

12 March 2021

Idox plc
('Idox' or the 'Group' or the 'Company')
Disposal of Idox Compliance

Idox plc (AIM: IDOX), a leading supplier of specialist information management software and solutions to the public and asset-intensive sectors, today announces that it has agreed the disposal of its Compliance Operations business, to Sponge Group Limited, a digital learning and technology company, for £9.0m cash on completion. The Compliance Operations business, part of Idox's Content Division is based in Germany and Belgium and employs 48 people.

The transaction will see Sponge acquire the entire share capital of Idox Germany GmbH and Idox Belgium BV together with a number of UK-based customer contracts. Idox Compliance is one of Europe's leading providers of compliance solutions, providing customers with e-learning platforms focused on supporting organisations to comply with compliance law and regulation.

The Compliance Operations reported revenues of £5.3m, an adjusted EBITDA contribution of £1.2m and PBT of £0.3m in Idox's financial year ended 31 October 2020. Gross assets as at 31 October 2020 were £5.4m. The disposal is anticipated to generate a profit on sale of £5.4m in the Group's current financial year.

The proceeds of the disposal will be utilised to reduce Idox's net debt (which stood at £16.1m as at 31 October 2020) and to continue to invest its organic and inorganic growth strategy.

Following the disposal, Idox's successful Grants Consultancy business now makes up the entirety of its Content Division.

David Meaden, CEO of Idox said:

"Our strategy, as stated in our recent FY20 results, is to build value as a public-sector focused software organisation. Whilst we are pleased with the progress of our Compliance business in the last two years, within our Four Pillars Framework, this transaction provides us with an opportunity to simplify operations within the Group and focus on our key markets, whilst at the same time providing the Compliance business with a more relevant owner in order to realise its own ambitions.

I look forward to seeing the continued success of the Idox Compliance team and products as it moves into its next phase with Sponge."

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

The person responsible for making this notification is Ruth Paterson, Company Secretary.

-Ends-

Enquiries:

Idox plc

+44 (0) 870 333 7101

Chris Stone, Non-Executive Chairman
David Meaden, Chief Executive
Rob Grubb, Chief Financial Officer

Peel Hunt LLP (NOMAD and Broker)

+44 (0) 20

7418 8900

Edward Knight
Paul Gillam
Nick Prowting

MHP Communications

+ 44 (0) 203 128 8100

Reg Hoare / James Bavister / Amy O'Sullivan
idox@mhpc.com

About Idox plc

For more information see www.idoxplc.com @Idoxgroup

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

DISFLLFFXLZBBX Anonymous (not verified) Disposal of Idox Compliance
<http://www.DigitalLook.com>

31704143 A Fri, 03/12/2021 - 07:00 LSE RNS Mergers, Acquisitions and Disposals IDOX