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Apace Media plc ("Apace" or the "Company")

Proposed Cancellation of Admission to AIM & Notice of General Meeting

The following announcement incorporates extracts from the Chairman's letter contained in a circular posted to the Company's shareholders today to convene a General Meeting ("GM") of the Company to be held at Midday on 5 March 2010 at the offices of Seymour Pierce Limited, 20 Old Bailey, London, EC4M 7EN. The purpose of the GM is to seek Shareholders' approval to cancel admission of its Ordinary Shares to trading on AIM.

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Background to the Cancellation

The principal reasons for the admission of the Ordinary Shares to trading on AIM have been (amongst other things) to provide the Company with the ability to access capital in order to fund its strategy and to use its Ordinary Shares for acquisitions. Having recently undertaken a review of both the advantages and disadvantages of maintaining admission of the Ordinary Shares to trading on AIM, the Independent Directors have concluded that the admission should be cancelled. In reaching this conclusion, the Independent Directors have taken the following factors into account:

- in the Independent Directors' opinion, the trading price of the Ordinary Shares on AIM does not reflect the true asset value of Apace and its businesses;
- given the overall market conditions for small listed companies, the Independent Directors are of the opinion that it is (and will continue to be) difficult for the Company to attract meaningful equity investment through its listing on AIM;
- the AIM listing of the Ordinary Shares does not, in itself, offer investors the opportunity to trade in meaningful volumes or with frequency within an active market. With little trading volume, the Company's share price can move up or down significantly following trades of small numbers of shares; and
- the Independent Directors estimate that annual direct and indirect costs of the Ordinary Shares' AIM listing are at least £125,000. This estimate includes listing expenses and advisory, legal and audit fees but excludes any costs associated with the considerable amount of senior executive time which is also spent dealing with the issues related to the AIM listing.

Pursuant to AIM Rule 41, cancellation of the admission of the Ordinary Shares to trading on AIM requires the consent of not less than 75 per cent. of votes cast by Shareholders (in person or by proxy) given in a general meeting.

The Company has notified the London Stock Exchange of the proposed Cancellation. In the event that Shareholders approve the Cancellation, it is anticipated that the last day of dealings in the Ordinary Shares on AIM will be 15 March 2010 and that the effective date of the Cancellation will be 16 March 2010.

Current trading

UK Content

The Company's UK television production businesses in 2009 performed well in a very difficult commissioning environment. Forward visibility into 2010 is uncertain as broadcasters continue to be cautious in the aftermath of the economic downturn of the previous 18 months.

Steadfast Television Limited and Steadfast International Limited, the factual television production and distribution companies, turned in combined unaudited revenues of £7.3 million (2008: £7.1 million) from better than expected international sales and the strength of returning series.

Pro-Active Projects Limited's sports production business had a good year with unaudited revenues of £2.1 million (2008: £1.8 million) from the production and distribution of sports events and programmes in rugby, sailing, power boating, mountain biking and air sports.

Apace Music Limited, the Group's CD label, has been put into creditors' voluntary liquidation. The Group will continue to exploit its music publishing catalogue and library of TV production music through Apace Rights Limited.

The Directors are considering the Group's options in respect of its

factual television production and distribution businesses and are considering all alternatives, including the possible disposal of these businesses to a third party. The Directors' current considerations may or may not lead to a transaction. Shareholders will be kept informed of any material developments.

Eastern European Broadcasting

From 5 August 2009, the Company's five per cent. share of Nova Televizija EAD (Bulgaria) ("**TV Nova**") has been held as a non-consolidated equity shareholding. Shareholders are referred to the website of our partner Modern Times Group ("**MTG**") (www.mtg.se) to review the results and commentary of TV Nova, including the recent impairment of goodwill, which indicates MTG's current carrying value of that business. A shareholder agreement exists between the Company and MTG allowing minority protection to Apace and providing for staged disposal of Apace's shareholding to MTG.

Liquidity

The Group had approximately £2.1 million of net cash at 31 December 2009 (2008: £0.25 million).

The Company owns 1.77% of the issued ordinary capital of Catalyst Media Group plc ("**CMG**"). On 1 February 2010, CMG announced a strategic review which may lead to the sale of CMG. Since this announcement, the share price of CMG has significantly increased, valuing the Company's holding at 12th February 2010 at £447,000. There is no certainty regarding the liquidity of this asset.

Litigation

As stated in the annual report for the year ended 31 December 2008, the Company is a defendant in civil proceedings issued in the Tirana District Court in the Republic of Albania by certain ex-shareholders in Television Arberia, claiming damages of €1.1m for breach of contract, plus interest. This claim has been upheld at first instance, but will be appealed by the Company, which has also filed counter proceedings against the two plaintiffs.

2009 Performance

The Directors expect the profit before taxation for the Group for the year ended 31 December 2009, before allowing for the effect of any possible disposal as mentioned above and before any possible impairment of the Group's music assets, to be not less than £200,000 (2008: loss £3.05m).

Strategy following the Cancellation

The Directors intend to continue to seek to maximize the value of the Company's assets in Bulgaria and in the UK. The Directors continue to believe that the Company's UK television production and music businesses lack scale and could be valuable components to larger concerns and the Directors are considering the Group's options in respect of these businesses.

However, the Company's investment in TV Nova has resulted in a permanent management presence in Bulgaria, banking relationships, access to potential deal-flow and the potential to co-operate with co-investors. The Directors also consider that Apace is in a position to

take advantage of depressed valuations in Eastern Europe.

The Directors intend that the Company should continue to investigate opportunities for investment in businesses in Eastern Europe or, if attractive opportunities do not occur, following a disposal of all of its investments and trading assets, to return capital to its Shareholders.

If the Cancellation does not become effective, any disposal by the Company of all or substantially all of its trading business, activities or assets will, under the AIM Rules, require the consent of Shareholders in general meeting and result in the Company being treated as an investing company for the purposes of the AIM Rules. In such circumstances the Company will be required to have an investing policy that has been approved by Shareholders. However, if the Cancellation becomes effective, the requirements of the AIM Rules will not apply to the Company.

Principal effects of the Cancellation

The principal effects of the Cancellation will include (amongst others):

- (a) there will be no public stock market on which Shareholders can trade their Ordinary Shares and, further, no other trading facility (other than the Third Party Facility referred to in paragraph 6 below) will be available to enable trading of the Ordinary Shares. Consequently, following Cancellation, there can be no guarantee that a Shareholder will be able to purchase or sell any Ordinary Shares;
- (b) no price will be publicly quoted for the Ordinary Shares;
- (c) although the Ordinary Shares will remain transferable they will cease to be transferable through CREST. Instead, Shareholders who hold shares in uncertificated form prior to Cancellation, will receive share certificates; and
- (d) the Company will not be subject to the AIM Rules and, accordingly, it will not (amongst other things) be required to retain a nominated adviser or to comply with the requirements of AIM in relation to annual accounts and half-yearly reports, the disclosure of price sensitive information or the disclosure of information on corporate transactions.

Shareholders should note that even if the Cancellation becomes effective, the Company will remain subject to the City Code on Takeovers and Mergers (the "**Code**") for a period of 10 years from the date of Cancellation. Accordingly, Shareholders will continue to receive the minority and other protections afforded by the Code in the event that an offer is made to Shareholders to acquire their Ordinary Shares.

The Code is issued and administered by the Takeover Panel. The Code and the Takeover Panel operate principally to ensure that shareholders of companies are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment by an offeror. The Code also provides an orderly framework within which takeovers are conducted.

As the Ordinary Shares are currently admitted to trading on AIM, the Company is not required to comply with the provisions of the

Combined Code of Corporate Governance. Nevertheless, the Company seeks, within the practical confines of being a small company, to act in compliance with the principles of good governance and the code of best practice. Shareholders should note that following the Cancellation, the Directors intend that the Company should continue to seek to comply with these principles of good governance on the same basis as currently. It is therefore intended that (amongst other things) William Vanderfelt will continue to be the senior independent non-executive director of the Company. If the Cancellation becomes effective, this will not affect the Company's position as a public limited company for the purposes of the UK Companies Act 2006.

Transactions in the Ordinary Shares following the Cancellation

In order to assist Shareholders who wish to trade in Ordinary Shares following the Cancellation, the Board currently intends to employ the services of a third-party matched bargain trading facility (the "**Third-Party Facility**") for at least one year. Under this Third-Party Facility, Shareholders or persons wishing to acquire Ordinary Shares will be able to leave an indication with the Third-Party Facility provider that they are prepared to buy or sell at an agreed price. In the event that the Third-Party Facility provider is able to match that order with an opposite sell or buy instruction, the Third-Party Facility provider will contact both parties and then effect the bargain. In these circumstances, Shareholders who do not have their own broker may need to register with any such Third-Party Facility provider as a new client. This can take some time to process and, therefore, Shareholders who consider they are likely to use this facility would be encouraged to commence registration at the earliest opportunity.

Once such arrangements have been set up by the Company, details will be made available to Shareholders on the Company's website (www.apacegroup.co.uk).

Following Cancellation, transfers of Ordinary Shares may only be effected in accordance with those provisions of the Articles concerning off-market transfers of shares in certificated form. In summary, to effect a transfer of Ordinary Shares following Cancellation, once a proposed transferee has been found, a duly executed and stamped stock transfer form will need to be submitted (together with the relevant share certificate(s)) to the Company's secretary at the Company's registered office for registration.

If Shareholders wish to buy or sell Ordinary Shares on AIM they must do so prior to the Cancellation becoming effective. As noted above, in the event that Shareholders approve the Cancellation, it is anticipated that the last day of dealings in the Ordinary Shares on AIM will be 15 March 2010 and that the effective date of the Cancellation will be 16 March 2010.

Communications with Shareholders

Following the Cancellation, there is no intention to change the constitution of the Board and the Directors' current intention is to continue to:

- (a) hold general meetings in accordance with applicable statutory requirements and the Articles;
- (b) send Shareholders copies of the Company's audited accounts

Proposed Delisting from AIM & Notice...
in accordance with applicable statutory requirements and the
Articles; and

- (c) post certain information relating to the Company, including details of any arrangements made to assist Shareholders to trade in Ordinary Shares, on its website (www.apacegroup.co.uk).

General Meeting

The General Meeting is to be held at midday on 5 March 2010 for the purpose of seeking Shareholders' approval to the Resolution.

Independent Directors' recommendation

The Independent Directors consider that the Resolution is in the best interests of the Company and its Shareholders as a whole and the Independent Directors unanimously recommend Shareholders to vote in favour of the Resolution to be proposed at the General Meeting as they intend to do in respect of their own direct or indirect shareholdings representing, in aggregate, 5.07 per cent. of the issued Ordinary Share capital of the Company.

Didier Stoessel, who beneficially holds, in aggregate, 66.38 per cent. of the issued Ordinary Share capital of the Company, has not participated in the Independent Directors' recommendation but intends to vote, or procure the vote of, such beneficial holdings in favour of the Resolution to be proposed at the General Meeting.

Expected Timetable of Principal Events

Despatch of this document, the Notice of General Meeting and the Form of Proxy:	15 February 2010
Latest time and date for receipt of Forms of Proxy:	Midday on 3 March 2010
General Meeting:	Midday on 5 March 2010
Last day of dealings of Ordinary Shares on AIM and in CREST:	15 March 2010
Cancellation of admission to trading on AIM:	7.00 a.m. on 16 March 2010
Expected despatch of share certificates (if applicable):	23 March 2010

DEFINITIONS

"AIM"	AIM, the market of that name operated by London Stock Exchange;
"AIM Rules"	the rules and guidance for companies whose shares are admitted to trading on AIM entitled "AIM Rules for Companies" published by London Stock Exchange, as amended from time to time;
"Articles"	the Company's articles of association from time to time;
"Board" or "Directors"	the board of directors of the Company;
"Cancellation"	the proposed cancellation of admission of the Ordinary Shares to trading on AIM
"Code"	the City Code on Takeovers and Mergers as amended from time to time;
"Company" or "Apace"	Apace Media plc;
"CREST"	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended) operated by Euroclear UK & Ireland Limited in accordance with which securities may be held or transferred in uncertificated form;

"Form of Proxy"	the form of proxy for use in connection with the General Meeting;
"General Meeting"	the general meeting of the Company convened for midday on 5 March 2010;
"Group"	the Company and its subsidiaries and subsidiary undertakings;
"Independent Directors"	the Directors, other than Didier Stoessel;
"London Stock Exchange"	London Stock Exchange plc;
"Notice of General Meeting"	the notice of the General Meeting;
"Ordinary Shares"	the fully paid ordinary shares in the capital of the Company which have a nominal value of £0.01 each, and " Ordinary Share " means any one of them;
"Resolution"	the Resolution set out in the Notice of General Meeting;
"Shareholders"	holders of Ordinary Shares;
"Takeover Panel"	the United Kingdom Panel on Takeovers and Mergers;
"Third Party Facility"	third-party matched bargain trading facility;
"£" or "pence"	the lawful currency of the United Kingdom; and
"€"	the lawful currency of the states of the European Union which are from time to time participating in the Economic and Monetary Union.

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