

Regulatory Story

[Go to market news section](#)



Intandem Films PLC - IFM £0.8m Placing and £1m Financing Facility Agreed
Released 07:00 12-Jun-2013

Intandem..

RNS Number : 8295G
Intandem Films PLC
12 June 2013

INTANDEM FILMS PLC

£0.8m Placing and £1m Financing Facility Agreed

Trading Update and Notice of General Meeting

Intandem Films plc (AIM: IFM, "Intandem" or the "Company"), the London based international film group, is pleased to announce that it has conditionally raised £831,000 (before expenses) by means of a Placing of 166,200,000 new Ordinary Shares ("Placing Shares") at a price of 0.5 pence per new Ordinary Share ("Placing Price") to new and existing investors. The issue of the Placing Shares is conditional, inter alia, on the passing of the Resolutions at a General Meeting.

The Company has also entered into a £1 million Equity Financing Facility ("EFF") over a period of 36 months with Darwin Strategic Limited ("Darwin"). Darwin is a majority owned subsidiary of Henderson Global Investors' Volantis Capital. Further details of the EFF can be found below.

Highlights

- Intandem has conditionally raised £831,000 (before expenses)
- Entered into a £1 million Equity Financing Facility over a period of 36 months
- Has nine fully contracted films; four of which are fully financed

The Company intends to utilise the proceeds of the Placing to pay down short term debt, to secure select commercial projects and for general working capital purposes. Any requirement for future funding, including use of the EFF, will be dependent on the commercial progress the Company can report during 2013.

Intandem CEO Robert Mitchell said, "I am delighted that Intandem has received further investor support from both new and existing shareholders in this funding round. The Board is pleased to report that good progress has been made with the Company's refreshed strategy and we look forward to updating the market with additions to our film slate. We also believe our potential to acquire quality product will now be significantly improved as a result of this Placing."

Trading Update

Since the appointment of Robert Mitchell as CEO in February of this year, the Company has continued to make progress in the development of the current slate of films.

There are nine fully contracted films in the slate of which four are fully financed, including: *Killing Hasselhoff*, a comedy thriller starring David Hasselhoff, *Starbright*, and *Second Origin*, both sci-fi love stories, and *Isolated*, a psychological thriller. Intandem, as exclusive sales company, holds sales rights in all export territories for sales of these films. Other titles in the slate are in the financing phase, and in addition to the role of exclusive sales company, the Company has an executive producer role on a number of these films where the Company has an opportunity to earn fees on future funds raised. The Company has decided not to pursue the *10 Things I Hate*

About Life opportunity.

Further details

As part of the Placing, non executive director Corinne Lambert's husband has agreed to subscribe for 4,000,000 Placing Shares at the Placing Price. Following this transaction, Ms Lambert's total beneficial interest in the Company will be 5,500,000 Ordinary Shares, representing approximately 1.8 per cent. of the Company's enlarged issued share capital.

As stated at the time of the half year results for the six months ended 31 December 2012, the Board has taken action to reduce overheads. The Company continues to have limited cash resources until the time of the general meeting and expected completion of the Placing. The Directors believe that should Shareholders not vote in favour of the Resolutions, or should the Placing not proceed for any other reason, the Company will not have adequate working capital and thus would only remain a viable business if the Directors were able to find alternative funding. Therefore, the Directors would urge Shareholders to vote in favour of the proposals.

The Directors consider the Placing to be in the best interests of the Company and the Shareholders as a whole. The Directors who hold Ordinary Shares intend to vote in favour of the Resolutions to be proposed at the General Meeting in respect of their shareholdings, representing in aggregate approximately 6.6 per cent. of the Company's current issued share capital as at the date of this announcement.

A notice convening the General Meeting, to be held at the offices of finnCap Ltd, 60 New Broad Street, London EC2M 1JJ at 10.30 a.m. on 1 July 2013, is expected to be posted to shareholders by no later than 12 June 2013.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. Assuming that the Resolutions are passed, it is expected that Admission will become effective and dealings in the Placing Shares will commence at 8:00 a.m. on 2 July 2013.

Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as defined in the Circular containing notice of the General Meeting, a copy of which will be available on the Company's website on posting.

Intandem Films plc +44 (0)20 7851 3800
Robert Mitchell, Chief Executive Officer

finnCap +44 (0)20 7220 0500
Ed Frisby / Ben Thompson - Corporate Finance
Stephen Norcross - Corporate Broking

Peterhouse Corporate Finance +44 (0)20 7469 0930
Jon Levinson / Lucy Williams
Joint Broker to the Placing

Bishopsgate Communications +44 (0)20 7562 3350
Nick Rome/Sam Allen/Matt Low
intandem@bishopsgatecommunications.com

About Intandem Films

Intandem Films plc (www.intandemfilms.com) is a London based international film company. It specialises in raising finance for commercial feature films and selling them to distributors around the world. Intandem closely manages the risk associated with the film industry and does not invest in the production of films from its own resources. Its highest profile film to date was *How to Lose Friends and Alienate People* starring Simon Pegg, Jeff Bridges and Megan Fox, for which Intandem raised the finance and sold the film to distributors such as Paramount, Warners and MGM.

Further details of the Equity Finance Facility

The EFF agreement with Darwin provides Intandem with a facility of up to £1 million which (subject to certain limited restrictions) can be drawn down at any time over the next three years. The timing and minimum subscription price of any draw down is always at the complete control and sole discretion of the Company. There are no penalty fees payable for not using the facility.

Intandem is under no obligation to make a draw down and may make draw downs at its discretion, up to the total value of the EFF, by way of issuing subscription notices to Darwin. Following delivery of a subscription notice, Darwin will subscribe and the Company will allot to Darwin new Ordinary Shares of 0.1 pence each in the Company ('Ordinary Shares').

The subscription price for any Ordinary Shares to be subscribed by Darwin under a subscription notice will be the average of the three lowest Closing Bid Prices of the Ordinary Shares over the 15 trading days following the date of the subscription notice. Darwin's subscription obligation will be based on this subscription price multiplied by the

number of applicable trading days in the relevant pricing period. Upon the occurrence of certain specific events relating to the market or the trading in Ordinary Shares a trading day may be excluded from this calculation, and the subscription obligation reduced accordingly.

Intandem is able to specify in each subscription notice a minimum price below which Ordinary Shares will not be issued to Darwin. The Company will have the right (with the consent of Darwin) to modify that minimum price at any time during the relevant Pricing Period.

The number of Ordinary Shares which may be issued under any individual subscription notice may be up to the 25 per cent. of the Company's issued share capital following completion of the relevant subscription, or four times the average daily trading volume of Intandem's Ordinary Shares over the 15 trading days preceding the date of the issue of the relevant subscription notice. This may be reduced in certain circumstances, including where the minimum price is not maintained.

The maximum amount of an individual subscription notice may not exceed £500,000 without Darwin's permission. Darwin is entitled to a commission of up to 5 per cent. of amounts subscribed but may agree with Intandem in lieu thereof for the subscription price for the Ordinary Shares to be discounted by 5 per cent.

There is also an over-allotment facility available to Intandem, under which the Company may authorise Darwin, at Darwin's discretion, to increase the amount of the draw down by up to the aggregate undrawn amount under the EFF. Darwin may direct allotments under the EFF to its parent fund, Henderson Volantis.

Darwin and Intandem may mutually agree at the end of any pricing period to a variation of subscription price and the number of subscription shares. This may allow for a larger subscription via any additional over-allotment facility authorised by the Company.

The issuance of a Subscription Notice is conditional upon the satisfaction of certain Subscription Notice Conditions which have been agreed between Darwin and Intandem. Any subscription notice which Intandem may issue will only be valid to the extent that it has the requisite shareholder authority to issue the maximum number of Ordinary Shares that Darwin may be required to subscribe under the relevant subscription notice.

Darwin may terminate the EFF agreement if certain conditions are not met. Intandem may terminate the agreement on 3 months' notice. The EFF agreement contains certain customary warranties and indemnities given by the Company.

As part of the EFF arrangements, Intandem has entered into a warrant agreement with Darwin dated 11/06/2013 to subscribe for Ordinary Shares up to 2% of the issued share capital, such Warrants to be exercisable at 0.625 pence per Ordinary Share at any time between the date of grant and the third anniversary of the date of grant.

This information is provided by RNS
The company news service from the London Stock Exchange

END

MSCFLLFXQFXBBD

CLOSE

London Stock Exchange plc is not responsible for and does not check content on this Website. Website users are responsible for checking content. Any news item (including any prospectus) which is addressed solely to the persons and countries specified therein should not be relied upon other than by such persons and/or outside the specified countries. [Terms and conditions](#), including restrictions on use and distribution apply.

£0.8m Placing and £1m Financing Facility Agreed - RNS