

15 September 2020

COHORT PLC
("Cohort" or "the Group")
AGM STATEMENT & FIRST QUARTER UPDATE

Cohort, the independent technology group, is today holding its Annual General Meeting (AGM) and accordingly issues the following AGM Statement and first quarter update:

Cohort continued to make good progress in its financial year ended 30 April 2020, achieving a record adjusted operating profit despite the impact of COVID-19 restrictions in the final two months. A full year contribution from Chess, a record performance at MASS and improvement at EID offset weaker trading at MCL and SEA. Following the lifting of lockdown, we have successfully completed a phased process of returning colleagues safely to work and the majority are now back on site on a part time or regular basis.

As expected, the restrictions on international travel continue to constrain our ability to develop new export opportunities, which generated over 30% of Cohort's revenues in 2019/20. Nevertheless, the Group entered the 2020/21 financial year with a substantial long-term order book and a strong pipeline of order prospects, and we have continued to win new business since we reported the 2020 final results in July. At 31 August 2020, the Group's order book stood at £210.0m, compared to £183.3m at our 30 April 2020 financial year end. This underpins approximately 83% (or £113m) of the new financial year's consensus forecast revenue, compared to 76% at the same time last year.

Cohort remains soundly financed: net debt at 31 August 2020 stood at £1.4m, compared to £4.7m at 30 April 2020. The Group's cash and readily available credit was just over £38m at 31 August 2020 providing significant financing headroom for current anticipated commitments, including the completion of the transaction to acquire Wärtsilä ELAC Nautik ("ELAC") announced on 12 December 2019. The acquisition of ELAC remains subject to approval by the German Federal Government. This process has been delayed by COVID-19 and other factors, but a meeting is now planned for later this month and we expect to have a clearer idea of the completion timetable after that.

We continue to expect that our trading performance for 2020/21 financial year will be in line with that achieved in the year ended 30 April 2020, as indicated at the time of the final results announcement in July. We expect net debt to remain flat for the year, after taking account of the acquisition of ELAC.

In the longer term, the Group continues to expect to return to growth, as it recovers the orders and revenue delayed due to COVID-19, whilst benefiting from the acquisition of ELAC.

Ends

For further information, please contact:

Cohort plc Andrew Thomis, Chief Executive Simon Walther, Finance Director and Company Secretary	0118 909 0390
Investec Bank plc Daniel Adams / Chris Baird	020 7597 5970
MHP Communications Reg Hoare / Pete Lambie	020 3128 8100

NOTES TO EDITORS

Cohort plc (www.cohortplc.com) is the parent company of five innovative, agile and responsive businesses based in the UK and Portugal, providing a wide range of services and products for domestic and export customers in defence and related markets.

Chess Technologies, through its operating businesses Chess Dynamics and Vision4ce, offers electro-optical and electro-mechanical systems to the defence and security markets. It was acquired by Cohort plc in December 2018. www.chess-dynamics.com & www.vision4ce.com

EID designs and manufactures advanced communications systems for the defence and security markets. Cohort acquired a majority stake in June 2016. www.eid.pt

MASS is a specialist data technology company serving the defence and security markets, focused on electronic warfare, digital services and training support. Acquired by Cohort in August 2006. www.mass.co.uk

MCL designs, sources and supports advanced electronic and surveillance technology for UK end users including the MOD and other government agencies. MCL has been part of the Group since July 2014. www.marlboroughcomms.com

SEA delivers products and services into the defence and transport markets alongside performing specialist research, training and product support. Acquired by Cohort in October 2007. www.sea.co.uk

Cohort (AIM: CHRT) was admitted to London's Alternative Investment Market in March 2006. It has headquarters in Reading, Berkshire and employs in total around 900 core staff there and at its other operating company sites across the UK and in Portugal.