

22 August 2016

**Idox plc**  
("Idox", the "Company" or the "Group")

## **Acquisition of Rippleffect Studio Limited**

### **Significant expansion in digital capability**

Idox plc (AIM: IDOX), a leading supplier of specialist information management solutions and services, is pleased to announce that it has acquired the entire issued share capital of Rippleffect Studio Limited ("Rippleffect") (the "Acquisition") for £2.0 million (after working capital adjustments). The Acquisition is in line with Idox's target of achieving £100m of revenues at sustainable margins in the short to medium term, through a combination of organic growth and acquisitions.

### **Reasons for and benefits of the Acquisition**

Rippleffect is a full-service digital agency which delivers creative digital solutions for clients across the UK. Founded in 1999, it is ranked as one of the UK's top 20 digital agencies. Rippleffect works with some of the most ambitious brands and influential organisations from industries such as sport, retail, tourism, leisure, food & drink and arts & culture. Current clients include Everton and Liverpool football clubs, UK Sport, Visit Guernsey, Aldermore Bank, J D Wetherspoon and the Health Foundation.

Rippleffect's services cover the full spectrum of digital solutions, including strategy and planning, user experience, web design and development, ecommerce, search engine optimisation and digital advertising.

The Acquisition supports the Group's strategy of extending its digital capability and expanding its delivery of digital services across all its domains and sectors. Overall, it will enable the Group to offer an increased range of value enhancing services to all its customers.

Rippleffect will be fully integrated into Idox and will operate in conjunction with Idox's existing digital agency, Reading Room, in line with the Group's strong integration track record. The business, which employs over 70 staff, will remain based in Liverpool and will be managed by its existing team reporting to the Group managing director

responsible for Idox's digital agencies.

For its financial year ended 27 December 2015, Rippleffect reported revenue of £6.3 million, gross profit of £1.8 million, EBITDA of £54,694 and net profit of £34,934. Net assets were £1.2million.

### **Terms of the Acquisition**

This consideration of £2.0 million comprises the acquisition price of £1.95 million and an adjustment of approximately £0.05 million based on the working capital and indebtedness of Rippleffect as at the date of acquisition. The maximum total consideration for the Acquisition, including deferred consideration, is approximately £2.05 million including costs, payable in cash from the Company's existing debt facilities. The Acquisition is expected to be earnings enhancing in the first full year of ownership.

### **Richard Kellett-Clarke, CEO of Idox, commented:**

"The acquisition of Rippleffect significantly enhances our growing presence in the digital B2C marketplace. It supports our strategy to extend our markets as well as increasing our capability to deliver digital services across our public and private sector markets. It is expected to be earnings enhancing and to support our target of achieving £100m of revenues in the short term to medium term."

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

-ends-

### **Enquiries:**

#### **Idox plc**

(0) 870 333 7101

Laurence Vaughan, Chairman

Richard Kellett-Clarke, Chief Executive

Jane Mackie, Chief Financial Officer

+44

#### **N+1 Singer (NOMAD and Broker)**

(0) 20 7496 3000

Shaun Dobson

Liz Yong

+44

#### **MHP (Financial PR)**

(0) 20 3128 8100

Reg Hoare/Andrew Leach/Charlie Barker

+44

## **About Idox plc**

Idox plc is a supplier of specialist document management collaboration solutions and services to the public sector and increasingly to highly regulated asset intensive industries around the world in the wider corporate sector.

Its Public Sector Software Division is the leading applications provider to UK local government for core functions relating to land, people and property, such as its market leading planning systems and election management software. Over 90% of UK local authorities are now customers. The Division provides public sector organisations with tools to manage information and knowledge, documents, content, business processes and workflow as well as connecting directly with the citizen via the web, and providing elections management solutions. It also supplies in the UK and internationally, decision support content such as grants and planning policy information and corporates compliance services.

The Engineering Information Management Division delivers engineering document control, project collaboration and facility management applications to many leading companies in industries such as oil & gas, architecture and construction, mining, utilities, pharmaceuticals and transportation in North America and around the world.

The Group employs over 690 staff located in the UK, the USA, Canada, Europe, India and Australia.

For more information see [www.idoxplc.com](http://www.idoxplc.com) and @Idoxgroup.

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

END

ACQEANPFASNKEEF Anonymous (not verified) Acquisition

<http://www.DigitalLook.com>

24850477 A Mon, 08/22/2016 - 07:00 Mergers, Acquisitions and Disposals IDOX