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Outcome Statement, Proposed De-Listing & Update

ZYTRONIC PLC

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Zytronic PLC

26 February 2025

Zytronic plc

("Zytronic" or the "Company" and, together with its subsidiaries, the "Group")

Outcome Statement, Proposed De-Listing & Update

Introduction & Background

Upon the conclusion of its Strategic Review, the outcome of which was announced on 14 November 2024, the Company engaged with FRP Advisory Trading Limited ("**FRP Advisory**") to run a process with a view to maximising returns to shareholders, which included exploring a sale of the Company's trading entity, Zytronic Displays Ltd ("**ZDL**"). On 19 February 2025, the

Company announced that, despite engaging with multiple counterparties, it was unable to agree on suitably attractive terms for a transaction.

As a result, the Board, in consultation with FRP Advisory has commenced the orderly wind-down of the Group's assets ("**Wind-Down**") and FRP Advisory has prepared an outcome statement of estimated returns available to shareholders in this regard.

The Board has also resolved to put a resolution to shareholders to de-list the Company's ordinary shares to trading on AIM and convert from a public limited company to a private limited company (the proposed "**De-Listing**"). A general meeting of the Company's shareholders will be convened ("**General Meeting**") and a circular sent out to shareholders in due course (the "**Circular**").

The Circular will set out further reasons why the Board believes the De-Listing is in shareholders' best interests.

Outcome Statement

FRP Advisory has now concluded its work regarding estimated returns that may be available to shareholders as part of the Wind-Down. The Board can advise that shareholders can expect to receive an estimated return of 46 pence per share held in Zytronic in a conservative scenario, increasing to 60 pence per ordinary share ("**Outcome Range**"), should prevailing asset valuations hold through the Wind-Down period.

The Outcome Range is a highly conditional estimate and based upon and subject to, *inter alia*, the following major assumptions:

- That the Company's real estate property sells for a value within +/-10% of the Company's advisor's valuation;
- That the Wind-Down of the Company and its trading subsidiary proceed in an orderly manner and principally complete within 9 months of today; and
- That there are no material unforeseen creditors.

There can be no guarantee that shareholders will eventually receive a return within the Outcome Range upon conclusion of the orderly Wind-Down.

Further details, including the indicative timing of the distribution of surplus funds, will be provided when available.

Proposed De-Listing & General Meeting

To reduce costs and maximise returns for shareholders, the Board has decided to pursue the cancellation of the Company's admission to trading on AIM. The De-Listing will be subject to approval by shareholders through the passing of a Special Resolution. Should the De-Listing complete, it is the Board's intention to explore the introduction of a secondary market trading facility to facilitate the buying and selling of shares by shareholders (and new investors) by matching buyers and sellers through periodic auditions.

The Board will be writing to shareholders to convene a General Meeting, strongly recommending that they vote in favour of the De-Listing resolution to optimise the return of proceeds to shareholders.

If the resolution is not approved, the Company will remain listed (and be subject to ongoing AIM Rule 41 obligations should suspension in the trading of the Company's shares occur), continuing to incur associated costs and further reducing potential returns for shareholders and stakeholders.

Annual Report and Accounts for the year ended 30 September ("FY24")

In consultation with its auditors, Crowe U.K. LLP, the Board concluded on 25 February 2025 that there is now no realistic prospect for its accounts for the year ended 30 September 2024 to be published by 31 March 2025, in accordance with the six-month deadline imposed by AIM Rule 19. Consequently, the Company's ordinary shares will be suspended from trading on AIM with effect from 1 April 2025, pending publication of its FY24 annual report & accounts.

The Board will provide further commentary on the expected timing of the publication of its FY24 audited results as part of the information contained within the Circular.

For reference, the Group generated unaudited turnover of £7.2m and an unaudited pre-tax loss of £1.5m in FY24. It should be noted that these figures were prepared assuming that the going concern assumption was applied and therefore do not include any write downs to asset values which would have a (non-cash) impact on pre-tax loss.

Cash at 25 February 2025 was £3.9m, however, this is likely to deplete during the Wind-Down.

Cessation of Trading under AIM Rule 15

On 25 February 2025, in light of the conclusion of the sale of ZDL and subsequent decision to Wind-Down, the Board has taken the decision, subject to statutory employee consultation ("**Consultation**"), to cease trading and is currently finalising a possible production schedule for closure ("**Cessation**"). The Consultation and Cessation process is expected to be completed within the first half of calendar year 2025. The Company will make a further announcement when and if the final date of Cessation is known.

Under AIM Rule 15 (and on the basis the Company has not passed the De-Listing resolution, and subsequently cancelled the admission of trading in its shares, prior to then), immediately upon completion of the Cessation process, the Company would be classified as an AIM Rule 15 cash shell, after which, the Company must complete an acquisition, or acquisitions, that constitute a reverse takeover in accordance with AIM Rule 14 within six months, or otherwise trading in its shares will be suspended.

Further updates will be provided as appropriate.

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Notes to Editors

The Company's trading entity Zytronic Displays Limited ("**ZDL**") is an established developer and manufacturer of a range of internationally award-winning optically transparent interactive touch sensor overlay products for use with electronic displays in industrial, self-service and public access equipment.

ZDL has continually developed process and technological know-how and intellectual property since the late 1990's around two projected capacitance ("**PCAP**") sensing methodologies; trademarked by it as PCT™ ("Projected Capacitive Technology") and MPCT™ ("Mutual Projected Capacitive Technology"), in respect of which 20 internationally granted patents are held. As part of this the Company has invested in and developed an advanced electronic PCAP controller, the ZXY500, which incorporates a specialist Application Specific Integrated Circuit ("**ASIC**") specified and owned by Zytronic, and bespoke firmware on the controller processor.

ZDL's PCAP sensing solutions are readily configurable and embedded in a laminate core which offers significant durability, environmental stability, and optical enhancement benefits to meet system-specific design requirements.

The Company is headquartered at Blaydon-upon-Tyne in the United Kingdom. ZDL operates from this site, providing its manufactured products globally through a number of sales channel partners. ZDL differentiates itself from others in the touch eco-system as it offers a complete one-stop solution including processing internally of the form and factor of glass and film substrates, the assembly of the associated touch overlay products, in environmentally controlled cleanrooms to customer's specific requirements and the development of the bespoke firmware, software and electronic hardware which comprise the controller that links the manufactured touch interactive overlays to a customer's integrated systems and product.

For more information about ZDL's technologies and products, and the Company please see www.zytronic.co.uk

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