

Covid-19, Trading and Timing of 2019 Results

IMMEDIA GROUP PLC

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Thursday 18 June 2020

For immediate release

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

Trading Statement
covering
Covid-19, Trading and Timing of 2019 Results

Immedia (AIM: symbol: IME), a supplier of multi-media content and digital solutions for leading brands and global businesses, provides the following trading update.

Covid-19 and Trading

Immedia announced on 6 April that the Covid-19 outbreak and lockdown was already having a material adverse effect on the business given its substantial exposure to the UK retail sector, with a number of clients including JD Sports Fashion plc, IKEA and Subway closing all or the majority of stores. In addition, several of the Company's other customers cancelled or deferred project work indefinitely.

At the start of the Covid-19 crisis the Group negotiated retainer payments with its major retail customers and implemented plans to preserve the safety of its employees and the long-term financial health of the business.

This week, subject to Government guidelines and social distancing requirements, we have seen more UK retail businesses re-open, and this will allow Immedia to rebuild contracted revenues from its retail customers as its services are taken up again. It is too early to predict the likely level and rate of recovery at retail; there remains uncertainty as to how quickly normal service will resume and the effect this will have on short-term revenue and cash flow.

The Group has taken advantage of Government furlough measures where it can, and as we highlighted in the last update the business has cut costs to conserve cash. Immedia has cash reserves, and plans in place to manage these resources, although the Directors are considering raising extra funding from a variety of sources.

Timing of 2019 Results

The Company has not yet released its audited accounts for the year ended 31 December 2019. Given Immedia's high dependence on the retail sector the Directors have concluded (in consultation with its auditors) that it requires some further time to obtain more clarity on the Company's position with regard to future revenues and cash.

Therefore, with the consent of both AIM Regulation and Companies House, the announcement of our final results and publication of the 2019 Annual Report and Accounts will be delayed beyond the normal reporting deadline of 30 June 2020. However, the Board will publish and file the 2019 financial statements by 30 September 2020.

Earnings Guidance 2020

At the time of the April market update there were encouraging signs for renewed appetite for the Group's services in early months of 2020. Due to the challenges of Covid-19 there is inherent uncertainty about the trading outlook in the short term. Consequently, the Company remains unable to give precise guidance at this time on the likely 2020 outturn, although, as previously stated it will be significantly below any previous expectations in the market. This position will be updated with our 2019 financial results when they are published.

Immedia will keep shareholders updated on progress with regard to funding, financial reporting, and earnings guidance as appropriate in due course.

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About Immedia Group Plc

Immedia Group Plc is a multi-media content and digital solutions provider to global businesses delivering audio visual communication services for brands.

Our business provides 'live' branded channels to retail locations across the UK and Europe. Immedia's interactive audio channels deliver targeted original content via its own DreamStream-X platform with encrypted Dreamstream technology deployed in each location. Each channel is supported with powerful data analytics tools that monitor audience activity and provide data to enable us to further enhance audience engagement.

In addition Immedia Group creates original audio production and video content as well as 3D animation and the supply, installation and maintenance of audio visual equipment.

Immedia clients include Shell, Subway, BP, Nationwide Building Society, JD Sports, O2, BMW, IKEA, and FIFA.

To read more about our business, visit www.immediapl.com or email us on enquiries@immediapl.com

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