

RNS Number : 4820R
Baskerville Capital plc
22 September 2017

Baskerville Capital plc
(the 'Company')

First Day of Dealings

Placing to raise £1.8m

Admission to the Official List

Baskerville Capital PLC (LSE: BASK), a newly established company formed to acquire a company or business with a technology focus, announces that it has successfully raised gross proceeds of £1.8m through the placing of 36,000,000 Ordinary Shares at a price of £0.05per Ordinary Share.

Application has been made for the Ordinary Shares to be admitted to the Official List, by way of a Standard Listing, and to trading on the Main Market. Dealings in the Ordinary Shares are expected to commence at 8.00 a.m. on 22 September 2017. The Company's prospectus is available to view here: www.baskcap.com

About Baskerville Capital PLC

The Company has been formed to undertake an Acquisition in the technology sector. The Company does not have any specific acquisition under consideration and does not expect to engage in substantive negotiations with any target company or business until after Admission. The Company expects that any funds not used in connection with an Acquisition will be used in connection with internal or external growth and expansion, and working capital in relation to the acquired company or business or will be used for future bolt-on acquisitions.

It is anticipated that the Company will focus its acquisition strategy principally in the UK but will also consider a target Acquisition in other jurisdictions (except for territories with significant geo-political or economic risk).

Following completion of an Acquisition, the objective of the Company will be to operate the acquired business and implement an operating strategy to generate value for its Shareholders through operational improvements and potentially through additional complementary acquisitions following an Acquisition.

Unless required by applicable law or other regulatory process, no Shareholder approval will be sought by the Company in relation to an Acquisition. An Acquisition will likely be treated as a Reverse Takeover under Chapter 5 of the Listing Rules. To the extent that an Acquisition is treated as a Reverse Takeover, the Company intends to seek re-admission of the enlarged group to listing on the Official List and trading on the London Stock Exchange, or to the AIM Market operated by London Stock Exchange, or to another stock exchange.

Following completion of the Acquisition, the Company intends to implement a strategy designed to maximise Shareholder value by optimising the capital structure of the acquired activities, implementing disciplined operational improvements and strengthening management.

The Company's objective is to take advantage of opportunities to invest in the technology sector and to operate the company or business that it acquires in the Acquisition. The Company anticipates that the target may be valued at between £10 million and £100 million.

The Directors' intention is to create a trading business, rather than an investment entity. It is not intended that the Company acquire minority stakes in target entities.

Investment Strategy

The investment strategy of the Company will be focussed towards the identification and acquisition of a company or business which:

- is run by management with a strong track record of generating growth for shareholders and a proven experienced business record;
- has a compelling case for providing the foundation or platform for a scalable business which generates or the potential to generate substantial and sustainable free cash flow over time;
- has the ability to grow with additional capital or be replicated in other markets worldwide;
- has a sustainable competitive advantage or a unique selling proposition, perhaps arising from a technology that is in a high growth market;
- has the potential for a significant return for the Company's shareholders; and
- can be funded adequately to allow the delivery of credible technological and commercial milestones, thus creating significant growth opportunities for Shareholders.

Directors and Founders

The Board currently comprises two Directors, who collectively have extensive experience and a proven track record in investment, corporate finance and business acquisition, operation and development in the technology sector and are well placed to implement the Company's business objective and strategy.

- **Rodger Sargent** - *Non-Executive Director & Chairman*
- **Derek Kehoe** - *Non-Executive Director*

The Directors believe that the Founders, together with the Board, comprise a knowledgeable and experienced group with extensive experience of making international acquisitions and operational improvement. The Directors further believe that the Founders' track record, demonstrate their ability to source, structure and complete acquisitions, return value to investors and introduce and complete operational improvements to companies. The Founders will bring their extensive experience, skills and expertise to bear, initially in sourcing, evaluating, structuring and executing an Acquisition.

Christopher Akers	a serial investor in technology companies and founder of Sports Internet Group plc, which was acquired by British Sky Broadcasting plc for £300m
Derek Kehoe	a career of more than 30 years in the banking sector, specialising in fixed income and derivative products
Russell Backhouse	an experienced finance director and corporate financier and has served on a number of company boards, both public and private, with a particular focus on the TMT (technology, media & telecoms) sector
Rodger Sargent	founder and finance director of a number of quoted and private companies over the past fifteen years

Full details of the Directors and Founders can be found in the prospectus (pp. 37-41)

Significant shareholders

On Admission, the following Shareholders will have a notifiable interest in the issued shares of the Company:

Name	Ordinary Shares on Admission	% of enlarged share capital
Michael Wright	8,000,000	14.6%
Derek Kehoe (Non-Executive Director)	3,700,000	7.74%
Hargreave Hale	3,400,000	7.1%
Christopher Akers	2,500,000	5.23%
Russell Backhouse	2,500,000	5.23%
Rodger Sargent (Non-Executive Chairman)	2,500,000	5.23%
Mohamed Hanif Patel	1,800,000	3.8%
Courtney Investments	1,600,000	3.3%
MD Barnard	1,600,000	3.3%
Total	21,600,000	45.19%

PLACING STATISTICS

Number of Existing Ordinary Shares	10,000,000
Placing Price	£0.05 per Ordinary Share
Number of Placing Shares	36,000,000
Number of Fee Shares	1,800,000
Enlarged Share Capital in issue following the issue of the Placing Shares and Admission	47,800,000
Percentage of Enlarged Share Capital represented by Placing Shares	75.31%
Gross proceeds of the Placing	£1,800,000
Proceeds of the Placing receivable by the Company (after deduction of transaction costs)	£1,650,000
Number of Ordinary Shares to be issued if all outstanding Warrants are exercised	13,500,000

Enquiries:

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