RNS Number : 7900J
Aukett Swanke Group PLC
29 April 2022

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Aukett Swanke Group Plc

("Aukett Swanke" or the "Group")

Sale of John R Harris & Partners Limited

Aukett Swanke is pleased to announce the disposal of its interest in John R Harris & Partners Limited ("John R Harris"), incorporated in Cyprus and operating out of the Middle East, to the local management team for a maximum consideration of AED 5.0 million (approximately £1,074,000) (the "Disposal").

The consideration is to be settled by AED 4.25 million (approximately £913,000) in cash and a deferred payment of AED 750,000 (approximately £161,000) payable over a fixed five-year period, subject to an early repayment discount. The Group has also entered into a Marketing Agreement, covering the use of the Group's project portfolio and associated materials, over the deferred consideration period for an additional sum in order to maintain the Group's interest in this important market.

John R Harris made a loss of £162,000 (before amortisation of intangible assets) in the year ending 30 September 2021 and the value of its net assets (excluding goodwill and intangible assets recognised in the Group consolidated balance sheet) was £312,000 as at 30 September 2021.

The Disposal is part of a series of intended actions to restructure the Group's operations in an orderly manner and to allow the John R Harris business to fulfil its potential without the burden of a central overhead.

The proceeds of the Disposal will be used to reduce the amount drawn under the Group's borrowing facility and for general working capital purposes.

Related Party Transaction

As one of the Purchasers is a director of the Middle East branch entity associated with John R Harris, the Disposal constitutes a related party transaction pursuant to Rule 13 of the AIM Rules for Companies. Accordingly, the board of directors of Aukett Swanke (all of whom are independent in relation to considering the Disposal), having consulted with the Company's Nominated Adviser, Strand Hanson Limited, considers that the terms of the Disposal are fair and reasonable insofar as the Company's shareholders are concerned.

For further information please contact:

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended.

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