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The whole text of this document should be read. If you have sold or transferred all of your Ordinary Shares in Idox Plc, please send this document and the accompanying Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. Such documents should not, however, be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you have sold or transferred only part of your holding of shares, you should retain these documents and contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

**AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the potential risks in investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The London Stock Exchange has not itself examined or approved the contents of this document.**

**This document does not constitute an offer, invitation or solicitation to buy, acquire or subscribe for Placing Shares. This document has not been examined or approved by the Financial Conduct Authority or the London Stock Exchange or any other regulatory authority. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed to any other person or published in whole or in part for any purpose.**

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made to London Stock Exchange Plc for the Placing Shares and the Consideration Shares to be admitted to trading on AIM. It is expected that admission of the Placing Shares to trading on AIM will become effective and that dealings will commence on 26 January 2017 and that admission of the Consideration Shares to trading on AIM will become effective and that dealings will commence on 1 February 2017. The Placing Shares and the Consideration Shares will, on Admission, rank *pari passu* in all respects with, and will rank in full for all dividends and other distributions declared, made or paid in respect of, the Existing Ordinary Shares after their respective dates of admission.

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# **IDOX PLC**

*(a public company incorporated and registered in England and Wales with company number 03984070)*

## **Proposed acquisition of 6PM Holdings plc**

*(a public company incorporated and registered in Malta with company registration number C41492)*

**Placing of 34,166,667 new Ordinary Shares of £0.01 pence each  
at a price of £0.60 per share**

**and**

**Notice of General Meeting**

**Nplus1 Singer Advisory LLP**

*Nominated Adviser and Broker*

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**You are recommended to read the whole of this document but your attention is drawn to the letter from the Chairman of the Company set out on pages 11 to 17 of this document which provides details of the Placing and the Acquisition, and recommends that you vote in favour of the Resolution to be proposed at the General Meeting referred to below.**

The distribution of this document and/or the accompanying Form of Proxy in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Company and the Directors accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and makes no omission likely to affect the import of such information.

Nplus1 Singer Advisory LLP, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and broker to the Company in connection with the matters described in this document. Persons receiving this document should note that Nplus1 Singer Advisory LLP will not be responsible to anyone other than the Company for providing the protections afforded to customers of Nplus1 Singer Advisory LLP or for advising any other person on the arrangements described in this document. Nplus1 Singer Advisory LLP has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by Nplus1 Singer Advisory LLP for the accuracy of any information or opinions contained in this document or for the omission of any information. Nplus1 Singer Advisory LLP as nominated adviser and broker to the Company owes certain responsibilities to the London Stock Exchange Plc which are not owed to the Company or the Directors, Shareholders or any other person.

This document does not constitute a prospectus for the purposes of section 85 of the Financial Services and Markets Act 2000, as amended (“**FSMA**”) and any offer to the public is exempt by virtue of section 86 of FSMA, nor does it constitute an admission document drawn up in accordance with the AIM Rules. This document does not constitute or form part of any offer or invitation to buy, subscribe for, or sell Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, the Placing Shares have not been, and will not be, registered under the United States Securities Act of 1933 as amended (the “**Securities Act**”) or qualified for sale under the laws of any state of the United States or under the applicable laws of any of Canada, Australia, the Republic of South Africa or Japan and, subject to certain exceptions, may not be offered or sold in the United States or to, or for the account or benefit of, US persons (as such term is defined in Regulation S under the Securities Act) or to any national, resident or citizen of Canada, Australia, the Republic of South Africa or Japan.

No person has been authorised to give any information or to make any representation about the Company and about the matters the subject of this document other than those contained in this document. If any such information or representation is given or made then it must not be relied upon as having been so authorised. The delivery of this document shall not imply that no change has occurred in the Company’s affairs since the date of issue of this document or that the information in this document is correct as at any time after the date of this document, save as shall be required to be updated by law or regulation.

**Notice of a General Meeting of Idox, to be held at Fairfax House, 15 Fulwood Place, London WC1V 6AY on 5 January 2017 at 10.30 a.m., is set out at the end of this document. The action to be taken in respect of the General Meeting is set out in the letter from the Chairman of the Company contained on page 17.**

**Whether or not you intend to be present at the General Meeting, it is important that you complete, sign and return the Form of Proxy as soon as possible and, in any event, so as to reach the Company’s registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA by 10.30 a.m. on 3 January 2017 or 48 hours before any adjourned meeting (excluding any part of a day that is not a Business Day). Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish. The Form of Proxy should, to be valid, be completed in accordance with the instructions printed on it.**

**If you hold your Ordinary Shares in uncertificated form (i.e. in CREST) you may appoint a proxy by completing and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual so that it is received by the registrar (under CREST Participation ID 7RA11) by no later than 10.30 a.m. on 3 January 2017. The time of receipt will be taken to be the time from which the registrar is able to retrieve the message by enquiry to CREST in the manner proscribed by CREST.**

**In accordance with the AIM Rules, this document will be available on the Company’s website ([www.idoxplc.com](http://www.idoxplc.com)) from the date of this document, free of charge, subject to certain restrictions relating to persons in any jurisdiction where release, publication or distribution of this document would constitute a violation of the securities law of such jurisdiction. Neither the content of the Company’s website nor any website accessible by hyperlinks to or on the Company’s website is incorporated in, or forms part of, this document.**

## **OVERSEAS JURISDICTIONS**

The release, publication or distribution of this document and the accompanying Form of Proxy in or into, jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document comes who are not resident in the United Kingdom should inform themselves about, and observe, any applicable restrictions. Shareholders who are in any doubt regarding such matters should consult an appropriate independent adviser in the relevant jurisdiction without delay. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, this document may not be distributed, directly or indirectly, in or into the United States, Canada, the Republic of South Africa, Australia or Japan. Overseas shareholders and any person (including, without limitation, nominees and trustees), who have a contractual or other legal obligation to forward this document to a jurisdiction outside the UK should seek appropriate advice before taking any action.

This document has been prepared for the purposes of complying with the AIM Rules and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws or regulatory requirements of jurisdictions outside the United Kingdom. The statements contained in this document are not to be construed as legal, business, financial or tax advice.

## **FORWARD LOOKING STATEMENTS**

This document includes “forward-looking statements” which include all statements other than statements of historical facts, including, without limitation, those regarding the Enlarged Group’s financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “would”, “could” or similar expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company’s control that could cause the actual results, performance or achievements of the Enlarged Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Enlarged Group’s present and future business strategies and the environment in which the Enlarged Group will operate in the future. These forward looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.

## CONTENTS

|  | <i>Page</i> |
|--|-------------|
| DIRECTORS AND ADVISERS                 | 5           |
| KEY STATISTICS                         | 6           |
| EXPECTED TIMETABLE OF PRINCIPAL EVENTS | 7           |
| DEFINITIONS                            | 8           |
| PART I – LETTER FROM THE CHAIRMAN      | 11          |
| NOTICE OF GENERAL MEETING              | 18          |

## DIRECTORS AND ADVISERS

|   |   |   |
|---|---|---|
| <b>Directors</b>                                      | Laurence Vaughan<br>Andrew Riley<br>Jane Mackie<br>Rt Hon Peter Lilley<br>Jeremy Millard<br>Barbara Moorhouse<br>Richard Kellett-Clarke | <i>(Non-executive Chairman)</i><br><i>(Chief Executive Officer)</i><br><i>(Chief Financial Officer)</i><br><i>(Non-executive Director)</i><br><i>(Non-executive Director)</i><br><i>(Non-executive Director)</i><br><i>(Non-executive Director)</i> |
| <b>Company Secretary</b>                              | Jane Mackie   |   |
| <b>Registered Office</b>                              | Second Floor<br>1310 Waterside<br>Arlington Business Park<br>Theale<br>Reading RG7 4SA  |   |
| <b>Nominated Adviser and Broker</b>                   | Nplus1 Singer Advisory LLP<br>1 Bartholomew Lane<br>London EC2N 2AX   |   |
| <b>Solicitors to the Nominated Adviser and Broker</b> | Rosenblatt<br>9-13 St. Andrew Street<br>London EC4A 3AF   |   |
| <b>Solicitors to the Company</b>                      | Memery Crystal LLP<br>44 Southampton Buildings<br>London WC2A 1AP   |   |
| <b>Auditors</b>                                       | Grant Thornton UK LLP<br>Grant Thornton House<br>Melton Street<br>Euston Square<br>London NW1 2EP                                       |   |
| <b>Registrars</b>                                     | Neville Registrars Limited<br>Neville House<br>18 Laurel Lane<br>Halesowen<br>West Midlands B63 3DA                                     |   |
| <b>Company Website</b>                                | <a href="http://www.idoxgroup.com">www.idoxgroup.com</a>  |   |

## KEY STATISTICS

|   |                |
|---|----------------|
| Placing Price   | £0.60          |
| Number of Existing Ordinary Shares  | 364,012,063    |
| Number of Placing Shares  | 34,166,667     |
| Maximum Number of Consideration Shares*   | 10,998,479     |
| Minimum Number of Consideration Shares**  | 6,872,143      |
| Maximum Number of Ordinary Shares expected to be in issue following Admission of the Placing Shares and Consideration Shares* | 409,177,209    |
| Number of Placing Shares as a percentage of the Enlarged Share Capital*   | 8.4 per cent.  |
| Maximum Number of Consideration Shares as a percentage of the Enlarged Share Capital*   | 2.7 per cent.  |
| Maximum Number of New Ordinary Shares as a percentage of the Enlarged Share Capital*  | 11.0 per cent. |
| Amount being raised under the Placing (gross)   | £20.5m         |
| Amount being raised under the Placing (net)   | £19.7m         |

\* If all 6PM Shareholders who have not entered into irrevocable undertakings elect to receive the Combined Consideration

\*\* If all 6PM Shareholders who have not entered into irrevocable undertakings elect to receive the Alternative Consideration

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

|   |                                 |
|---|---------------------------------|
| Publication of this document and announcement of the Offer  | 14 December 2016                |
| Publication of the Offer Document   | 14 December 2016                |
| Latest time and date for receipt of Form of Proxy   | 10.30 a.m. on 3 January 2017    |
| Voting Record Date  | 6.00 p.m. on 3 January 2017     |
| General Meeting   | 10.30 a.m. on 5 January 2017    |
| Latest time for acceptances from 6PM Shareholders under the Offer   | 11.00 a.m. on 24 January 2017   |
| Latest time for satisfaction of all conditions under the Offer  | 11.00 a.m. on 24 January 2017   |
| Closing Date  | 11.00 a.m. on 24 January 2017   |
| Admission of the Placing Shares   | 8.00 a.m. on 26 January 2017    |
| Where applicable, expected date for CREST accounts to be credited in respect of Placing Shares in uncertificated form | 26 January 2017                 |
| Where applicable, expected date for posting of share certificates for Placing Shares in certificated form             | week commencing 30 January 2017 |
| Admission of the Consideration Shares   | 8.00 a.m. on 1 February 2017    |
| Completion of the Offer and Settlement of the Offer Consideration   | 3 February 2017                 |

Each of the times and dates refer above and where used elsewhere in the Circular to London time and are subject to change by the Company (with the agreement of N+1 Singer), in which case details of the new times and dates will be notified to the London Stock Exchange and the Company will make an appropriate announcement through a Regulatory Information Service.

## DEFINITIONS

|                                    |   |
|------------------------------------|---|
| <b>“Act”</b>                       | the Companies Act 2006 (as amended);  |
| <b>“Acquisition”</b>               | the proposed acquisition by the Company of the entire issued share capital of 6PM pursuant to the terms of the Offer;   |
| <b>“Admission”</b>                 | Offer Admission and Placing Admission;  |
| <b>“AIM”</b>                       | the AIM Market operated by the London Stock Exchange Plc;   |
| <b>“AIM Rules”</b>                 | the AIM Rules for Companies published by the London Stock Exchange Plc from time to time;   |
| <b>“Alternative Consideration”</b> | the Offer Consideration in the form of a cash payment of 88 pence per 6PM Share available to the 6PM Shareholders who so elect;   |
| <b>“Announcement”</b>              | the announcement by 6PM of the Offer through a Regulatory Information Service;  |
| <b>“Business Day”</b>              | a day other than a Saturday, Sunday or public holiday on which the banks in London are open for business;   |
| <b>“Cash Component”</b>            | the cash component of the Combined Consideration, equivalent to 44 pence per 6PM Share;   |
| <b>“Circular”</b>                  | this document;  |
| <b>“Closing Date”</b>              | the latest time and date at which 6PM Shareholders can accept the offer, being 11.00 a.m. GMT on 24 January 2017;   |
| <b>“Closing Price”</b>             | the closing middle market quotation of an Idox Share on a particular trading day as derived from the daily official list of the London Stock Exchange;  |
| <b>“Combined Consideration”</b>    | the Offer Consideration consisting of a combination of the Cash Component and the Idox Share Component;   |
| <b>“Company” or “Idox”</b>         | Idox Plc, a company registered in England and Wales with company number 03984070 whose registered office is at Second Floor, 1310 Waterside, Arlington Business Park, Theale, Reading, RG7 4SA;                   |
| <b>“Completion”</b>                | the Offer becoming or being declared unconditional in all respects in accordance with the terms of the Offer Document;  |
| <b>“Consideration Shares”</b>      | up to 10,998,479 Ordinary Shares to be issued and allotted to 6PM Shareholders to satisfy the Idox Share Component pursuant to the terms of the Offer;  |
| <b>“CREST”</b>                     | the relevant system (as defined in the Uncertificated Securities Regulations 2001) in respect of which Euroclear UK & Ireland Limited is the operator (as defined in Uncertificated Securities Regulations 2001); |
| <b>“Directors” or “Board”</b>      | the directors of the Company as at the date of this Circular whose names are set out on page 5 of this document;  |
| <b>“Enlarged Group”</b>            | the IDOX Group as enlarged by the 6PM Group on completion of the Acquisition;   |



|   |   |
|---|---|
| <b>“Enlarged Share Capital”</b>             | the number of issued Ordinary Shares immediately following Completion and Admission being, together, the Existing Ordinary Shares, the Placing Shares and the Consideration Shares;   |
| <b>“Existing Ordinary Shares”</b>           | the Ordinary Shares in issue at the date of this document;  |
| <b>“Form of Proxy”</b>                      | the Form of Proxy for use at the General Meeting, which accompanies this Circular;  |
| <b>“General Meeting”</b>                    | the general meeting of the Company to be held at Fairfax House, 15 Fulwood Place, London WC1V 6AY at 10.30 a.m. on 5 January 2017 and any adjournment of such meeting;  |
| <b>“GS1 Standard”</b>                       | the GS1 General Specifications standards published by GS1 UK;   |
| <b>“Ibox Group” or “Group”</b>              | the Company and its subsidiaries as at the date of this document;   |
| <b>“Ibox Share Component”</b>               | 0.6542 Ordinary Shares per 6PM Share, equivalent to 44 pence per 6PM Share based on the Closing Price of the Ordinary Shares of 67.25 pence on the Last Practicable Date, to be issued and allotted to 6PM Shareholders pro rata to their respective holding of 6PM Shares in the Company, subject to rounding, which shares shall be issued and allotted by Ibox to all 6PM Shareholders who opt to receive the Ibox Share Component in partial settlement of the 6PM Shares held by them; |
| <b>“Last Practicable Date”</b>              | 12 December 2016;   |
| <b>“Malta Stock Exchange”</b>               | Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act, bearing company registration number C 42525 and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;  |
| <b>“Malta Stock Exchange Listing Rules”</b> | the Malta Stock Exchange p.l.c. bye-laws issued by the authority of the board of directors of Malta Stock Exchange p.l.c., as may be amended from time to time;   |
| <b>“N+1 Singer”</b>                         | Nplus1 Singer Advisory LLP, the nominated adviser and broker to the Company;  |
| <b>“New Ordinary Shares”</b>                | the Placing Shares and the Consideration Shares;  |
| <b>“Notice of General Meeting”</b>          | the notice convening the General Meeting, which is set out at the end of this Circular;   |
| <b>“Offer”</b>                              | the offer by the Company to 6PM Shareholders to acquire their shares in 6PM on the terms and conditions of the Offer Document;  |
| <b>“Offer Admission”</b>                    | admission of the Consideration Shares to trading on AIM and such admission becoming effective in accordance with the AIM Rules;   |
| <b>“Offer Consideration”</b>                | the consideration payable by Ibox to 6PM Shareholders, being either the Combined Consideration consisting of the aggregate of the Cash Component and the Ibox Share Component or, at the option of a 6PM Shareholder, the Alternative Consideration;  |
| <b>“Offer Document”</b>                     | the document posted to 6PM Shareholders and uploaded on the Malta Stock Exchange on the date of this document setting out the terms and conditions of the Offer;  |

|  |  |
|--|--|
| <b>“Offer Price”</b>                             | 88 pence per 6PM Share;  |
| <b>“Ordinary Shares”</b> or <b>“Idox Shares”</b> | ordinary shares of £0.01 each in the capital of the Company;   |
| <b>“Placing”</b>                                 | the proposed placing of the Placing Shares at the Placing Price pursuant to the Placing Agreement;   |
| <b>“Placing Admission”</b>                       | admission of the Placing Shares to trading on AIM and such admission becoming effective in accordance with the AIM Rules;  |
| <b>“Placing Agreement”</b>                       | the conditional agreement dated 14 December 2016 between the Company and N+1 Singer, further details of which are set out in paragraph 8 of the letter from the Chairman;          |
| <b>“Placing Price”</b>                           | 60 pence per Placing Share;  |
| <b>“Placing Shares”</b>                          | up to 34,166,667 new Ordinary Shares which have been conditionally placed by N+1 Singer;   |
| <b>“Resolution”</b>                              | the resolution to be proposed at the General Meeting which is set out in the Notice of General Meeting;  |
| <b>“RFID”</b>                                    | radio frequency identification;  |
| <b>“Shareholders”</b>                            | holders of the Existing Ordinary Shares from time to time;   |
| <b>“Subsidiaries”</b>                            | has the meaning given in section 1159 of the Act;  |
| <b>“Voting Record Date”</b>                      | 6.00 p.m. on 3 January 2017 or 48 hours before any adjournment of the General Meeting; and   |
| <b>“£”</b>                                       | pounds sterling, the lawful currency of the United Kingdom;  |
| <b>“6PM Group”</b>                               | 6PM and its subsidiaries as at the date of this document;  |
| <b>“6PM Holdings plc”</b> or <b>“6PM”</b>        | 6PM Holdings plc, a company incorporated under the laws of Malta with registration number C41492 and whose shares are traded on the Malta Stock Exchange;                          |
| <b>“6PM Shareholders”</b>                        | the shareholders in 6PM at the date of this document and/or at any time during the period for which the Offer is open for acceptance or the Company is able to acquire 6PM Shares; |
| <b>“6PM Shares”</b>                              | ordinary shares of £0.20 in the capital of 6PM;  |
| <b>“6PM Issued Share Capital”</b>                | the 20,982,938 ordinary shares of £0.20 in the capital of 6PM.   |

**PART I**  
**LETTER FROM THE CHAIRMAN**

**Idox Plc**

*(Registered and incorporated in England and Wales under the Companies Act 1985 with company number 03984070)*

|                        |                                   |                           |
|------------------------|-----------------------------------|---------------------------|
| <i>Directors:</i>      |                                   | <i>Registered Office:</i> |
| Laurence Vaughan       | <i>(Non-executive Chairman)</i>   | 2nd Floor,                |
| Andrew Riley           | <i>(Chief Executive Officer)</i>  | 1310 Waterside            |
| Jane Mackie            | <i>(Chief Financial Director)</i> | Arlington Business Park   |
| Rt Hon Peter Lilley    | <i>(Non-executive Director)</i>   | Theale                    |
| Jeremy Millard         | <i>(Non-executive Director)</i>   | Reading                   |
| Barbara Moorhouse      | <i>(Non-executive Director)</i>   | RG7 4SA                   |
| Richard Kellett-Clarke | <i>(Non-executive Director)</i>   |                           |

*To Shareholders and, for information only, to the holders of options over Ordinary Shares*

14 December 2016

Dear Shareholder,

**Proposed acquisition of 6PM Holdings plc**

**Placing of 34,166,667 new Ordinary Shares of £0.01 each at a price of £0.60 per share**

**and**

**Notice of General Meeting**

**1. Introduction**

The Company has today announced a conditional voluntary offer to acquire the entire issued share capital of 6PM Holdings plc, a company registered in Malta and listed on the Malta Stock Exchange, to be funded partly in cash and partly by the issue and allotment to 6PM Shareholders of Consideration Shares.

In conjunction with the Offer, the Company has also announced a conditional Placing by N+1 Singer to raise gross proceeds of approximately £20.5 million (£19.7 million net of Placing expenses) by the issue and allotment of 34,166,667 Placing Shares with new and existing investors at the Placing Price.

The issue and allotment of the Placing Shares is conditional on the passing of the Resolution and the Placing is also conditional, *inter alia*, to the passing of the Resolution. A General Meeting is therefore being convened at 10.30 a.m. on 5 January 2017 at Fairfax House, 15 Fulwood Place, London WC1V 6AY for the purpose of considering the Resolution. The Notice of General Meeting containing the Resolution is set out at the end of this Circular.

The purpose of this Circular is to explain the terms of the Offer, provide details of the proposed Placing, explain why the Directors are seeking authority from the Shareholders to dis-apply pre-emption rights in order to issue and allot the Placing Shares and why they recommend that you vote in favour of the Resolution.

**2. Background to the Offer**

The Offer offers Idox the opportunity to significantly expand its health and social care presence and enhances Idox's digital service platform. This follows on from the acquisition of Open Objects, which provides social care customer solutions, in July 2016. The Directors believe that there is an increasing overlap between the social care and healthcare sectors and therefore that the acquisition of 6PM will allow Idox to supply both sectors.

**3. Information on 6PM**

6PM Group, founded in 2004, delivers healthcare solutions, principally to the NHS within the UK, using a combination of proprietary software, infrastructure, and professional services that enables healthcare organisations to enhance and optimise efficiency. The market is influenced by strong regulatory and clinical drivers. The products consist of primarily Hospital Management Solutions, Clinical Systems and Mobile Health Solutions.

6PM’s hospital management solution (‘iFIT’) provides hospitals with the ability to track patient records, assets and people using RFID and barcoding technology, and is fully compliant with the GS1 Standard.

iFIT has relationships with 22 hospital trusts in the UK primarily for records management and for managing assets more efficiently.

6PM also provides several clinical solutions to manage dementia, stroke care, HIV and sexual health. The sexual health clinical system (Lillie) is used by a large number of sexual health clinics within the UK and manages the full scope of health professional and patient interaction. 6PMs HIV product (Climate-HIV) is believed to be the only specialist HIV clinical system in the UK market.

6PM’s Emcare product is a mobile product that supports independent living for the elderly and those requiring care services, by providing real-time health and environmental monitoring. Used by over 10,000 subscribers, the service provides alerts in the event of an emergency and can, via integration with a range of digital healthcare equipment, monitor vital signs that can be analysed by health care professionals to also provide care proactively.

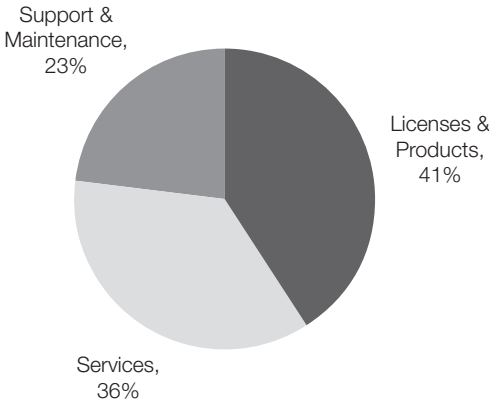
The 6PM Group has offices in the UK, Ireland, Macedonia and Malta and employs approximately 170 staff.

*6PM Financials*

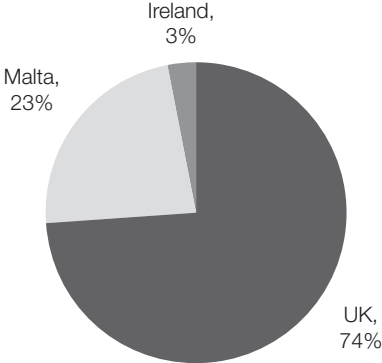
A summary of the reported financial results of 6PM for the years ended 31 December 2011, 2012, 2013, 2014 and 2015 are presented below. The Directors’ estimates for the year ended 31 December 2016, following completion of the Acquisition and adoption of IDOX’s accounting policies, are also presented. Further information on accounting policies is described in paragraph 5 below.

| <i>Year ended</i>  |  | <i>2011A</i> | <i>2012A</i> | <i>2013A</i> | <i>2014A</i> | <i>2015A</i> | <i>2016E</i> |
|--------------------|--|--------------|--------------|--------------|--------------|--------------|--------------|
| <i>31 December</i> |  |              |              |              |              |              |              |
| Revenue            |  | £5.32m       | £7.16m       | £9.25m       | £9.68m       | £11.33m      | £11.7m       |
| EBITDA             |  | (£0.16m)     | £0.82m       | £1.14m       | £1.49m       | £2.19m       | £2.9m        |

2015 reported revenue was split as follows:



**Figure 1 2015A Revenue Split by Type**



**Figure 2 2015A Revenue Split by Geography**

#### 4. Summary of the key terms of the Offer

The Company has made a conditional voluntary public offer to 6PM Shareholders to acquire the entire issued share capital of 6PM for 88 pence per 6PM Share.

The Offer values the entire issued share capital of 6PM at £18.46 million. Taking into account, *inter alia*, net debt (including c. €13 million 5.1 per cent. unsecured 2025 bonds listed on the Malta Stock Exchange) and working capital requirements, the Directors consider the enterprise value of 6PM to be approximately £35 million.

Under the terms of the Offer, the Offer Consideration will be payable to 6PM Shareholders as either the Combined Consideration or the Alternative Consideration. The Combined Consideration is comprised of the Cash Component of 44 pence in cash per 6PM Share and the Idox Share Component of 0.6542 new Consideration Shares per 6PM Share, based on the Closing Price of 67.25 pence per Idox Share on 12 December 2016, being the Last Practicable Date. Pursuant to the Malta Stock Exchange Listing Rules, the Company is also required to offer a full cash alternative. Any 6PM Shareholders who elect to receive the Alternative Consideration will be entitled to receive 88 pence per 6PM Share in cash only.

The Offer is expected to remain open for four weeks and it is expected that the Offer will become unconditional as to acceptances by 24 January 2017 and will be completed by 3 February 2017. It is expected that the Consideration Shares will be admitted to trading on AIM by no later than 8.00 a.m. on 1 February 2017.

Idox has received irrevocable undertakings dated 13 December 2016 from six major shareholders of 6PM, holding an aggregate of 14,675,483 6PM Shares, representing 69.94 per cent. of the 6PM Issued Share Capital, and each of those 6PM Shareholders undertook, subject to certain conditions, to accept the Offer. These shareholders have irrevocably undertaken to accept the Combined Consideration in respect of 50.06 per cent. of the 6PM Issued Share Capital and the balance in cash (being the Alternative Consideration). If all other 6PM Shareholders elect to receive the Combined Consideration then the Offer Consideration will be a total of approximately £11.1 million in cash and 10,998,479 Consideration Shares. If however, all of the 6PM Shareholders elected to receive the Alternative Consideration then the Offer Consideration will be approximately £13.8 million in cash and 6,872,143 Consideration Shares.

The Offer is not subject to any of the conditions of the Placing being fulfilled, neither, is it conditional on the Placing itself. It is however, subject to the following conditions:

- (i) a minimum acceptance threshold of ninety per cent. (90 per cent.) of the 6PM Shares;
- (ii) no material adverse change taking place, following the Announcement and until Completion, in relation to the financial condition, business, assets or results of operation of 6PM;
- (iii) following the Announcement and until Completion, 6PM continuing to conduct its business in an ordinary manner;
- (iv) no court or governmental or other regulatory authority (including any applicable securities exchange) taking any legal action which restrains or prohibits the Offer or the completion of same in any manner; and
- (v) the major shareholders not terminating and/or breaching their irrevocable undertakings and, accordingly, the irrevocable undertakings remaining valid and in full force and effect up to and including the Closing Date.

The Closing Date for the acceptance of the Offer by 6PM Shareholders is 11.00 a.m. on 24 January 2017. Where Idox acquires and becomes entitled to hold more than ninety per cent. (90 per cent.) of the issued share capital and voting rights in 6PM (the "Squeeze Out Threshold") and following Completion, Idox shall become entitled to exercise its right (the "Squeeze Out Right") set out in the Malta Stock Exchange Listing Rules to require all the remaining 6PM Shareholders to sell and transfer to Idox the remaining 6PM Shares, and each remaining 6PM Shareholder will have the right to require Idox to purchase the remaining 6PM Shares, in both cases at a fair price payable in cash within a maximum period of ninety (90) calendar days from the Closing Date.

In accordance with the Malta Stock Exchange Listing Rules, once the Squeeze Out Threshold is reached and the Squeeze Out Right is triggered, an independent expert is required to draw up a report determining the price considered to be a fair and reasonable value of those remaining 6PM Shares. The Company will appoint Grant Thornton Malta to prepare the required report, if required.

The Offer is not conditional on the Placing becoming unconditional or completion of the Placing. In the event that the conditions relating to the Offer are fulfilled (or waived by the Company) but the Resolution is not passed or the Placing is terminated for some other reason, the Company will drawdown sufficient funds under its banking facilities with Royal Bank of Scotland Plc and Silicon Valley Bank in order to fulfil its obligations to pay the Cash Component and the Alternative Consideration.

## **5. Effects of the Offer**

In the event that the Offer is successful, Idox intends to maintain the 6PM Group's current business focus but to accelerate its plans for growth. The 6PM Group will become the health division of Idox's government portfolio of software and solutions. Its technology will also be used in combination with other capabilities within the Group to deliver cross-selling benefits across the Group's customer base. Idox intends for 6PM to implement its group-wide finance and enterprise resource planning ("ERP") system to provide stronger and more standardised information and controls.

Leveraging the recent acquisition of Open Objects and the Group's entry into the social care market, the Directors believe that the Offer will facilitate the Group's entry into the UK health market. Following implementation of the Directors' synergy plan, the Acquisition is expected to be earnings accretive in the current financial year and beyond.

### *Integration plan*

Idox does not intend, as a direct consequence of the Acquisition, to implement any material changes to the general business of the 6PM Group or to the employees of or the current conditions of employment in place at 6PM. The Directors' present intentions are to continue with current operations in Malta and Macedonia. However, Idox does intend to accelerate existing management's plans to focus 6PM Group's business on health, to invest in additional sales resources, give 6PM access to the Group's UK infrastructure, systems and resources, and to rebrand 6PM. The Directors expect that the Acquisition will lead to cross-selling opportunities across the Group's customer base and that certain synergies will be achievable immediately.

### *Legal Structure*

In the UK and Ireland where Idox Group has existing legal entities, 6PM Group's structure will be consolidated post-Acquisition to simplify the legal structure of the Idox Group. This is not intended to impact on operations in those territories.

### *6PM Board*

Post-Acquisition, the board of directors of 6PM Holdings plc will be comprised of the following pre-Acquisition directors.

|                  |                                |
|------------------|--------------------------------|
| Ivan Bartolo     | Chief Executive Officer        |
| Stephen Wightman | Deputy Chief Executive Officer |

It is intended that Andrew Riley, CEO and Jane Mackie, CFO of Idox will join the board of 6PM on completion of the Acquisition.

### *Accounting policies*

The 6PM Shares are admitted to trading on the Malta Stock Exchange, where certain published standards with regards to the production, publication and auditing of financial information are in place. However, the Directors believe that following the Acquisition, material adjustment will need to be made to the manner in which 6PM's financial statements are prepared to achieve consistency with Idox's accounting policies (including disclosures that would be required in order to present the historical financial information of 6PM

in a manner consistent with the application of policies followed by Idox, particularly with regard to revenue recognition and intangible assets).

6PM reported revenues of £11.33m and EBITDA of £2.19m in its last audited financial year (FY2015). Under the expected reconciliation to Idox's accounting policies, certain of 6PM's revenues that were recognised in its accounts in (i) FY2015 and (ii) FY2016 would instead be recognised in (i) FY2016 and FY2017 and (ii) FY2017 and FY2018 respectively.

As a consequence, application of these same accounting policies are estimated to be likely to increase profit for 6PM for 2016 and 2017. The Directors can only estimate the likely impact at this stage as additional accounting work is ongoing as to the timing of revenue recognition under Idox's policies.

The value of 6PM net assets reported in FY2015 was £15.8m. Following the Acquisition, the Directors expect that the value of the net assets of 6PM under Idox's accounting policies will be reduced materially.

The Directors believe that the Acquisition will be beneficial to the Company, providing a route into the strategically important public health sector through the acquisition of an established player with a significant number of NHS relationships. The Acquisition is expected to be earnings enhancing for Idox in its 2017 financial year and beyond. The Directors do not believe that any similar acquisition opportunities exist in the UK market that would give the Company such an established footprint, and that the investment that would be required to establish the Company as a new entrant in this market organically would be prohibitively expensive and time-consuming.

## 6. Current Trading

The Company has today published its final results for the financial year ended 31 October 2016, which include the following highlights:

- Revenues up 23 per cent. to £76.7m (2015: £62.6m)
- Adjusted EBITDA<sup>1</sup> increased 18 per cent. to £21.5m (2015: £18.2m)
- Adjusted EBITDA<sup>1</sup> margin 28.0 per cent. (2015: 29.1 per cent.)
- Adjusted profit before tax<sup>2</sup> was £16.7m, up 15 per cent. (2015: £14.5m)
- Adjusted EPS<sup>2</sup> 4.11p up 25 per cent. (2015: 3.28p)
- Statutory profit before tax was 33 per cent. higher at £13m (2015: £9.8m)
- Statutory basic EPS increased by 49 per cent. to 3.30p (2015: 2.21p)

The Directors believe the Group has started the new financial year strongly, building on the performance in FY2016, having integrated recent acquisitions and have had early successes winning contracts. The Group is well positioned in its markets and has a strong revenue visibility, order book and pipeline.

## 7. The Placing

The Placing Shares have been conditionally placed by N+1 Singer as agent for the Company, with new and existing institutional and other investors in accordance with the terms of the Placing Agreement.

Subject to Placing Admission, the Company will issue up to 34,166,667 Ordinary Shares at the Placing Price, raising approximately £19.7 million net of expenses. The Placing Shares will represent approximately 8.4 per cent. of the Enlarged Share Capital (assuming that the maximum aggregate number of 10,998,479 Consideration Shares, being 40.1 per cent. of the overall consideration payable under the Offer, are issued to 6PM Shareholders). The Placing Price represents a discount of approximately 14.3 per cent. to the closing price of the Ordinary Shares on AIM on 13 December 2016 (being the last trading day prior to announcement of the Placing) and a discount of approximately 3.8 per cent. to the average Closing Price over the twenty trading days prior to announcement of the Placing.

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1 Adjusted EBITDA is defined as earnings before amortisation, depreciation, restructuring, acquisition, corporate finance and share option costs

2 Adjusted profit before tax and adjusted EPS excludes amortisation on acquired intangibles, restructuring and acquisition costs

The Placing Shares will, when issued, rank in full for all dividends declared, made or paid after the date of their issue and otherwise *pari passu* with the Existing Ordinary Shares.

## 8. The Placing Agreement

N+1 Singer has entered into the Placing Agreement with the Company whereby it has agreed to use its reasonable endeavours, as agent for the Company, to procure placees for the Placing Shares at the Placing Price.

The Placing Agreement contains warranties from the Company in favour of N+1 Singer in relation to, *inter alia*, the accuracy of the information in this Circular and other matters relating to the Idox Group, the Offer and the 6PM Group and its business. In addition, the Company has agreed to indemnify N+1 Singer in relation to certain liabilities that it may incur in connection with the Placing.

The Placing is conditional on, *inter alia*, all conditions in the Offer Document having been satisfied (or where appropriate, waived by the Company), the passing of the Resolution and the Placing Agreement becoming or being declared unconditional in all respects and it not being terminated before Placing Admission and Placing Admission occurring by no later than 26 January 2017 or such later date as the Company and N+1 Singer shall agree provided that this is not later than 23 February 2017.

N+1 Singer has the right to terminate the Placing Agreement in certain circumstances prior to Placing Admission, in particular, in the event of a breach of the warranties, the Offer lapsing or a material adverse change in the financial position or prospects of the Group.

Application will be made to the London Stock Exchange Plc for the Placing Shares and the Consideration Shares to be admitted to trading on AIM. It is expected that Placing Admission will become effective and that dealings in the Placing Shares will commence on AIM at 8:00 a.m. on 26 January 2017 and that Offer Admission will become effective and that dealings in the Consideration Shares will commence on AIM at 8:00 a.m. on 1 February 2017.

On Admission (assuming that the maximum aggregate number of 10,998,479 Consideration Shares, being 40.1 per cent. of the overall consideration payable under the Offer, are issued to 6PM Shareholders), the Enlarged Share Capital is expected to be 409,177,209 Ordinary Shares and the Placing Shares will represent approximately 8.4 per cent. of the Enlarged Share Capital.

## 9. Use of Proceeds

The net proceeds of the Placing (assuming that the minimum aggregate number of 6,872,143 Consideration Shares are issued to 6PM Shareholders, being 25.0 per cent. of the overall consideration payable to 6PM Shareholders under the Offer) will be used as set out below:

|   | <i>£m</i>         |
|---|-------------------|
| Cash consideration payable to 6PM Shareholders* | Up to 13.8        |
| 6PM net debt and working capital requirement    | 5.0               |
| Costs of the Offer and the Placing              | 1.7               |
| <b>Total*</b>                                   | <b>Up to 20.5</b> |

\*The exact cash consideration payable to 6PM Shareholders depends on uptake of the Combined Consideration and the Alternative Consideration.

## 10. Related Party Transaction

Hargreave Hale Ltd ("Hargreave Hale"), a substantial shareholder in the Company (as defined by the AIM Rules) has subscribed for 8,030,501 Placing Shares at the Placing Price through the Placing. Hargreave Hale's participation in the Placing is deemed to be a related party transaction under the AIM Rules. The Directors, having consulted with N+1 Singer, the Company's Nominated Adviser, consider that the terms of Hargreave Hale's subscription are fair and reasonable insofar as Shareholders are concerned.



## **11. General Meeting**

Set out at the end of this Circular is a notice convening a General Meeting to be held at Fairfax House, 15 Fulwood Place, London WC1V 6AY at 10.30 a.m. on 5 January 2017 for the purposes of considering and, if thought fit, passing the Resolution.

The Resolution proposed is a special resolution, to permit the Directors to allot the Placing Shares for cash on a non-pre-emptive basis.

The authorities set out in the Resolution are in addition to the existing authorities granted at the annual general meeting of the Company held on 25 February 2016. The Directors' will use the existing authorities to allot the Consideration Shares and to authorise the Directors' to allot the Placing Shares.

If the Resolution is not passed at the General Meeting or an adjourned meeting by the dates specified in the Placing Agreement, the conditions of the Placing Agreement will not be satisfied. Consequently, in these circumstances the Placing will not occur, but the Company will still be required to proceed with the Offer.

## **12. Action to be taken**

A Form of Proxy for use at the General Meeting accompanies this document. Whether or not you intend to attend the General Meeting it is important that you complete and sign the Form of Proxy. It should be completed and signed in accordance with the instructions thereon and returned to the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, BD63 3DA as soon as possible, but in any event, so as to be received by no later than 10.30 a.m. on 3 January 2017 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting). The completion and return of a Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

If you hold your shares in the Company in uncertificated form (that is, in CREST) you may vote using the CREST proxy appointment service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of the General Meeting set out at the end of this document). Proxies submitted via CREST must be received by the Company by no later than 10.30 a.m. on 3 January 2017 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

## **13. Directors' Recommendation**

**The Board considers that the Placing is in the best interests of the Idox Group and Shareholders as a whole.**

**Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolution to be proposed at the General Meeting as they intend to do so in respect of their own beneficial holdings amounting, in aggregate, to 13,589,826 Ordinary Shares, representing approximately 3.7 per cent. of the Existing Ordinary Shares.**

Yours faithfully

Laurence Vaughan  
*Chairman*

**IDOX PLC (the “Company”)**

**NOTICE OF GENERAL MEETING**

Notice is hereby given that a general meeting of the members of the Company will be held at Fairfax House, 15 Fulwood Place, London WC1V 6AY on 5 January 2017 at 10.30 a.m. for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as a special resolution.

**SPECIAL RESOLUTION**

In addition to the previous powers given to the Directors pursuant to section 570 of the Companies Act 2006 (“the Act”) at the Annual General Meeting of the Company held on 25 February 2016, that the Directors be generally empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) of the Company for cash as if section 561(1) of the Act did not apply to any such allotment, provided that this power is limited to the allotment of equity securities with an aggregate nominal amount of £341,667 in connection with the Placing (as defined in the circular to shareholders of the Company dated 14 December 2016 of which this notice forms part) and provided that this shall, unless renewed, varied or revoked by the Company in general meeting, expire on the date of the Company’s annual general meeting in 2017, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement notwithstanding that the power hereby conferred has expired.

***By Order of the Board***

Jane Mackie  
Company Secretary

***Registered Office***

2nd Floor  
1310 Waterside  
Arlington Business Park  
RG7 4SA

Date: 14 December 2016

## Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at 6.00 p.m. on 3 January 2017 shall be entitled to attend and vote at the Meeting.
2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided that each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Company's registrars at the address set out in note 6.
5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- (a) completed and signed;
- (b) sent or delivered to Neville Registrars Limited by post to Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA; and
- (c) received by Neville Registrars Limited no later than 10.30 a.m. on 3 January 2017.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

6. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
7. Except as provided above, members who have general queries about the Meeting should call Neville Registrars Limited on 0121 585 1131.

You may not use any electronic address provided either:

- (a) in this notice of general meeting; or
- (b) any related documents (including the Chairman's letter and proxy form),

to communicate with the Company for any purposes other than those expressly stated.

8. As at 6.00 p.m. on the day immediately prior to the date of posting of this notice, the Company's issued share capital comprised 364,012,063 ordinary shares of 1 pence each, out of which 2,991,219 are held in treasury. Each ordinary share which is not held as a treasury share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6.00 p.m. on the day immediately prior to the date of posting of this notice is 361,020,844.

