

## **MXC Capital Limited**

**("MXC", the "Group" or the "Company")**

### **Provision of Debt Funding**

MXC (AIM: MXCP), the technology focused adviser and investor, announces that it has provided £3 million of debt funding to support the management buy-out of 365 ITMS Limited ("365") from IDE Group Holdings plc ("IDE", AIM:IDE) for a cash consideration of £3 million.

365 was acquired by IDE in April 2017 and offers a range of complementary data centre, network, security and cloud services. As stated in recent announcements by IDE, IDE has been undergoing a strategic and operational review and, as part of this, is disposing of 365 to certain members of the management team of 365. MXC is the largest shareholder of IDE with 43.1% of the issued share capital and Ian Smith, CEO of MXC, sits on the board of IDE as the Executive Director.

In order to effect the management buyout, MXC has provided a loan of £3 million (the "Loan") to PTCA Newco Limited ("PTCA") a newly incorporated company wholly owned by certain members of the management team of 365. The Loan is secured on the assets of PTCA, has a term of 3 years and interest is payable on the Loan at a rate of 12 per cent. per annum. The Loan is interest only for the first year, and is repayable in equal monthly instalments thereafter. MXC holds no equity interest in PTCA. In addition, MXC is being paid an arrangement fee of £75,000 by PTCA in relation to the transaction.

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#### **About MXC Capital ([www.mxccapital.com](http://www.mxccapital.com))**

MXC is a specialist technology adviser and investor with a track record of investing in and advising companies in the TMT sector. We bring together a deep knowledge of technology, first-hand experience of managing companies in the sector, an ability to make meaningful investments and a highly experienced corporate advisory team in support, all of which we combine to grow shareholder value.