Arcontech – Trading Update November 21

ARCONTECH GROUP PLC

("Arcontech" or the "Company")

Trading Update

Arcontech (AIM: ARC), the provider of products and services for real-time financial market data processing and trading, announces that its trading performance has regrettably fallen below current market expectations due to one customer reducing its market data spend with the Company, and notification from another customer that it will not be renewing its contract from the start of second half of 2022. The two changes are unrelated and do not involve customers with Arcontech's core MVCS server-side solution. They instead reflect one customer greatly scaling back its market data team and market data requirements, and a second choosing not to renew its contract for one Arcontech product because it is switching to use a solution included in a legacy, bundled contract.

The Company is consequently revising its year end market guidance

to
reflect this net reduction of revenue. The reductions will take effect
at the beginning of the second half of Arcontech's
financial year and consequently will negatively impact revenue by
annualised c.£300K, half of which will impact in the current financial
year.

However,
notwithstanding the above the Company senses an overall improvement in
the business outlook which until now has seen growth affected by Covid.
Its clients are now renewing interest
in new business projects and the Company's sales pipeline continues to
be healthy. The increasing opportunities to travel and cement new
relationships also bode well for the future and our ability to recover
lost ground. During the last year Arcontech has
improved its offerings to provide more value and the quality of its
solutions together with its ability to help reduce spend, positions the
Company well to absorb any lost business and resume growth as the
pipeline matures. Arcontech continues to be fully
confident in the strength of the business and is working to leverage
its cash reserves, when the opportunity arises.

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To access more information on the Group please visit: www.arcontech.com	

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement via Regulatory Information Service, this inside information is now considered to be in the public domain.