



RNS Number : 4062A
Mountfield Group plc
07 June 2016

MOUNTFIELD GROUP PLC

("the Group" or "the Company")

Proposed conversion of Loan Notes ("Loan Notes")

Notice of Annual General Meeting

The Directors of the Group have, since announcing their intention on 24 April 2015 to remove approximately £3m of Loan Notes that were originally granted to Graham Read and Andy Collins in October 2008 from issue have taken advice from specialist advisors and are satisfied that they now found a way of achieving their objective that will not have an adverse effect on the Company.

The Directors accordingly announce that at the AGM of the Company to be held at 11.00 a.m. on 29 June 2016 at the offices of DAC Beachcroft LLP, 100 Fetter Lane, London EC4A 1BN, resolutions will be proposed to give the Company and the Directors authority to the convert all or part of the remaining Loan Notes into founder shares of £1 each ("Founder Shares").

The Founder Shares will not be quoted on any exchange or carry a right to vote or to receive a dividend. The shares will carry the right to receive, collectively first an amount equal to the amount of Loan Notes swapped into Founder Shares by which the consideration arising on a sale by shareholders in Group attributable to Connaught Access Flooring Limited and/or Mountfield Building Group Limited exceeds £20m.

A copy of the Circular and Notice of AGM will today be posted to shareholders of the Company and will be made available on the Company's website at www.mountfieldgroupplc.com.

As Graham Read and Andy Collins are directors of the Group, the issue of Founder Shares is a Related Party Transaction under the AIM Rules. The independent directors, comprising Peter Jay and Adrian Sainsbury, consider, having consulted with WH Ireland Limited, its nominated adviser, that the terms of the transaction are fair and reasonable insofar as the Company's shareholders are concerned.

Contacts:

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