



## **ICSGLOBAL LIMITED**

**ICS ASX RELEASE – December 18th 2020**

### **ICS enters into agreement to sell its UK Medical Billing and Collections Business**

#### **Sale of Main Undertaking**

ICSGlobal Ltd. (ASX:ICS) today announces that it has entered into an agreement to sell Thelma-EU Ltd, ICS's wholly owned UK subsidiary that operates the Medical Billing and Collections business in the UK, to Civica UK Ltd.

ICS will receive GBP12.35 million for the shares before costs plus an amount for customary adjustments for excess working capital. At the current GBP/AUD exchange rate<sup>1</sup> the Board expects this, after costs, to be equivalent to approximately AUD\$22.0 million. Assuming the successful completion of the transaction and no other changes, the assets remaining in ICS will be cash (currently approximately AUD \$1.7 million) and its shareholding in Open Learning Limited (ASX:OLL) which has a value of approximately AUD \$250,000 at the current share price. Further detail as to the likely effects of the transaction for the Company are set out below.

This transaction will take place by way of a share sale and is subject, among other things, to shareholder approval.

#### **EGM to consider the transaction**

A Notice of Meeting and Explanatory Memorandum regarding the proposed sale will be distributed to ICS shareholders in January 2021 for an Extraordinary General Meeting (EGM) to be held in February 2021 for shareholders to consider, and if thought fit, approve the transaction.

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<sup>1</sup> The current GBP/AUD exchange rate is 0.56. The GBP cash consideration will be received on Completion that is expected, subject to shareholder approval, to occur in late February 2021. The GBP cash will then be converted into AUD at the prevailing exchange rate.



### **Proforma likely effect of the transaction if approved and completed**

	<b>30-Nov-20</b>	<b>Pro-forma Post transaction before any Shareholder return</b>
Revenue from ordinary activities	\$6,312,500	\$0
Profit/(loss) after tax attributable to shareholders from continuing operations before corporate costs)	\$1,824,594	\$0
Net Corporate Cash <sup>(1)</sup>	\$1,667,429	\$23,994,500
Current Assets (excl corporate cash)	\$5,400,596	\$0
Non-current Assets	\$4,252,299	\$253,741
Liabilities	\$4,936,225	\$40,377
Net Assets <sup>(1)</sup>	\$6,384,099	\$24,207,864
EBITDA (rolling annualised from continuing operations before corporate costs)	\$2,663,757	\$0
New capital raising <sup>(2)</sup>	\$0	\$0
Board and senior management <sup>(2)</sup>	No change	No change

(1) It is anticipated that a material portion of the cash proceeds from the sale will be returned to Shareholders and will therefore not remain on the Company's balance sheet. More detail in this regard will be set out in the Notice of Meeting and Explanatory Memorandum.

(2) There will be no capital raising or change to the issued capital, Board or management of the Company as a consequence of the transaction. The number of shares on issue both prior to and after the transaction will be 10,604,019

### **Completion and post transaction**

Under the terms of the agreement, subject to shareholders approving the transaction and all conditions precedent being satisfied, completion of the sale is expected to take



place in late February 2021 unless extended by the parties.

Details of the arrangement and ICS's plans and options (including options to return capital to shareholders) will be included for shareholder consideration in the Notice of Meeting and Explanatory Memorandum for shareholder consideration and approval at the EGM.

### **MBC's new ownership**

Subject to shareholder approval and completion of the transaction, MBC will become part of Civica UK Ltd.

"Over the last ten years we have fielded a number of enquiries regarding a potential sale of MBC. MBC is a quality business and the Board agrees that this particular offer represents appropriate value for ICS and its shareholders. In the Board's opinion, the sale to Civica represents an excellent fit for MBC, together with its clients, management and staff. Civica is an ideal partner to take MBC to the next level. The Board unanimously recommends the proposed sale of MBC for approval by shareholders." said Chairman of ICS Kevin Barry.

For further information please call (0419) 263 514

This announcement is authorised by the Board

A handwritten signature in black ink, appearing to be 'G. Quirk', written over a faint circular stamp.

**Greg Quirk**  
**Director & Company Secretary**  
**ICSGlobal Ltd.**