

A good outcome in a very challenging year

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Dear Shareholder

When I took on the role of Non-executive Director in January 2020 and then Chair in May 2020, I did not anticipate I would be addressing you in my first annual report in the midst of a global pandemic. People's lives across the world changed in a matter of weeks and the crisis continues to have an unprecedented impact on economies and businesses globally. Despite these challenges, EMIS Group has performed well over the past year, benefitting from 82% recurring revenue. A particular highlight for me was the launch of EMIS-X Analytics, the first application from the EMIS-X platform.

Covid-19

On behalf of the Board, I want to express my enormous gratitude to our colleagues for their commitment and dedication during this challenging year. They managed the quick transition to remote working and have maintained high levels of service to our customers while supporting their families' and colleagues' wellbeing. This commitment meant that not only have we continued to operate effectively throughout the pandemic, we have maintained our focus on delivering the longer-term Group strategy. More information on the impact of Covid-19 on the business can be found on pages 4 and 5.

Our people

Our people are a major strength of the business and during 2020 we continued to attract and retain key talent, selecting and developing exceptional people who are motivated by our purpose.

There was a strong focus on culture during the year and we refreshed the Group values in the summer, reflecting both our key strengths and goals as a business. This challenging year has demonstrated how our employees work to help each other and our customers, as we united in the responsibility of supporting the NHS front line in every way we could. Moving to homeworking helped to break down the traditional communication barriers of geography or team structure to bring a greater degree of cross-group collaboration than ever before, which has been transformative to our way of working.

Board changes

As reported in the 2019 annual report and accounts, following completion of nine years of service, Mike O'Leary retired at the conclusion of the Annual General Meeting (AGM) on 6 May 2020, following which I took on the roles of Chair of the Board and nomination committee. I would like to thank Mike for his contributions to EMIS Group over an extended period and for his support in handing over the role of Chair. JP Rangaswami joined the Board on 1 March as Non-executive Director and will stand for election at the AGM on 6 May 2021. His biographical details are included on page 47 and in the notice of meeting.

Corporate governance

Corporate governance remains an important area of focus for the Board and underpins the sustainability of our business and the achievement of our strategy. During 2020, an external evaluation of Board performance was undertaken. The process and the outcomes are discussed in more detail on page 53. While no areas of material concern were identified, the process has helped in establishing new priorities for 2021.

Dividend

A final dividend of 16.0p per share is recommended by the Board. The dividend progression is in line with the capital allocation policy adopted by the Group and will result in a total dividend for the year of 32.0p. Subject to approval by shareholders at the AGM, the final dividend will be paid on 14 May 2021 to shareholders on the register on 16 April 2021.

Outlook

The results in 2020 were satisfactory, with revenues and adjusted profit both relatively flat and an increase in reported profit, which I believe is a good outcome in a very challenging year. Innovation remains key for our future and we have continued, and will continue, to invest in technology development.

The Board believes that the Group's strategy will deliver sustainable growth for both the EMIS Health and EMIS Enterprise areas of the business, whilst maintaining a strong balance sheet. Our strategy remains closely aligned with NHS policy in the short term as we navigate through the pandemic and in the mid and longer term as we work towards the digital future of the healthcare industry.

Patrick De Smedt

Chair

17 March 2021

