

RNS Number : 5580T  
Strathdon Investments PLC  
07 December 2011

## STRATHDON INVESTMENTS PLC

("Strathdon" or the "Company")

Proposed cancellation of admission to trading on AIM

Strathdon Investments plc, (AIM: STV) today announces that it intends to apply for cancellation of the trading of its Ordinary Shares on AIM and to re-register the Company as a private limited company. A circular convening a General Meeting, which will held on 30 December 2011 at 9.30 a.m. at the offices of Wallace LLP at One Portland Place, London W1B 1PN, has been sent to shareholders.

In the event that Shareholders approve the Cancellation, it is anticipated that the last day of dealings in the Shares will be 9 January 2012 and that the effective date of the Cancellation will be 10 January 2012.

Further details of the Proposals are set out below. Capitalised terms used in this announcement are as defined in the circular to shareholders.

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## Rationale for the Delisting and Re-registration

Following careful consideration, the Directors have concluded that it is no longer in the best interests of the Company or its Shareholders for Strathdon to maintain the Admission or to remain a public limited company. In reaching this conclusion, the Directors considered the following factors:

- the significant professional fees associated with the Admission (such as legal, accounting, London Stock Exchange and nominated adviser costs);
- the disproportionate amount of senior management time spent in ensuring compliance with the AIM Rules and related regulatory requirements, including reporting, disclosure and corporate governance requirements;
- that the Admission no longer serves a useful function for the Company in terms of providing access to capital or enabling the Ordinary Shares to be used to effect acquisitions, although the Directors acknowledge the benefit to Shareholders of having a public market in the Ordinary Shares; and
- the lack of liquidity in trading of the Ordinary Shares (there have been under twenty trades during the calendar year).

As a result of the Delisting and Re-registration, the Company would benefit from substantial cost savings. The Directors estimate that the cost saving which will be achieved following the Delisting and the Re-registration will total approximately £50,000-70,000 per annum.

The Directors believe that as a result of the Delisting and Re-registration, Strathdon would be better placed to focus on its orderly exit from the Company's existing portfolio of investments. The Directors believe that greater shareholder value will ultimately be derived by operating the Company's business off-market.

## Current Trading and Strategy following the Delisting

The Company Directors report that the trading conditions of the largest three investment portfolio companies are satisfactory to the end of November 2011 with each of the portfolio companies achieving expected results for the current year. There have been no changes in the portfolio since the year ending 31 March 2011 in terms of acquisitions or disposals.

Following the Delisting the Company will continue to work to maximise the value of its existing assets and to seek an orderly exit from the Company's existing portfolio of investments.

The Directors will send out annual financial statements to Shareholders. The Directors also intend to keep Shareholders informed of the Company's financial and operational performance (including the directors' valuation of the portfolio) through periodic updates via the Company's website: [www.strathdoninvestmentsplc.com](http://www.strathdoninvestmentsplc.com).

## Process for Delisting

In accordance with Rule 41 of the AIM Rules, the Company has notified the London Stock Exchange of the Delisting. Under the AIM Rules, it is a requirement that the Delisting is approved by the requisite majority of Shareholders voting at the General Meeting (being not less than 75 per cent. of the votes cast). Accordingly, the Resolution numbered 1 set out in the Notice of General Meeting seeks Shareholders' approval to the Delisting. The Resolution approving the Delisting is

not conditional on the passing of any of the other Resolutions. Subject to the Resolution approving the Delisting being passed at the General Meeting, it is anticipated that trading in the Ordinary Shares on AIM will cease at close of business on 9 January 2012 with the Delisting taking effect at 7.00 a.m. on 10 January 2012.

Upon the Delisting becoming effective, Seymour Pierce Limited will cease to be nominated adviser to the Company. The Company will no longer be required to comply with the AIM Rules. The Company will no longer be bound (nor able) to announce, via a regulatory information service, material events, administrative changes or material transactions nor to announce interim or final results. The Company will no longer be required to comply with any of the additional specific corporate governance requirements for companies admitted to trading on AIM.

Upon the Delisting becoming effective, the Company's CREST facility will be cancelled and Shareholders who hold Ordinary Shares in uncertificated form prior to Delisting will receive share certificates. Shareholders should note however that the Company will nevertheless remain subject to the provisions of the City Code on Takeovers and Mergers for a period of 10 years from the Delisting.

#### Transactions in the Ordinary Shares following Delisting

Immediately following the Delisting, there will be no market facility for dealing in the Ordinary Shares and no price will be publically quoted. As a result the Board recognises that the Delisting will make it more difficult for the Shareholders to buy and sell Ordinary Shares should they want to do so. In view of this and in order to assist Shareholders, the Board intends to facilitate a dealing arrangement within six months of the Delisting to enable Shareholders to trade the Ordinary Shares. Once the facility has been arranged, details will be sent to all Shareholders and also made available to Shareholders via the Company's website: [www.strathdoninvestmentsplc.com](http://www.strathdoninvestmentsplc.com).

#### Process for Re-registration

In order for the Company to effect the Re-registration (and to make certain consequential amendments to the Memorandum and the Articles), Shareholders will be asked to pass the Resolution numbered 2 set out in the Notice of General Meeting. The Resolution approving the Re-registration will be conditional on the Resolution approving the Delisting being passed and the Delisting taking effect.

If the Resolution numbered 2 set out in the Notice of General Meeting is duly passed by the Shareholders and the Re-registration becomes effective, the Memorandum and Articles will need to be updated to reflect the fact that the Company is no longer a public company, the Memorandum is no longer required and to remove certain provisions which will no longer be relevant. The main provisions which will be removed are those relating to the disclosure of interests in shares and uncertificated shares (which will no longer apply). Certain consequential amendments will also need to be made to remove definitions which will no longer be used and to update the numbering of the Articles. Accordingly, the Resolution relating to the Re-registration also seeks Shareholders' approval to the deletion of the Memorandum and the amendments to the Articles. Copies of the proposed new articles of association showing the proposed amendments can be viewed, together with the current Articles, on the Company's website: [www.strathdoninvestmentsplc.com](http://www.strathdoninvestmentsplc.com) and are also available for inspection at the Company's registered office during usual business hours on any weekday (Saturdays, Sundays and public holidays excluded) until the date of the General Meeting and at the General Meeting itself.

If the Resolution approving the Re-registration is passed, then, following the satisfaction of the

conditions, the Company will file the requisite documents with the Registrar of Companies at Companies House along with the relevant fee for re-registration. The Re-registration will become effective upon the Registrar of Companies issuing a certificate of incorporation on re-registration, which will be issued once the Registrar is satisfied that no valid application can be made to cancel the Re-registration Resolution.

#### Irrevocable Undertakings

The Company has received irrevocable undertakings from each of the Directors and other Shareholders, who together hold 41,156,166 Ordinary Shares, representing approximately 39.45 per cent. of the current issued Ordinary Share capital, that they will vote in favour of the Resolutions.

#### General Meeting

Set out at the end of the circular is a notice convening the General Meeting to be held at the offices of Wallace LLP at One Portland Place, London W1B 1PN at 9.30 a.m. on 30 December 2011 at which the Resolutions will be put to Shareholders.

- Ends -