	-10.90%
boohoo	BOO	14/11/2019	266	46.89	-82.37%
Midwich Group PLC	MIDW	28/11/2019	599	532.16	-11.15%
Learning Tech	LTG	02/01/2020	141	120.21	-14.74%
Eckoh	ECK	16/01/2020	59	42.59	-27.81%
Cohort	CHR	07/05/2020	561	532.8	-5.02%
Anglo Asian Mining	AAZ	21/05/2020	142	83.6	-41.12%
Bango	BGO	18/06/2020	177	158	-10.73%
Craneware	CRW	02/07/2020	1705	1602	-6.04%
Robinson	RBN	16/07/2020	121	80	-33.88%
Oxford Metrics	OMG	30/07/2020	75.2	102.69	36.55%
Begbies Traynor	BEG	27/08/2020	84.9	146.49	72.54%
Spectra Systems	SPSY	22/10/2020	190	134	-29.47%
Pan African Resources	PAF	05/11/2020	22	19.7	-10.45%
Tracsis	TRCS	03/12/2020	622	1056	69.77%
Restore	RST	17/12/2020	375	432.5	15.33%
Central Asian Metals	CAML	07/01/2021	268	227.5	-15.11%
Somero	SOM	21/01/2021	385	443.5	15.19%
Inspecs	SPEC	18/02/2021	329	194.25	-40.95%
Ceres Power	CWR	18/03/2021	1094	654.6	-40.16%
Eckoh	ECK	15/04/2021	78.7	42.59	-45.88%
Tremor International	TRMR	29/04/2021	715	368.37	-48.47%
MPAC Group	MPAC	13/05/2021	524	260.6	-50.26%
Character Group	CCT	27/05/2021	635	493	-22.36%
Bango	BGO	10/06/2021	210	158	-24.76%
Keywords Studios	KWS	24/06/2021	2490	2406	-3.37%
Science Group	SAG	08/07/2021	396	415	4.79%
Xpediator Plc	XPD	22/07/2021	70	33.5	-52.14%
Ixico	IXI	05/08/2021	68	36.02	-47.02%
EQTEC	EQE	19/08/2021	1.29	0.49	-62.01%
Renold	RNO	02/09/2021	23	23.45	1.95%
Gattaca	GATC	16/09/2021	207	75	-63.76%
Yellow Cake	YCA	30/09/2021	332	382.1	15.09%
TMX Impact	TPX	14/10/2021	235	116	-50.63%
Enwell Energy	ENW	28/10/2021	42.3	19.65	-53.54%
Marlowe Plc	MRL	11/11/2021	937	685	-26.89%
Warpaint London	W7L	25/11/2021	155	119.97	-22.60%
Surface Transforms	SCE	09/12/2021	54	45.03	-16.61%
Mulberry	MUL	16/12/2021	320	282.9	-11.59%
Inland Homes	INL	06/01/2022	56	31.17	-44.33%
eEnergy	EAAS	20/01/2022	15	8.55	-43.00%
Learning Tech (2nd tranche)	LTG	03/02/2022	170	120.21	-29.28%
Solid State	SOLI	17/02/2022	1160	1127	-2.84%
Gamma Communications	GAMA	03/03/2022	1488	1106	-25.67%
K3 Capital	K3C	17/03/2022	271	234.84	-13.34%
Totally	TLY	31/03/2022	35	40.9	16.85%
Kitwave	KITW	14/04/2022	146	183.25	25.51%
CentralNic	CNIC	28/04/2022	125	120	-4.00%
Alliance Pharma	APH	12/05/2022	109	94.9	-12.93%
Atalaya Mining	ATYM	26/05/2022	371	223	-39.89%
iEnergizer	IBPO	09/06/2022	397	417.92	5.26%
Keywords Studios (2nd tranche)	KWS	23/06/2022	2266	2406	6.17%
Equals Group	EQL	07/07/2022	91	91.1	0.10%
Sylvania Platinum	SLP	21/07/2022	81	79.05	-2.40%
CML Microsystems	CML	04/08/2022	383	394	2.87%
Alpha Financial Markets	AFM	18/08/2022	457	437.5	-4.26%

**Prices correct as of 24th August 2022. The table above shows ALL stock recommendations since AIM Investor's launch on 4th January 2019. Please be aware that all entry and current price levels are mid-prices. Profit/loss does not includes any dividends received during holding period. No allowance for dealing costs, fees or taxes has been made. Past performance is not a guarantee of future performance.*

Performance (Closed)

The table below shows full performance data for every AIM Investor closed position since the service was launched in January 2019.

Name	Ticker	Open Date	Open Price	Closed Price	Close Date*	Total Return (%)**
Trans-Siberian Gold	TSG	31/01/2019	44.3	50.0	28/01/2020	+ 12.87%
Dart Group	DTG	27/06/2019	831	1712	28/01/2020	+ 106.82%
Johnson Service	JSG	08/08/2019	165	126	30/04/2020	- 23.64%
Churchill China	CHH	24/10/2019	1580	1460	30/04/2020	- 7.59%
Best Of The Best	BOTB	12/12/2019	320	603	13/05/2020	+ 88.44%
Goldplat	GLDP	12/03/2020	4.300	7.690	30/07/2020	+ 78.84%
Highland Gold	HGM	13/02/2020	205	294.40	05/08/2020	+ 45.07%
Codemasters	CDM	14/02/2019	178.7	370.0	06/08/2020	+ 107.05%
Sylvania	SLP	03/10/2019	36.93	67.50	03/09/2020	+ 82.78%
Frontier Developments	FDEV	30/01/2020	1404	2401	11/11/2020	+ 71.01%
Frontier Developments (2nd tranche)	FDEV	26/03/2020	1157	2401	11/11/2020	+ 107.52%
Quartix	QTX	05/09/2019	335	370	08/12/2020	+ 10.40%
Ergomed	ERGO	09/04/2020	453	925	08/12/2020	+ 104.19%
Scientific Digital Imaging	SDI	22/08/2019	53	122.90	31/01/2021	+ 131.89%
Gamma Communications	GAMA	28/12/2019	876	1910	20/05/2021	+ 118.13%
Keystone Law	KEYS	18/04/2019	426	640	02/06/2021	+ 50.23%
GB Group	GBG	31/10/2019	610	901	10/06/2021	+ 47.70%
D4t4 Solutions	D4T4	14/03/2019	223.7	345	30/06/2021	+ 54.22%
Clinigen	CLIN	28/03/2019	918	613	14/07/2021	- 33.22%
Alumasc Group	ALU	01/04/2021	173	261	26/07/2021	+ 50.87%
MTI Wireless Edge	MWE	04/06/2020	38.5	80	17/08/2021	+ 107.79%
Arcontech	ARC	19/11/2020	198	142.70	02/09/2021	- 27.93%
Renew Holdings	RNW	27/02/2020	525	797	06/09/2021	+ 51.81%
Renew Holdings (2nd tranche)	RNW	24/09/2020	432	797	06/09/2021	+ 84.49%
Next Fifteen Communications	NFC	10/09/2020	480	1154	14/09/2021	+ 140.42%
Ramsdens Holdings	RFX	11/07/2019	189.94	155	29/11/2021	- 14.40%
Quixant	QXT	04/02/2021	128	160.10	29/11/2021	+ 28.10%
Serica Energy	SQZ	04/03/2021	120	209	29/11/2021	+ 77.10%
IG Design	IGR	25/07/2019	584	279	05/01/2022	- 48.20%
Kape Technologies	KAPE	23/04/2020	174	445	05/01/2022	+ 155.70%
Suresurve	SUR	08/10/2020	53	98	07/01/2022	+ 86.80%
Ideagen	IDEA	13/08/2020	197	345	26/05/2022	+ 75.13%

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