

25 April 2017

Imaginatik plc
("Imaginatik" or "the Company")

Trading Update

Imaginatik plc (AIM: IMTK.L), the innovation company, today provides an update on trading for the year ended 31 March 2017.

The Company expects to report an adjusted loss after tax of £0.55m, broadly in line with market expectations. The result is stated net of an exceptional foreign exchange loss of £0.23m arising as a result of the strong US dollar over the period (2016: adjusted net loss of £0.8m). Recognised revenues for the year are expected to be flat at approximately £3.9m (2016: £3.9m), with overall bookings amounting to £3.6m* (2016: £4.7m*). Renewals in the period remained steady, with approximately 76% of the renewals by value being converted over the period.

A total number of 15 new customers were signed during the year (2016: 9), 9 of which are on annual or multi-year contracts consisting of both technology and consulting, and 6 are on consulting engagements. Out of these new customer wins, 11 were added in the second half of the year as sales momentum started to build. New customers include an international financial services provider, a US based multi-national engineering business, a multi-national pharmaceutical company and a global human resources consulting firm.

The Company is also pleased to report that it has entered into several partnership agreements during the second half of the year. The most significant of which is for an initial two year period with a leading provider of end-to-end IT services and solutions for Global 1000 companies ("the Partner"). Imaginatik will provide its technology platform and consultancy services to the Partner directly and to the Partner's customer base as part of a jointly developed innovation offering. As well as receiving subscription revenues and consulting fees for the provision of its technology and consulting services, Imaginatik will also be entitled to receive success-based fees based on the total contract value of the joint offering.

The directors continue to carefully monitor the Company's cash position and to consider the options available.

**At constant currency*

Matt Cooper, Non-Executive Chairman of Imaginatik, commented:

"This has been a year of good underlying progress for the Group. During the period we have added a further range of new blue chip organisations to our outstanding reference customer base, improved the financial strength of the business by reducing trading losses, and maintained the critical investment in the business to enhance the Company's consultancy and technology offerings.

"We are also delighted to announce the significant partnership agreement with a multi-national IT services and solutions provider which leverages both businesses' expertise and skillsets to bring comprehensive innovation technology and services to a broader market. As we previously stated, a focus for the business has been on developing and building relationships with strategic partners to expand the Group's market reach and align with other thought leaders in the space. This partnership agreement is a milestone achievement in line with this strategy and opens up a substantial new potential customer base.

“As we enter the new financial year the pipeline of new business opportunities is strong and we look forward to providing a further update at the time of full year results.”

The information communicated in this announcement is inside information for the purposes of Article 7 of Regulation 596/2014.

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About Imaginatik

Imaginatik provides a range of Innovation solutions comprised of consultancy, enterprise software and program management to deliver innovation results to companies such as Exxon Mobil, Altria, Shell, Goodyear, the Yorkshire Building Society, Caterpillar, AECOM, Novartis and Cargill. Few companies possess the internal capability to consistently generate fresh ideas, identify those worth pursuing and reliably transform them into real, value-enhancing assets. Imaginatik's mission is to help these companies build sustainable innovation competencies. In 2016 Forrester Research found that “Imaginatik has the most comprehensive innovation management solution,” providing excellent industry recognition of Imaginatik's full-service innovation offering, combining both technology and consultancy services.

Imaginatik is a public company whose shares are traded on the AIM market of the London Stock Exchange (LSE: IMTK.L) with offices in Boston, MA, and Fareham, UK. For more information visit www.imaginatik.com.