

Printing.com plc

Notice of AGM and Capital Reduction

RNS Number : 1666G
Printing.com plc
26 June 2012

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Notice of AGM, Capital Reduction and Posting of Annual Report and Accounts

Printing.com plc (AIM: PDC), (the "Company") announces that it has today posted a circular (the "Circular") to shareholders containing details of a proposed Capital Reduction to create positive distributable reserves in the Company by the cancellation of the share premium account. The proposals are conditional on the passing of the special resolution set out in the Notice of Annual General Meeting ("AGM"), and subsequent Court approval.

In addition the Company announces that it has today posted its Annual Report and Accounts for the year ended 31 March 2012, together with Notice of the AGM, to shareholders. The AGM is to be held at The Hub, Third Avenue, The Village, Trafford Park, Manchester M17 1FG on 20 July 2012 at 10.00 am.

The Annual Report and Accounts along with the Circular and Notice of AGM are available on the Company's website www.printing.com.

The following text is taken from the Chairman's letter, as extracted from the Circular:

Proposals in relation to the Capital Reduction

In addition to the ordinary business to be conducted at the AGM it is proposed to put a special resolution to the members to effect the Capital Reduction described in this document.

Background

As was announced on 6 June 2012, the Directors have been considering a capital reduction to increase the distributable reserves of the Company in order to allow greater flexibility regarding distributions to shareholders going forward. Following consideration by the Directors, the Board now wishes to take the opportunity to simplify the reserves in the balance sheet of the Company and, at the same time, take the opportunity to bolster the profit and loss account reserves of the Company to achieve this objective. The proposals envisage the creation of distributable reserves for the Company by the cancellation of the share premium account. As a result of this capital reduction, future cash generated by the Company after the date that the Capital Reduction is filed at Companies House would then be available for the Directors to use for the purposes of

paying future dividends, if appropriate.

Capital Reduction

The share premium arises on the issue by the Company of shares at a premium to their nominal value. The premium is credited to the share premium account of the Company. The share premium account is treated by statute as undistributable capital reserves except to the extent that its reduction or cancellation is first approved by shareholders by special resolution, and subsequently confirmed by order of the High Court on the application to the Court by the Company. Once reduced, the share premium account creates a reserve which is treated as a realised profit that may then be distributed to Shareholders. As at 31 March 2012 the Company had £4,079,000 standing to the credit of its share premium account.

The proposals require the approval of Shareholders and, under the Companies Act, the subsequent confirmation of the Court. The Company will not be in a position to complete the proposals until confirmation from the Court has been obtained and the Court's order has been registered at Companies House. If the Resolution is passed by Shareholders, it is proposed to commence the proceedings to obtain the confirmation of the Court as soon as possible. It is anticipated that the final hearing at which the Court will confirm the Proposals will take place on or around 8 August 2012. In seeking this confirmation, the Company may be required to give such undertakings or other form of creditor protection as the Court may require for the protection of the Company's creditors at the Effective Date. These may include seeking the consent of the creditors to the cancellation of the share premium account or the provision by the Company to the Court of an undertaking to deposit a sum of money into a blocked account created for the purpose of discharging creditors of the Company. The Directors intend to seek the consent of the Company's main creditors, being other members of the Group and the Company's bankers. The Board is confident that these consents will be obtained. In order for the share premium account cancellation then to become effective, the Court order confirming the cancellation must be filed with Companies House, usually 2-3 days after the date of the hearing.

Following the implementation of the proposals, there will be no change in the number of Ordinary Shares in issue.

The Capital Reduction itself will not involve any distribution or repayment of capital or share premium by the Company and will not reduce the underlying net assets of the Company. Its principal effect will be to create distributable reserves to facilitate any future return of value to Shareholders.

Annual General Meeting

To implement the proposals, the approval of Shareholders is required and, accordingly, there is set out at the end of the Circular a notice convening the Annual General Meeting of the Company to be held at The Hub, Third Avenue, Trafford Park, Manchester M17 1FG at 10.00 a.m. on 20 July 2012. In addition to the ordinary business to be conducted at the Annual General Meeting the Resolution, which is a special resolution, will be proposed to cancel the amount of £4,079,000 standing to the credit of the share premium account.

Expected Timetable of Principal Events

Latest time and date for receipt of Form of Proxy	10.00 am on 18 July 2012
Annual General Meeting 2012	10.00 am on 20 July
Court Hearing to confirm Capital Reduction*	8 August 2012

Expected effective date for Capital Reduction*
2012

11 August

* These dates are dependent on, amongst other things, the date upon which the Court confirms the Capital Reduction. The Court hearing dates may be subject to postponement by the Court.

Recommendation

The Board considers that the Capital Reduction will promote the success of the Company for the Shareholders as a whole.

Accordingly the Board unanimously recommends Shareholders to vote in favour of the Resolution, as they intend to do in respect of their own shareholdings.

Defined terms used in this announcement are set out below.

For further information:

Printing.com plc

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Definitions

"AGM" or "Annual General Meeting"	the Annual General Meeting of the Company to be held on 20 July 2012
"Capital Reduction" or "Proposals"	the proposed cancellation by the Company of its share premium account as described in this document
"Companies Act"	the Companies Act 2006
"Company" or "Printing.com"	Printing.com plc
"Directors" or "Board"	the Directors of the Company
"Effective Date"	the date on which the proposed Resolution becomes effective, expected to be on or around 11 August 2012
"Ordinary Shares"	ordinary shares of 1 pence in the capital of the Company
"Resolution"	the resolution approving the Capital Reduction to be put to Shareholders at the AGM
"Shareholders"	holders of Ordinary Shares

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The company news service from the London Stock Exchange

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