



**LONDON
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NS Miscellaneous

PROPOSED CANCELLATION OF ADMISSION

[ADAMS PLC](#)

Released 07:00:04 25 October 2024

RNS Number : 5627J
Adams PLC
25 October 2024

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Adams Plc

("Adams" or the "Company")

**Proposed cancellation of admission of Ordinary Shares to trading on AIM
Proposed realisation of investments and return of capital to Shareholders
Initiation by the Company to use its existing Share Buyback Authority**

The Company announces proposals to:

- cancel the admission of the Company's Ordinary Shares to trading on AIM; and
- pursue a realisation of investments strategy and a return of capital to shareholders over medium term; and
- use the Company's existing authority to purchase Ordinary Shares to help enable Shareholders to sell their Ordinary Shares.

The Directors have, after a period of review and consulting with the Company's Major Shareholders, concluded that it is in the best interests of the Company and its Shareholders to seek Shareholder approval for the Admission. In accordance with Rule 41 of the AIM Rules, the Company has notified the Exchange of the date of the proposed Cancellation.

As part of the above review, the Directors also considered the Company's small capital base as a focus to invest in the small to middle market capitalisation sectors of the UK or Europe. The Directors have concluded that this strategy is no longer sufficiently attractive and that the Company should realise its investments and instead should pursue an orderly realisation of existing investments and return of capital to shareholders over the short to medium term, following which it is expected that the Company will be wound up or subject to an administrative dissolution pursuant to the Companies Act.

In order to facilitate the return of capital to shareholders process, Shareholders are being asked to pass an Amendment Resolution to amend the Articles.

In addition, the Directors are aware that there is very little liquidity in the Ordinary Shares and those who wish to sell their Ordinary Shares ahead of the Cancellation may have difficulty in doing so. The Directors have, therefore, agreed that the Company will use its existing Share Buyback Authority to make market purchases of Ordinary Shares at a price of 4.00 pence per Ordinary Share, which is approximately 7.5 per cent. to the estimated net asset value of 3.72 pence per Ordinary Share as at 30 September 2024.

The Company has obtained irrevocable undertakings from the Major Shareholder, representing approximately 50 per cent. of the Company's issued share capital, to vote in favour of the Cancellation Amendment Resolution.

The Company is seeking Shareholders' approval of the Cancellation Resolution and the Amendment Resolution at the Extraordinary General Meeting, which has been convened for 4.00 p.m. on 27 November 2024 at 100, Victoria Street, Douglas, Isle of Man, IM1 1LA. If the Cancellation Resolution is passed at the EGM, the Cancellation will become effective at 7.00 a.m. on 5 December 2024.

A circular "**the Circular**" will shortly be sent to Shareholders which sets out the background to the proposed Cancellation, the proposed realisation of investments and return of capital to shareholders by the Company to use its existing Share Buyback Authority and to explain the consequences of the Cancellation and provide reasons why the Directors unanimously consider the Cancellation to be in the best interests of the Company and its Shareholders as a whole.

The Notice of the EGM is set out in Part II of the Circular.

Background to and reasons for the Cancellation

The Directors have undertaken a review to evaluate the benefits and drawbacks to the Shareholders of retaining the Admission. This review has included, amongst other matters, the trading and valuation volatility of the Company and the increasing costs of maintaining a public market. There has been limited liquidity in the Ordinary Shares for some time and as a result the Company's Market Maker has been the only significant buyer of its Ordinary Shares and has increased his shareholding in the Company to current approximately 94 per cent. of the Company's issued share capital.

Following this review, the Directors have concluded that the Cancellation is in the best interests of the Company and its Shareholders as a whole. Further details of the background to and reasons for the Cancellation are set out below:

- there is limited liquidity in the Ordinary Shares and, as a result, the Directors believe that the current admission to trading on AIM no longer sufficiently provides the Company with the opportunity to raise capital or providing wider or more cost-effective access to capital in the medium to longer-term; and
- as a result of the limited liquidity in Ordinary Shares highlighted above, the Admission does not necessarily offer investors the opportunity to trade in meaningful volumes or with sufficient liquidity in an active market. With low trading volumes, the Company's share price can move up or down significantly following trades of small volumes of Ordinary Shares; and
- the considerable cost, management time and the legal and regulatory burden associated with maintaining the Admission are disproportionate to the benefits to the Company given that continued listing on AIM is unlikely to provide the Company with significantly wider access to capital or effective access to capital.

Following careful consideration, the Directors believe that it is in the best interests of the Company and its Shareholders to seek the proposed Cancellation.

Proposed realisation of investments and return of capital to Shareholders

The Directors believe that UK small-cap public markets have changed significantly over the last few years such that many of the small-cap listed companies included in the Company's investment portfolio are in a difficult situation where their current public market valuations do not reflect their underlying potential and they do not have access to cost-effective growth capital.

As a result the Directors consider that the Company's strategy, with a focus to invest in the small and medium capitalisation sectors of the UK or Europe, is no longer sufficiently attractive. In addition, the Company has a small capital base with total balance sheet net assets of approximately £5.43 million at 30 September 2024 which severely limits the alternative investment strategy options available to it. The Directors have concluded that the Company should not make any further investments and instead should focus on the realisation of existing investments and return of capital to Shareholders over the short to medium term, in which it is expected that the Company will be voluntarily wound up or subject to an administration pursuant to the Companies Act.

The trading update provided in the "Current Trading" section 6 of this announcement highlights that the Company had net assets of approximately £5.43 million (equivalent to 3.72 pence per Ordinary Share as at 30 September 2024) and that this included equity investments with a carrying value of £5.39 million representing seven quoted investment holdings valued at £3.16 million and four private unquoted investments valued at £2.27 million.

Whilst an orderly realisation of the seven quoted investment holdings should be achievable in the short to medium term, it is likely to take longer for the four private unquoted investments.

The Directors intend to return capital to Shareholders by way of one or more capital distributions if the funds permit but there can be no certainty on the timing or monetary amounts of such distributions will constitute a reduction of the Company's share capital under section 58 of the Companies Act 2006. In order to facilitate the process, Shareholders are being asked to approve the Amendment to the Articles so that the Directors can make the capital distributions without the prior special resolution. If the articles are not amended, it may be necessary to call one or more extraordinary general meetings to approve the capital distributions before they can be made.

Furthermore, whilst the Directors hope that the total value of such distributions will be not less than the approximate 3.72 pence net asset value per Ordinary Share at the 30 September 2024, there is no guarantee that the total value of such distributions will not be materially less than or be materially greater than the net asset value per Ordinary Share.

Process for, and principal effects of, the Cancellation

The Directors are aware that certain Shareholders may be unable or unwilling to hold Ordinary Shares if the Cancellation is approved and becomes effective. Such Shareholders should consider the implications of the Cancellation in the market prior to the Cancellation becoming effective - see section 5 below for more detail.

Under the AIM Rules, the Company is required to give at least 20 clear Business Days' notice of the Cancellation. Additionally, Cancellation will not take effect until at least five clear Business Days have passed since the passing of the Cancellation Resolution. If the Cancellation Resolution is passed at the EGM, the last day of trading in Ordinary Shares on AIM will be 4 December 2024 and that the Cancellation will take effect at 7.00 a.m. on 5 December 2024.

The principal effects of the Cancellation will be that:

- there would no longer be a formal market mechanism enabling Shareholders to trade on AIM;
- the regulatory and financial reporting regime applicable to companies whose shares are listed on AIM will no longer apply;
- Shareholders will no longer be afforded the protections given by the AIM Rules, such as the requirement to be notified of certain material developments or events (including substantial transactions, related party transactions and certain acquisitions and disposals) and the requirement to seek shareholder approval for certain other corporate events such as fundamental changes in the Company's business;
- Cairn Financial Advisers would cease to be the Company's nominated adviser, and Limited would cease to be the Company's broker;

- the Company will no longer be required to publicly disclose any change in major assets of the Company under the AIM Rules or the Disclosure Guidance and Transparency Rules;
- the Company will no longer be subject to UK MAR regulating inside information and other disclosure requirements;
- whilst the Company's CREST facility will remain in place immediately post the Cancellation, the CREST facility may be cancelled in the future and, although the Ordinary Shares will remain transferable through CREST, they may cease to be transferable through CREST (in which case, Shareholders holding Ordinary Shares in CREST will receive share certificates);
- stamp duty will be due on transfers of shares and agreements to transfer share transfers, and no stamp duty exemption or relief applies to a particular transfer;
- the Ordinary Shares are likely to be more difficult to trade compared to shares of other companies on AIM;
- in the absence of a formal market and quote, it may be more difficult for Shareholders to determine the market value of their investment in the Company at any given time; and
- the Cancellation may have taxation or other commercial consequences for Shareholders. **who are in any doubt about their tax position should consult their own professional tax adviser.**

The above considerations are not exhaustive, and Shareholders should seek their own independent advice when assessing the likely impact of the Cancellation on them.

For the avoidance of doubt, the Company will remain on the register of companies in the Isle of Man with and, subject to the Companies Act, notwithstanding the Cancellation.

Shareholders should also note that the City Code on Takeovers and Mergers will continue to apply to the Company following the Cancellation and Shareholders will remain entitled to the protections afforded by the Code until the tenth anniversary of the date on which Admission is cancelled. However, the Code will cease to apply to the Company in the future if any changes to the Board composition result in more than 50% of Directors not being resident in the Channel Islands, Isle of Man and United Kingdom.

The Company currently intends to continue to provide certain facilities and services to Shareholders who currently enjoy as shareholders of an AIM company. The Company will:

- continue to communicate information about the Company (including annual accounts) as required by the Articles; and
- continue, for at least 12 months following the Cancellation, to maintain its website at adamspc.co.uk and to post updates on the website from time to time, although Shareholders should be aware that there will be no obligation on the Company to include all of the information required by the Disclosure Guidance and Transparency Rules, AIM Rule 26 or to update the website to reflect changes to the AIM Rules.

There will be no change to the composition of the Board immediately following the Cancellation.

Transactions in the Ordinary Shares prior to and post the proposed Cancellation

A. Prior to Cancellation and initiation by the Company to use its existing Share Buyback Authority

Shareholders should note that they are able to trade in the Ordinary Shares on AIM prior to the Cancellation. Shareholders do not have to sell their Ordinary Shares if they do not wish to do so. However, if Shareholders elect not to sell their Ordinary Shares in the market prior to the Cancellation will, subject to the Cancellation, hold Ordinary Shares in an unlisted company.

The Directors are aware that there is very little liquidity in the Ordinary Shares and that Shareholders who sell their Ordinary Shares may have difficulty in finding buyers. The Directors have, therefore, decided that the Company will use its existing Share Buyback Authority to make on-market purchases of Ordinary Shares at a price of 4.00 pence per Ordinary Share, being at a premium of approximately 7.5 per cent. to the value of 3.72 pence per Ordinary Share at 30 September 2024. The on-market purchases are subject to the Share Buyback Authority condition that the purchase price, exclusive of expenses, shall not exceed more than 105 per cent. of the average price at which the Ordinary Shares traded in the five Business Days immediately preceding the purchase. The average quoted bid price of the Ordinary Shares in the five business days prior to this announcement was 4.0 pence per Ordinary Share. The funds required for the Company to make such purchases of Shares will be financed by the Company from its existing cash and liquid resources.

The Share Buyback Authority gives the Company authority to purchase up to a maximum of 15 per cent. of its issued share capital as at 26 June 2024.

The Company will use its corporate share dealing broker, Canaccord Genuity Wealth Management, located in [Guernsey, Channel Islands, GY1 2JA](#), to purchase Ordinary Shares on-market at a price of 4.00 pence per Ordinary Share under the Share Buyback Authority. Shareholders that would like to sell their Ordinary Shares at 4.0 pence per Ordinary Share should request their brokers to contact Canaccord Genuity Wealth Management in Guernsey directly on +44 (0)1481 726511.

The Board is not making any recommendation as to whether or not shareholders should buy or sell Ordinary Shares. The Existing Share Buyback authority will expire in the event that the Cancellation becomes effective, and the Directors do not intend from that point onwards to make offers to buy or sell Ordinary Shares.

B. Dealing and settlement arrangements post Cancellation

In the event that the Cancellation proceeds, there will be no market facility for dealing in the Ordinary Shares. No price will be publicly quoted for Ordinary Shares as from close of business on 4 December 2024. If the Cancellation Resolution is approved on 27 November 2024. As such, interests in Ordinary Shares will be difficult to sell thereafter to be readily capable of sale and where a buyer is identified, it may be difficult to complete any such sale. While there can be no guarantee that Shareholders will be able to sell any Shares, Shareholders seeking to do so following the Cancellation should contact the Company in writing at the registered office of the Company, 55 Athol Street, Douglas, Isle of Man, IM1 1LA (email: office@adamspc.co.uk). The Company will endeavour to be able to advise as to whether the Directors are aware of any prospective buyers for any Ordinary Shares. If the holder thereof wishes to sell at that time.

Current Trading

On 27 June 2024, the Company released its annual report and audited financial results for March 2024 which included the following key performance indicators as set out below:

	31 March 2024	31 March 2023
Net assets (£'000)	4,983	5,110
Net asset value per Ordinary Share (pence)	3.42	3.50
Loss after tax (£'000)	(127)	(2,370)
Cash and short-term deposit with banks (£'000)	87	47

Current trading in the six months to 30 September 2024 is estimated to have generated approximately £0.45 million comprising a net investment return of £0.55 million on mainly uranium gains, less administrative costs of £(0.10) million.

The carrying value of the Company's equity investments at 30 September 2024 was £5.39 million comprising seven quoted investment holdings valued at £3.16 million and four private investments valued at £2.23 million.

The Company held cash balances of £0.07 million as at 30 September 2024.

Net assets increased to approximately £5.43 million (equivalent to 3.72 pence per Ordinary Share) as at the 30 September 2024 half year balance sheet date.

Process for Cancellation

Under the AIM Rules, it is a requirement that the Cancellation must be approved by Shareholders by a majority of more than 75 per cent. of votes cast by Shareholders (whether present in person or by proxy) at a General Meeting. Accordingly, the Notice of Extraordinary General Meeting set out in Part 2 of the Company's Prospectus contains a special resolution to approve the Cancellation.

Furthermore, Rule 41 of the AIM Rules requires any AIM company that wishes to cancel the admission of its shares to trading on AIM to notify the London Stock Exchange of its preferred cancellation date at least 20 Business Days prior to such date. In accordance with AIM Rule 41, the Directors have notified the London Stock Exchange of the Company's intention to cancel the admission of its shares to trading on AIM following the Cancellation Resolution being passed at the Extraordinary General Meeting, to cancel the admission of its shares to trading on AIM on 1 December 2024.

Accordingly, if the Cancellation Resolution is passed, the Cancellation will become effective on 1 December 2024. If the Cancellation becomes effective, Cairn Financial Advisers will cease to act as financial adviser of the Company and the Company will no longer be required to comply with the AIM Rules.

Extraordinary General Meeting

The Extraordinary General Meeting will be held at the Company's registered office at 55 Athol of Man, IM1 1LA at 4.00 p.m. on 27 November 2024.

The Cancellation Resolution to be proposed at the Extraordinary General Meeting is a special resolution to approve the Cancellation as set out in the Notice of Extraordinary General Meeting in Part II of the Circular. The Amendment Resolution to be proposed at the Extraordinary General Meeting is a special resolution to approve the Amendment Resolution as set out in the Notice of Extraordinary General Meeting in Part II of the Circular.

Action to be taken in relation to the Extraordinary General Meeting

Enclosed with the Circular is a Form of Proxy for use at the Extraordinary General Meeting. If you intend to attend the Extraordinary General Meeting in person you are requested to complete the Form of Proxy in accordance with the instructions printed on it and to return it to the Company's registrars and e-mailed to Corporate.Governance@fim.co.im, together with the power of attorney or other authority under which it is signed (or a certified copy of such authority) to FIM Capital Limited, 55 Athol Street, St. John's, as to arrive not later than 4.00 p.m. on 25 November 2024 (or in the case of an adjournment of the Extraordinary General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned Extraordinary General Meeting). The completion and depositing of the Form of Proxy will not preclude you from attending and voting at the Extraordinary General Meeting should you wish to do so.

Recommendation

The Directors consider that the Cancellation is in the best interests of the Company and its shareholders as a whole and, therefore, unanimously recommend that you vote in favour of the Cancellation Resolution and the Amendment Resolution at the Extraordinary General Meeting.

Enquiries:

Adams Plc	Michael Bretherton	Tel: +44
Nomad	Cairn Financial Advisers LLP. Sandy Jamieson, James Caithie	Tel: +44
Broker	Peterhouse Capital Limited. Heena Karani, Martin Lampshire	Tel: +44

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Notice provided to the London Stock Exchange to
of the proposed Cancellation 25 Oct

Publication and posting of the Circular and the Form of Proxy
2024

Latest time for receipt of proxy appointments in
of the Extraordinary General Meeting 4.00 p.m. on 25 Nov

Extraordinary General Meeting 4.00 p.m. on 27 Nov

Last day of dealings in Ordinary Shares on AIM
Cancellation 7.00 a.m. on 5 December 2024

If any of the details contained in the timetable above should change, the revised time and date will be notified to Shareholders by means of a Regulatory Information Service (as defined in the AIM Rules) and on the Company's website.

DEFINITIONS

The following definitions apply throughout this announcement, unless the context requires otherwise:

"Admission" the admission of the Ordinary Shares to trading on AIM

"AIM" AIM, the market operated by the London Stock Exchange

"AIM Rules" the rules and guidance for companies whose shares are admitted to trading on AIM entitled "AIM Rules for Companies" as published by the London Stock Exchange, as amended from time to time

"Amendment Resolution" The resolution to amend the Articles to be adopted at the Extraordinary General Meeting in the form set out in the Circular;

"Articles" the Company's current articles of association;

"Business Day"	a day (excluding Saturdays, Sundays and public holidays in England and Wales) on which banks are generally open for the transaction of normal banking business in London;
"Cairn Financial Advisers"	Cairn Financial Advisers LLP, the Company's nominated financial adviser;
"Cancellation"	the cancellation of Admission in accordance with the AIM Rules, subject to passing of the Cancellation Resolution;
"Cancellation Resolution"	the resolution to approve the Cancellation to be passed at the Extraordinary General Meeting in the notice set out in the Circular;
"Circular"	the document containing information about the Cancellation, being sent to shareholders at the Extraordinary General Meeting, being sent to shareholders by email;
"Company" or "Adams"	Adams Plc, a company incorporated in the Isle of Man with company number 004145V and having its registered office at 100 Victoria Street, Douglas, Isle of Man, IM1 1LA;
"Companies Act"	the Isle of Man Companies Act 2006 (as amended from time to time);
"CREST"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as also defined in the CREST Regulations);
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001/3442 as amended from time to time);
"Directors" or "Board"	the directors of the Company;

"Disclosure Guidance and Transparency Rules"

the disclosure rules and transparency rules made by the UK Financial Conduct Authority under section 73A of FSMA;

"Extraordinary General Meeting"

or **"EGM"**

the general meeting of the Company convened for 4.00pm on 25 October 2024 and any adjournment thereof, notice of which is set out in the Circular;

Circular;

"Form of Proxy"	the form of proxy enclosed with the Circular for use in connection with the Extraordinary General Meeting;
"FSMA"	the Financial Services and Markets Act 2000 (as amended from time to time);
"London Stock Exchange"	London Stock Exchange plc;
"Major Shareholder"	Richard Griffiths and his controlled company undertaking the business of the Company;
"Notice of Extraordinary General Meeting" or "Notice"	the notice of the Extraordinary General Meeting which is contained in the Circular;
"Ordinary Shares"	the ordinary shares in the capital of the Company of £0.01 each and "Ordinary Share" means any one of them;
"Panel"	the Panel on Takeovers and Mergers;
"Registrars"	FIM Capital Limited of 55 Athol Street, Douglas, Isle of Man, IM1 1LA;
"Shareholders"	holders of Ordinary Shares from time to time and "Share" means any one of them;
"Share Buyback Authority"	the general authority for the Company to make on-market purchases of up to 15 per cent. of the issued share capital of the Company;
"Takeover Code"	the City Code on Takeovers and Mergers;
"UK MAR"	Regulation (EU) (No 596/2014) of the European Parliament and of the Council of 16 April 2014 on market abuse to the extent that domestic law of the United Kingdom including by virtue of the European Union (Withdrawal) Act 2018 (as amended by virtue of the European Union (Withdrawal Agreement) Act 2020).

This announcement contains inside information as defined in Article 7 of the Market Abuse Regulation (EU) (No 596/2014 ("MAR")) as retained as part of UK law by virtue of the European Union (Withdrawal) Act 2018 (as amended by virtue of the European Union (Withdrawal Agreement) Act 2020).

Caution regarding forward looking statements

Certain statements in this announcement, are, or may be deemed to be, forward looking. Forward looking statements are identified by their use of terms and phrases such as "should", "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" and similar words or phrases, or those, variations or comparable expressions, including references to assumptions. The

statements are not based on historical facts but rather on the Directors' current assumptions regarding the Company's future growth, results of operations, performance, other expenditures (including the amount, nature and sources of funding thereof), company business prospects and opportunities. Such forward looking statements reflect the beliefs and assumptions and are based on information currently available to the Director

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