



Immedia Group PLC - IME Trading Update
Released 07:00 29-Jan-2018



RNS Number : 1246D
Immedia Group PLC
29 January 2018

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

Monday, 29 January 2018
For immediate release

Immedia Group plc
("Immedia" or "the Company" or "the Group")

Trading Update

Immedia (AIM: symbol: IME), a supplier of multi-media content and digital solutions for leading brands and global businesses, provides the following unaudited update on its performance for the year ended 31 December 2017 and the period up to this announcement: -

Introduction

Overall, our business has made considerable progress. The collective knowledge and skills-set has underpinned our ability to integrate, consolidate and strengthen the Group's product and service offering which, by the year end, has also afforded us greater marketing and client opportunities in our key target sectors. As we stated at the interim stage levels of new and existing client engagement remain high.

Trading

As a business we have experienced solid trading in 2017 evidenced through a mix of new contracts, organic growth and a full year's turnover from AVC Immedia. This has seen sales up c.36% over those reported for the 2016 financial year (2016: FY£2.6m). The uplift in revenue reflects the benefits of an enlarged Group offering as investment and initiative programmes start to feed through.

As a Board we have been very encouraged by progress, however 2017 fell short of management expectations, with December being weaker than budgeted. The shortfall in our trading expectations reflects the impact of delays to the commencement of certain projects that we had anticipated to start in Q4 2017 and subsequently contribute to our trading performance. Whilst the contractual delays are somewhat disappointing, the Board is confident that this is temporary, and we therefore

expect this contractual revenue will come on stream during the course of our 2018 financial year and contribute positively to our future trading results. We will keep shareholders abreast of these contract developments as appropriate.

The growth in our business brought about by the AVC acquisition has resulted in time being invested in the careful consolidation and integration of this business to achieve optimal synergistic benefits and capitalise on the entrepreneurial and technical skills of the rebranded AVC Immedia operations. Significant progress was made in 2017, but the trading performance of our acquisition has been slower to materialise than we expected. The Directors remain optimistic however that the full benefit of integration, cost reduction and business development initiatives at AVC Immedia will be seen over 2018 and into 2019.

Financial position

The Group continues to have a healthy balance sheet and at the 2017 period end had no borrowings.

2017 trading performance & summary

The delays reported above coupled with the slower than anticipated financial performance of AVC Immedia will result in the Group reporting an increased loss before tax for the year ended 31 December 2017 which, subject to audit, is expected to be in the region of £600,000 (FY 2016: loss £184,372 HY2017: loss £188,225).

Nevertheless, despite this result, we have retained all existing clients and attracted new clients over the course of 2017. We remain confident in our strategy and will continue to develop our exciting and innovative business model, which we believe will see us broaden our offering and become 'partner of choice' for many leading brands.

Immedia Group enters the new financial year in good shape; we remain confident in our ability to further develop our activities in the UK and across Europe and the management team continue to be encouraged by the pipeline of opportunities and outlook for the business over the medium term.

Notice of 2017 results

The Company looks forward to updating the market and shareholders further on trading and progress when it announces Immedia's preliminary results for the year ended 31 December 2017, currently scheduled to be released in mid-April 2018.

Enquiries:

Immedia Group plc

Tim Hipperson, Non-executive Chairman

Bruno Brookes, CEO

www.immediapl.com

Tel: +44 (0) 1635 556200

SPARK Advisory Partners Limited (Nomad)

Mark Brady

Neil Baldwin

Tel: +44 (0) 203 368 3550

SI Capital Limited (Stockbroker)

Nick Emerson

Tel: +44 (0) 1483 413500

Yellow Jersey (commercial & trade media PR)

Adam Wurf

Abs Hassanali

Tel: +44 (0) 7812 450 398

Tel: +44 (0) 7400 227 701

TooleyStreet Communications (IR & media relations)

Fiona Tooley

Tel: +44 (0) 7785 703523

About Immedia Group plc

Immedia Group plc is a multi-media content and digital solutions provider to global businesses and organisations, who are investing in internal and/or brand communications.

Our business provides a wide range of 'live' branded channels specifically to retail locations across the UK and Europe with an estimated listening audience of 8.5 million listeners per week. Immedia's interactive audio channels deliver original and relevant content, via its own DreamStream X platform with encrypted Dreamstream technology deployed in each location. Dreamstream X provides a mix of 'on brand' national and localised content to a client's workforce and customer base. Each channel is supported with powerful data analytics tools which monitor audience activity and provide data to enable us to further enhance audience engagement.

Immedia Group also creates original video content, 3D animation, app and web development, as well as supplying and installing Audio Visual equipment.

Immedia clients include: HSBC, Shell, Subway, BP, Superdrug, JD Sports, O2, BMW, IKEA and FIFA.

To read more about our business, visit www.immediapl.com

This information is provided by RNS
The company news service from the London Stock Exchange