

Ergomed H1 2023 Trading Update

Strong, resilient H1 performance: solid growth and positive outlook

- ***Robust revenue growth of 10% over H1 2022 to £76.7 million***
- ***Strong order book of £310 million with growth of 9% year over year (11% adjusting for foreign exchange) providing excellent visibility into H2 2023 and beyond***
- ***New business pipeline growth of 30% over H1 2022 reflecting the benefits of commercial investments***
- ***Revenue and adjusted EBITDA for full year 2023 anticipated to be in line with market expectations***
- ***Debt free with available facilities of up to £80.0 million to support future strategic M&A***

Guildford, UK – [25] July 2023: 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 2023. The Company will provide further details on the first half performance in its interim results in September 2023.

Strong and resilient trading in H1 2023 with a positive outlook

Ergomed continues to demonstrate its resilience and increasingly competitive strength, as shown by a strong first half of 2023, with revenue of £76.7 million (H1 2022: £69.9 million), an increase of 10% (7% in constant currency) over H1 2022. The Clinical Research Services (CRO) business increased its revenue by 11% (8% in constant currency) to £38.0 million from £34.3 million in H1 2022. PrimeVigilance, the pharmacovigilance (PV) business, increased its revenue by 9% (6% in constant currency) to £38.7 million from £35.6 million in H1 2022.

Cash at 30 June 2023 was £26.0 million (H1 2022: £12.0 million), with good underlying operating cash flow generation during the period. The Company remains in a robust financial position, debt free, with a strong balance sheet, and unutilised facilities of up to £80.0 million to support continued expansion both organically and through acquisitions.

Revenue and adjusted EBITDA for the full year 2023 are anticipated to be in line with market expectations, demonstrating the Company’s resilience and ability to maintain its strong financial performance despite the continued challenging macro-economic environment.

Strong pipeline and order book growth with excellent forward visibility

Ergomed’s order book continues to grow reaching £310 million at the end of H1 2023, an increase of 9% on the prior year (H1 2022: £284 million) or 11% adjusting for foreign exchange. This provides excellent visibility of revenue for the second half of 2023 and beyond and is supported by robust new business pipeline growth of 30% over H1 2022.

Dr Miroslav Reljanović, Executive Chairman of Ergomed, commented:

“Ergomed has made a very solid start to the year demonstrating continued growth, reflecting the resilience of the markets we operate in, our services-based business model, and the global appeal of our offering to our clients. We continue to execute on our strategy to transform the business by investing in technology and our commercial infrastructure which has been reflected in robust year over year growth of our new business pipeline. In addition, we continue to focus on prudent cost management across the Company, and executing our disciplined approach to M&A. We expect to deliver on our expectations for financial results for 2023, and we look forward with confidence to the rest of this year and beyond.”

ENDS

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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, a full range of high-quality clinical research and trial management services under the Ergomed brand (CRO) and mission-critical regulatory compliance and consulting services under the ADAMAS brand. For further information, visit: <http://ergomedplc.com>.