

Regulatory Story

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Intandem Films PLC - IFM Notice of AGM, Capital Reorganisation and CVA
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Intandem..

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Intandem Films PLC
18 March 2015

INTANDEM FILMS PLC
("Intandem" or the "Company")

NOTICE OF 2015 ANNUAL GENERAL MEETING
PROPOSED CAPITAL REORGANISATION
PROPOSED AMENDMENT TO THE COMPANY'S ARTICLES OF ASSOCIATION
EXPECTED CANCELLATION OF ADMISSION TO TRADING ON AIM, AND CVA

Intandem Films plc (AIM: IFM), the London based international film group, has posted a circular to shareholders convening an annual general meeting to be held at the offices of FinnCap Limited, 60 New Broad Street, London EC2M 1JJ on 9 April 2015 at 11:30am.

The Notice of Annual General Meeting is accompanied by a member advice letter which includes details of a Shareholders' CVA Meeting to be held at the offices of BM Advisory, 82 St John Street, London, EC1M 4JN on 9 April 2015 at 10:00am, being the same day as, but prior to, the forthcoming AGM. In addition, the director of JJ Distribution Ltd and Manifest Film Sales Ltd, being wholly owned subsidiaries of the Company, has commenced liquidation proceedings for both subsidiaries.

The circular and the member advice letter is available from Intandem's new website, <http://intandemfilmsplc.com>. Defined terms used in this announcement are the same as those defined in the circular unless the context requires otherwise.

The Company's shares remain suspended from trading on AIM.

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DEFINITIONS

"Act"	the Companies Act 2006;
"AIM"	a market of that name operated by the London Stock Exchange;
"Amended Articles"	the amended articles of association of the Company proposed to be adopted at the AGM, containing the changes summarised under the section headed "Amendment to the Articles" at

	page 8 of this document;
"Annual General Meeting" or "AGM"	the annual general meeting (and any adjournment of that meeting) of the Company to be held at the offices of FinnCap Limited, 60 New Broad Street, London EC2M 1JJ at 11:30am on 9 April 2015 and convened by the notice which is set out at the end of this document;
"Articles" or "Articles of Association"	the current articles of association of the Company;
"Board"	the board of Directors of the Company;
"Consolidation Shares"	following the Share Consolidation as part of the Share Capital Reorganisation, ordinary shares of 10p each in the Company;
"Creditors Meeting"	a meeting of creditors convened pursuant to the CVA;
"CVA"	the Company Voluntary Arrangement, pursuant to Part 1 of the Insolvency Act 1986, of the Company, further details of which are set out in the member advice letter accompanying this document;
"Company" or "Intandem"	Intandem Films plc, registered number 05360907 and having its registered office at Riverbank House, 2 Swan Lane, London, EC4 3TT;
"CREST"	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and holding shares in uncertificated form which is administered by Euroclear;
"CREST Regulations"	the uncertificated securities regulations 2001 of the UK (SI 2001/3755) (as amended);
"Deferred Shares"	deferred shares of 9.9p each in the Company;
"Directors"	the directors of the Company whose names are set out on page 3 of this document;
"Euroclear"	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales;
"Form of Proxy"	the form of proxy accompanying this document for use by Shareholders at the Annual General Meeting;
"Group"	Intandem and its two wholly owned subsidiaries JJ Distribution Ltd and Manifest Film Sales Ltd;
"London Stock Exchange"	London Stock Exchange plc;
"New Ordinary Shares"	new ordinary shares in the capital of the Company each with a nominal value of 0.1p each in the Company following the Share Capital Reorganisation;
"Notice of Annual General Meeting"	the notice of the Annual General Meeting set out at the end of this document;
"Ordinary Shares"	458,801,978 existing ordinary shares of 0.1p each in the Company;
"Resolutions"	together the ordinary resolutions and the special resolutions to be proposed at the Annual General Meeting;
"Share Capital Reorganisation"	the proposed share capital reorganisation to be effected by the consolidation of every 100 Ordinary Shares into one Consolidation Share followed by a sub-division of each Consolidation Share into one New Ordinary Share and one Deferred Share;
"Share Capital Reorganisation Record Date"	9 April 2015;

"Shareholders"	the persons who are registered as holders of Ordinary Shares from time to time;
"Share Consolidation"	the consolidation of Ordinary Shares into Consolidation Shares as part of the Share Capital Reorganisation;
"Shareholders' CVA Meeting"	a meeting of the Shareholders, called pursuant to section 3 of the Insolvency Act 1986 to consider the CVA, to be convened immediately following a Creditors' Meeting; and
"uncertificated form"	recorded on the register of Ordinary Shares as being held in uncertificated form in CREST, entitlement to which, by virtue of the CREST Regulations, may be transferred by means of CREST.

KEY STATISTICS

Current ISIN	GB00B0727R49
ISIN for New Ordinary Shares following the Capital Reorganisation	GB00BW38W972

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Posting of circular	17 March 2015
Expected cancellation of admission to trading on AIM of Ordinary Shares	7:00am on 23 March 2015
Latest time and date for receipt of Forms of Proxy	11:30am on 7 April 2015
Annual General Meeting	11:30am on 9 April 2015
Share Capital Reorganisation Record Date	9 April 2015
CREST accounts credited with New Ordinary Shares	10 April 2015
Posting of new share certificates for New Ordinary Shares	24 April 2015

Letter from the Chief Executive Officer

Intandem Films plc

(Incorporated and registered in England & Wales with Registered No. 05360907)

Directors:

Timothy Crowley (Chief Executive Officer)
Edward Guy Meyer (Non-Executive Director)

Registered Office:

Riverbank House
2 Swan Lane
London
EC4 3TT

17 March 2015

Dear Shareholder,

**Notice of 2015 Annual General Meeting
Proposed Capital Reorganisation
Proposed amendment to the Company's Articles of Association
Expected cancellation of admission to trading on AIM**

1. Introduction and background

Following my and Edward Guy Meyer's appointment last month, we have had the opportunity of reviewing the state of the Group. It has become clear to us that the existing operations no longer form the basis of a sustainable business for a public company and, as a consequence, there is no realistic chance of attracting the necessary capital to refinance the existing Group.

Accordingly, we have decided that the way in which some value may be reclaimed for Shareholders is to arrange for the existing operating subsidiaries to be placed into liquidation, so as to protect the Company from further losses, and to arrange financing to implement a CVA in the Company and raise sufficient funds for the Company to consider new opportunities.

Sadly, it will not be possible to achieve all this before the scheduled cancellation of the Company's quotation on AIM. However it is hoped that if a suitable business can be acquired, we can then seek to bring the Company back to AIM sometime in the not too distant future in order to provide some ongoing value for Shareholders.

To implement these plans we require sufficient flexibility and thus the proposed CVA to be proposed by the Directors on behalf of the Company and the liquidation of the existing wholly owned operating subsidiaries being JJ Distribution Ltd and Manifest Film Sales Ltd.

This document which includes the Notice of Annual General Meeting is accompanied by a member advice letter which includes a website and password to view and download details of the Shareholders' CVA Meeting, together with the appropriate enclosures, that sets out the background to, terms of, and reasons for the CVA to be proposed by the Directors on behalf of the Company.

As permitted under section 246B, and rules 12A.12 and 12A.13, of the Insolvency Act 1985, in connection to the proposed CVA the following documents have been made available online for viewing and downloading:

1. a proposal for a CVA, incorporating the Directors statement of the Company's affairs, a list of creditors and an estimated outcome statement;
2. Nominee's report on the proposal;
3. a statement of voting rights under the legislation;
4. a form of proxy;
5. a proof of debt; and
6. formal notice of a general meeting setting out details of the Shareholders' CVA Meeting to be held at the offices of BM Advisory, 82 St John Street, London, EC1M 4JN on 9 April 2015 at 10:00am, being the same day as, but prior to, the forthcoming AGM.

In addition, you are advised that the director of JJ Distribution Ltd and Manifest Film Sales Ltd, being wholly owned subsidiaries of the Company, has commenced liquidation proceedings for both subsidiaries. Meetings of the shareholders and creditors will shortly be convened for the purpose of appointing a liquidator.

2. Expected cancellation of trading on AIM of the Ordinary Shares

As previously announced, Intandem's Ordinary Shares were suspended from trading at 1:00pm on 22 September 2014. It is expected that, as a result of such suspension, Intandem's admission to AIM will be cancelled at 7:00am on 23 March 2015, such date being prior to the AGM.

3. AGM business

By way of an explanation of the business to be put before the meeting, both ordinary and special, the proposed resolutions are as follows (Resolutions 1 to 6 and 8 being ordinary resolutions and Resolutions 7, 9, 10 and 11 being special resolutions).

Ordinary business

Resolution 1: To receive and adopt the audited report and accounts of the Company for the year ended 30 June 2014.

Resolution 2: To re-appoint Shipleys LLP as the Company's auditors. The Company is required to appoint an auditor at each Annual General Meeting at which accounts are laid before Shareholders, to hold office until the next such meeting. The Resolution proposes that Shipleys LLP be re-appointed as auditor for the current year and that the Directors be authorised to set their fees.

Resolution 3: This is to elect Mr. Edward Guy Meyer as a Director of the Company, who was appointed as a Director by the Board under the Articles, at the AGM. Under the Articles of Association of the Company the Directors are required to put themselves up for election following their appointment by the Board. As Mr. Edward Guy Meyer was appointed by the Board this year, he will retire at the AGM and put himself up for election at the AGM.

Resolution 4: This is to elect Mr. Timothy Crowley as a Director of the Company, who was appointed as a Director by the Board under the Articles, at the AGM. Under the Articles of Association of the Company the Directors are required to put themselves up for election following their appointment by the Board. As Mr. Timothy Crowley was appointed by the Board this year, he will retire at the AGM and put himself up for election at the AGM.

Resolution 5: As part of the Share Capital Reorganisation, to subdivide each Consolidation Share into one New Ordinary Share and one Deferred Share.

Resolution 6: To grant the Directors power to issue and allot shares and grant rights to subscribe for shares. This Resolution grants the Directors authority to allot shares in the capital of the Company and other relevant securities up to an aggregate nominal value of £400,000 representing approximately 87.2% of the nominal value of the issued Ordinary Share capital of the Company as at 16 March 2015, being the last practical date prior to the publication of this notice.

The Directors consider it desirable that the specified amount of unissued share capital is available for issue so that they can more readily take advantage of possible opportunities should they arise. Unless revoked, varied or

extended, this authority will expire at the earlier of 15 months from the passing of Resolution 6 or the conclusion of the next AGM of the Company.

Special business

Resolution 7: To authorise the Directors in certain circumstances to issue and allot equity securities for cash other than in accordance with statutory pre-emption rights (which require a company to offer all allotments for cash first to existing shareholders in proportion to their holdings). The relevant circumstances are where the allotment takes place in connection with (i) an open offer or rights issue; or (ii) the allotment of shares on such terms and to such persons as the Board may determine up to an aggregate nominal amount not exceeding £400,000 (being 400,000,000 New Ordinary Shares). Any allotment is limited to a maximum nominal amount of £400,000 representing approximately 87.2% of the nominal value of the issued Ordinary Share capital of the Company as at 16 March 2015, being the last practical date prior to the publication of this notice. Unless revoked, varied or extended, this authority will expire at the earlier of 15 months from passing Resolution 7 or the conclusion of the next AGM of the Company.

Resolution 8: The Board believes that, as part of the proposed Share Capital Reorganisation, the existing Ordinary Share capital of the Company should be consolidated as this will result in a more appropriate number of shares being in issue for an AIM company of Intandem's size, with a consequent saving in administrative costs. The Share Capital Reorganisation may also help to make the Company's ordinary shares more attractive to investors and may result in a narrowing of the bid/offer spread, thereby improving liquidity. Accordingly, the Board has resolved to seek Shareholder approval for a consolidation of the Company's Ordinary Shares, as part of the proposed Share Capital Reorganisation, whereby every 100 Ordinary Shares in issue will be consolidated into 1 Consolidation Share.

Resolution 9: To permit the Company to convey, send or supply all types of notices, documents or information electronically.

Resolution 10: To amend the Company's Articles so that the Company may change its name by ordinary resolution or by a majority decision of the Board.

Resolution 11: To amend the Company's Articles in order to create Deferred Shares having the rights set out below under the heading "Share Capital Reorganisation".

4. Share Capital Reorganisation

Under the Share Capital Reorganisation, every 100 Ordinary Shares on the Share Capital Reorganisation Record Date will be consolidated into 1 ordinary share of 10p each in the Company (Consolidation Share) and then each such Consolidation Share will be sub-divided into one new ordinary share of 0.1p (New Ordinary Share) and one deferred share of 9.9p (Deferred Share).

The New Ordinary Shares will rank parri passu in all respects with the existing Ordinary Shares, including having the same rights to voting and dividends and return on capital.

The Deferred Shares carry minimal rights thereby rendering them effectively valueless. The rights attaching to the Deferred Shares can be summarised as follows:

- (i) the holders thereof do not have any right to participate in the profits or income or reserves of the Company;
- (ii) on a return of capital on a winding up the holders thereof will only be entitled to an amount equal to the nominal value of the Deferred Shares but only after the holders of New Ordinary Shares have received £10,000,000 in respect of each New Ordinary Share;
- (iii) the holders thereof have no right to receive notice of or attend or vote at any general meeting of the Company; and
- (iv) the Company may acquire the Deferred Shares for a nominal consideration at any time.

No application will be made to the London Stock Exchange for the Deferred Shares to be admitted to trading on AIM or any other stock exchange. No share certificates will be issued for any Deferred Shares. There are no immediate plans to purchase or to cancel the Deferred Shares, although the Directors propose to keep the situation under review.

As regards the proposed Share Consolidation as part of the overall Share Capital Reorganisation, Shareholders holding fewer than 100 Ordinary Shares on the Share Consolidation Record Date will not be entitled to receive any New Ordinary Shares or Deferred Shares as a consequence of the proposed Share Consolidation and with effect from the Share Capital Reorganisation Record Date will cease to be Shareholders. The Share Capital Reorganisation, if approved by Shareholders, will be effected at close of business on 9 April 2015.

As a consequence of the Share Capital Reorganisation, each Shareholder's holding of New Ordinary Shares and Deferred Shares will (ignoring fractional entitlements) immediately following the Share Capital Reorganisation becoming effective be one hundredth of the number of Ordinary Shares held by them on the Share Capital Reorganisation Record Date. Accordingly, any Shareholder holding fewer than 100 existing Ordinary Shares on the Share Capital Reorganisation Record Date will not be entitled to receive any New Ordinary Shares or Deferred Shares. Each Shareholder who holds 100 or more Ordinary Shares will be issued with New Ordinary Shares and Deferred Shares on the basis set out above. Such Shareholder's proportionate interest in the Company's issued ordinary share capital will remain unchanged (ignoring fractional entitlements) as a result of the proposed Share Capital Reorganisation.

If the Share Capital Reorganisation is approved by Shareholders at the AGM, it is expected that the New Ordinary Shares will be issued with ISIN GB00BW38W972 at 8.00 a.m. on 10 April 2015.

New share certificates in relation to the New Ordinary Shares will be dispatched to Shareholders who hold their Ordinary Shares in certificated form by 24 April 2015. The new share certificates will be sent by pre-paid first class post, at the risk of the relevant holder of New Ordinary Shares, to the registered address of that holder or, in the

case of joint holders, to the one whose name appears first in the register of members. On receipt of the new share certificates all Ordinary Share certificates previously issued will no longer be valid and should be destroyed. Until a holder of certificated Ordinary Shares receives a new share certificate, transfers of certificated Ordinary Shares will be certified against the register of members.

Shareholders who hold their entitlement in uncertificated form through CREST will have their CREST accounts adjusted to reflect their entitlement to New Ordinary Shares.

Fractional entitlements

Holders of fewer than 100 Ordinary Shares at the Share Capital Reorganisation Record Date will not be entitled to receive a New Ordinary Share or Deferred Share following the Share Capital Reorganisation and will therefore no longer be Shareholders of the Company.

Shareholders with a holding in excess of 100 Ordinary Shares at the Share Capital Reorganisation Record Date, but which is not exactly divisible by 100, will have their holding of New Ordinary Shares and Deferred Shares rounded down to the nearest whole number of New Ordinary Shares and Deferred Shares following the Share Capital Reorganisation. Such Shareholders will also be entitled to a fractional entitlement to a New Ordinary Share but not a Deferred Share.

Any fractional entitlements to New Ordinary Shares arising on the Share Capital Reorganisation will be aggregated and sold in the market on behalf of the Shareholders entitled to the fractions. If the net proceeds of sale are three pounds (£3.00) or more in respect of any entitled Shareholder, then such proceeds of sale will be paid to the relevant Shareholder. If such net proceeds amount to less than three pounds (£3.00) for any entitled Shareholder, they will be retained by the Company as the Company is entitled to do under the Articles. The value of any Shareholder's fractional entitlement will not exceed the value of one New Ordinary Share.

5. Electronic and web communications

Your Board is seeking Shareholder approval under Resolution 9 in order to extend the powers the Company currently has set out in its Articles for communicating with Shareholders electronically, by taking advantage (if it decides to do so) of provisions in the Act. Resolution 9 will allow the Company to use website communication as the default position, without sending documents to Shareholders. The Company will be able to ask Shareholders for their consent to receive communications from the Company via its website, or to elect to receive communications either electronically or in hard copy, as is currently the case. If a Shareholder has not responded within 28 days of a request by the Company, the Company may take that as consent to receive communications via its website. Where a Shareholder receives communications via the Company's website, in this way, he or she will be sent a letter notifying them of the documents on the website, and of the right to receive a hard copy of the documents free of charge. The Company will continue to communicate with Shareholders by e-mail, where they have agreed to this, notifying them of the documents on the website, and of the right to receive a hard copy of the documents free of charge. The Company expects to save considerable printing and postage costs if it decides to use the powers granted by Resolution 9.

6. Amendment to the Articles

Currently, the Company can only change its name by special resolution. Under the Act, a company may change its name by other means provided for by its articles of association.

To take advantage of this provision, your Board is taking this opportunity to ask Shareholders to approve an amendment to the Articles so that under the Amended Articles the Company may change its name by ordinary resolution or by a majority decision of the Board.

The Amended Articles showing the changes to the Articles are available for inspection at the registered office of the Company during normal business hours on any weekday (excluding public holidays) and for at least 15 minutes prior to, and during, the Company's Annual General Meeting.

The proposed Share Capital Reorganisation will also require the Articles to be amended to create Deferred Shares with the rights summarised above under the heading "Share Capital Reorganisation".

Action to be taken in respect of the Annual General Meeting by Shareholders

Set out at the end of this document is the notice convening the Annual General Meeting of the Shareholders to be held at the offices of FinnCap Limited, 60 New Broad Street, London EC2M 1JJ on 9 April 2015 at 11:30am, at which the Resolutions will be proposed.

A Form of Proxy for use, at the Annual General Meeting, by Shareholders is enclosed with this document.

Whether or not you intend to attend and participate at the Annual General Meeting, the Form of Proxy should be completed and signed in accordance with the instructions on it and in accordance with the Articles (including any ancillary documentation and evidence as may be required by the Articles) and returned to the Company's registrars, Share Registrars Ltd, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey, GU9 7LL as soon as possible, but in any event so as to be received not later than 11:30am on 7 April 2015.

The completion and return of the Form of Proxy will not preclude you from attending the Annual General Meeting and voting in person should you so wish.

7. Recommendation

The Directors consider that the Resolutions are in the best interests of the Company and its Shareholders as a whole and accordingly unanimously recommend that you vote in favour of the Resolutions as set out in the Notice of Annual General Meeting, as your Directors intend to do or procure to be done in respect of their legal and beneficial

holdings of Ordinary Shares.

Yours faithfully

Timothy Crowley, **Chief Executive Officer**

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