

Holders Technology plc
 (“ Holders Technology” or the “ Company”)

Sale of Certain PCB Assets

Holders Technology, (AIM: HDT), announces that its UK and Germany operating subsidiaries have today entered into an Asset Purchase Agreement (“APA”) with companies in the Ventec International Group (“Ventec”) to sell certain printed circuit board (“PCB”) assets owned by the Company. Subject to certain conditions, completion of the disposal is expected to take place on 30 September 2021.

Assets to be Transferred

The assets which are the subject of the transaction comprise inventory of a range of consumable products, as well as associated machinery used in the fabrication process of these materials which are supplied to the European PCB industry. It is anticipated that associated PCB staff in Germany will also transfer to Ventec on completion of the transaction.

Consideration

Consideration for the sale will be c. €1,867,000 (£1,596,000) in cash. The net book value of the inventory and machinery to be transferred will be c. €1,249,000 (£1,068,000). Under the terms of the APA, approximately 90% of the consideration will be paid at completion, and approximately 10% will be paid by 31 October 2021 or shortly thereafter. The transferred assets contributed revenues of £4.6 million and losses of £72,000 to the results of the Company for the year ended 30 November 2020.

Effect on the Company

The disposal allows the Company to focus on the supply of specialist PCB materials, including Isola laminates and flexible laminates, as well as other technically sophisticated products, and for the Company to further develop and expand its lighting and control solutions business. The disposal proceeds will be used to invest in these activities and for general working capital purposes.

Rudolf Weinreich, Executive Chairman, commented: “This transaction simplifies the Group’s product offering and operations, and leaves the Group well positioned to pursue further opportunities within its market sectors.”

Market Abuse Regulation (MAR) Disclosure - Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

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