



## **Ideagen PLC - IDEA Pre-Close Trading Update and Board Changes**

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Ideagen PLC

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**This announcement contains inside information.**

### **Ideagen PLC**

("Ideagen," "the Company" or the "Group")

### **Pre-Close Trading Update and Board Changes**

Ideagen PLC (AIM: IDEA), a leading supplier of Information Management software to highly regulated industries, is pleased to provide an update on trading for the year ended 30 April 2018 ahead of the announcement of its full year results on or around 17 July 2018 and on changes to the structure and composition of its Board of Directors (the "Board").

#### **Trading Statement**

The Board is pleased to report that results to 30 April 2018 are expected to be in line with market expectations representing the Group's ninth consecutive year of revenue and adjusted EBITDA\*\* growth.

The Group expects to report revenue up 33% at approximately £36.1million, (FY2017: £27.1million) and adjusted EBITDA\*\* up 40% at approximately £11.0 million (FY2017: £7.9 million), and a significant increase in adjusted EPS\*\*\*, which continues to be an important financial metric for the Group.

Trading was once again strong across all key verticals with the Group delivering organic revenue growth of approximately 11 per cent\* and generating a substantial increase in recurring revenues. Last year's acquisitions all contributed positively to our growth and the recently acquired Medforce Technologies Inc. is performing as expected.

Cash generation remained robust. Net cash as at 30 April 2018 was £0.8 million (31 October 2017: £5.9million) after paying £9.9 million of consideration for the acquisition of Medforce and deferred consideration on Pleasetech, IPI Solutions and Logen and £0.4 million in dividends.

#### **Board Changes**

Ideagen also announces a series of changes to its Board of Directors. These changes are designed to optimise the talent and expertise within the Company and will provide a structure that ensures the Board's skillset remain aligned to the Group's ongoing growth strategy.

Three of Ideagen's existing Directors will therefore realign their roles with immediate effect:

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David Hornsby has moved from the role of Chief Executive Officer to become the Group's Executive Chairman. The Board has a clear strategic objective to double revenues and adjusted EBITDA every 3 years and, having led Ideagen's significant growth since 2009, David will continue to be responsible for Ideagen's medium and long term growth plans. His particular areas of focus will include Group strategy, M&A and Investor Relations.

Ben Dorks, currently Chief Customer Officer, has succeeded David to become Ideagen's Chief Executive Officer. In this role Ben will build upon his current leadership responsibilities and focus on the Group's overall operational performance, customer acquisition and retention and product development.

Jonathan Wearing has stepped down from his position as Non-Executive Chairman after 15 years in this role. Jonathan will remain on the Board as a Non-Executive Director and continue to add his expertise to Board discussions.

### **David Hornsby, Executive Chairman:**

"We are pleased to report that the Group has continued to perform well in delivering another year of high quality earnings growth underpinned by strong cash generation. We continue to grow organically and to increase the percentage of our revenues derived from recurring business. The Group has significant contracted work in progress, a growing base of recurring revenues and a strong pipeline of new business opportunities which provides the Board with confidence for the current year and beyond.

I am also delighted to move into the Executive Chairman role and that Ben has accepted the position of Chief Executive Officer. We have worked with Ben for over five years and the Board believes strongly he has the necessary experience, focus and energy to develop and manage the people, systems and infrastructure to support our growth plans. Finally, I would like to thank Jonathan for his years of commitment to the Group as Chairman and look forward to working with him in his new role."

*\* FY2017 comparator prepared on a proforma basis as if these acquisitions had occurred during that year*

*\*\*Earnings before interest, tax, depreciation, amortisation, share based payments, acquisition costs and other exceptional items.*

*\*\*\*Adjusted diluted earnings per share*

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Graeme Spenceley, Finance Director

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Stuart Andrews/Henrik Persson/James Thompson (Nomad)

Stephen Norcross (Corporate Broking)

### **About Ideagen plc**

Ideagen is a UK company quoted on the London Stock Exchange AIM market (Ticker: IDEA.L).

Ideagen is a supplier of Information Management software with operations in the UK, the United States, Malaysia, Bulgaria and the UAE. The Company specialises in GRC (Governance, Risk and Compliance) and

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Content and Clinical solutions with a primary focus on organisations operating within highly regulated industries. With an excellent portfolio of software products, Ideagen is able to provide complete information lifecycle solutions that enable organisations to reduce risk, meet their regulatory and compliance standards, helping them to reduce costs and improve efficiency.

The Group has a customer base of over 3,500 organisations using the Ideagen suite of products, including many blue chip names such as BAE Systems, Emirates, Shell and the European Central Bank as well as 250 hospitals in the UK and US.

For further information please visit [www.ideagen.com](http://www.ideagen.com)

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