

Ergomed H1 2021 Trading Update

- **Total revenue growth of 38.8% over H1 2020 to £56.0 million (up 48.1% in constant currency*)**
- **CRO division delivered strong growth with revenue up 90.7% over H1 2020 to £27.2 million, including the MedSource business acquired in 2020, with like-for-like growth of 16.1% (24.5% in constant currency)**
- **Total revenues and EBITDA for full year expected to be in line with recently upgraded market expectations**
- **Net new sales awards in H1 2021 increased by 50.8% over H1 2020**
- **Growth in order book maintained - up 18.0% since 1 January 2021, providing high visibility into H2 2021 and beyond**
- **Continued international expansion with growing presence in the USA**
- **Cash balance increased to £24.6 million and debt free**

**Constant currency growth is calculated by restating 2021 performance using 2020 exchange rates*

Guildford, UK – 27 July 2021: Ergomed plc, (LSE: ERGO) (“Ergomed” or the “Company”), a company focused on providing specialised services to the pharmaceutical industry, today announces a trading update for the first half of 2021. The Company will provide further details on the first half performance in its interim results in September 2021.

Strong trading in H1 2021

Ergomed had a strong first half of 2021 with total revenues for H1 2021 of £56.0 million (H1 2020: £40.4 million), an increase of 38.8% (48.1% in constant currency). Service fee revenues of £47.6 million (H1 2020: £37.0 million) were up 28.6% (37.2% in constant currency).

Revenues in PrimeVigilance, the pharmacovigilance (PV) business, increased to £28.8 million from £26.1 million in H1 2020, up by 10.4% (16.2% in constant currency).

The Clinical Research Services (CRO) division, including MedSource acquired in December 2020, saw its total revenues increase by 90.7% from £14.3 million in H1 2020 to £27.2 million in H1 2021 (106.4% in constant currency). MedSource performed in line with the acquisition business case. Excluding revenues from MedSource, the CRO division saw revenues increase by 16.1% (24.5% in constant currency) from £14.3 million in H1 2020 to £16.6 million in H1 2021.

EBITDA for the full year is expected to be in line with the upgraded market expectations following the Company’s recent AGM statement, with reported revenues in line with market expectations, notwithstanding the FX headwinds due to a higher proportion of US dollar denominated revenues.

Further strategic progress

The Company continued to make significant strategic progress in the current year, demonstrating its ongoing resilience globally through the pandemic and concluding its strategic transition to a services-based business model. Ergomed is a recognised provider of COVID-19 research support with involvement in a number of COVID-19 projects in its CRO and PV businesses globally.

PrimeVigilance, the Company’s pharmacovigilance division, has continued its strong growth, with the Ashfield Pharmacovigilance business now fully integrated as its US operation. The CRO business has seen further acceleration of the growth that resumed in the second half of 2020 and the integration of MedSource is progressing well.

Ergomed’s international expansion is continuing at pace. Its operational presence in the US continues to develop rapidly with strong organic growth alongside the integration of the two new US businesses acquired in 2020. There is also ongoing expansion into further geographic areas, including the establishment of new legal entities in key European countries and the recently announced new operation in Japan, the fourth largest pharmaceutical market in the world.



High sales in H1 2021 and excellent forward visibility

Net sales of new business for H1 2021 increased by 50.8% to £90.8 million (H1 2020: £60.2 million), accelerated by effective cross-selling activities between the CRO and PV businesses as well as the expanded geographic territory and client bases from the two US acquisitions in 2020.

Ergomed's order book remains healthy at £227.8 million at the end of H1 2021, an increase of 18.0% from £193.1 million at 31 December 2020 and up 50.5% on the prior year (H1 2020: £151.4 million), providing excellent visibility of contracted revenues for the second half of the year and beyond.

Cash balances at 30 June 2021 were £24.6 million and the Company continues to be debt-free with additional facilities of up to £30 million available to support expansion.

Dr Miroslav Reljanović, Executive Chairman of Ergomed, commented: *"Ergomed has delivered exceptional results and operational progress during the first half of the year. We have concluded our transition to a services-based business model and rapidly integrated recent acquisitions. Growth in our pharmacovigilance business has continued and the CRO business saw a substantial revenue increase supported by the recent US acquisition. Our excellent sales performance, significantly increased order book and robust financial platform position the Company to maintain momentum and deliver on our strategy for sustained high growth."*

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About Ergomed plc

Ergomed provides specialist services to the pharmaceutical industry spanning all phases of clinical development, post-approval pharmacovigilance and medical information. Ergomed's fast-growing services business includes an industry-leading suite of specialist pharmacovigilance (PV) solutions, integrated under the PrimeVigilance brand and a full range of high-quality clinical research and trial management services under the Ergomed brand (CRO). For further information, visit: <http://ergomedplc.com>.