



Immedia Group PLC - IME Acquisition
Released 07:00 07-Sep-2016



RNS Number : 1380J
Immedia Group PLC
07 September 2016

7 September 2016

**Immedia Group Plc
("Immedia" or the "Group")**

**Acquisition of the business and certain assets of AVC Media Enterprises Limited
("AVC Media")**

Immedia (AIM: IME), a supplier of digital audio content solutions for leading brands and global businesses, announces that it has acquired the business and certain assets comprising AVC Media (the "AVC Business"), based in Aberdeen, from the Administrators of AVC Media Enterprises Limited and AVCME Holdings Limited (together the "AVC Companies") for a cash consideration of £200,000, payable in full at completion.

Established in 1984, the AVC Business is a media and communications business and digital technology specialist. The AVC Business encompasses a range of services, which the Board of Immedia consider are highly complementary to Immedia's activities; these include audio visual solutions, video conferencing, event production/management, video and 3D animation, web and graphic design and App development. The AVC Companies work across many sectors and are particularly well known in oil & gas, football and tourism. Its past and current clients include leading brands and global businesses, such as FA, FIFA, Shell, BP, Aker, SKY and BT Sport.

The revenues of the AVC Business have declined rapidly over the last 18 months, as prevailing low oil prices caused a number of oil exploration and services clients to reduce significantly their spend. This has impacted the AVC Business's trading performance significantly, since AVC Media's last audited accounts for the year ended 31 March 2015, which showed revenue of £5.9m, profit before tax of £0.09m and net assets of £0.08m. This decline resulted in the AVC Companies being placed in Administration on 6 September 2016.

The Board of Immedia considers that the AVC Business can be returned to profitability by implementing certain identified cost savings, synergies and cost sharing with Immedia and other measures to be implemented post completion of the acquisition.

As of today the acquired business will be renamed AVC Immedia, and will operate as a division of Immedia Broadcast Ltd a wholly owned subsidiary of Immedia Group plc.

Bruno Brookes, Chief Executive of Immedia, said:

"We have been aware of the AVC Media business for many years and believed that, should an acquisition opportunity arise, the business would be an excellent fit with Immedia, allowing us to enhance and broaden our client services. AVC Media has an award-winning, specialist offering and a very experienced team. Unfortunately market conditions severely affected the business, but this has enabled us to acquire AVC Media at a price which we consider to be advantageous.

"The acquisition of AVC Media strengthens Immedia's multi-media content offering for clients in the Group's primary target sectors of retail, workforce, sport and education. AVC has a strong client list and we believe that both businesses will benefit from working closely together, generating excellent access and cross-selling opportunities and providing a wider range of integrated digital services and solutions.

"In my Chief Executive's report in April 2016, I said that we have been extremely encouraged by an unprecedented number of strong and relevant opportunities from exciting businesses who want to work with Immedia. This continues to be the case and we believe that the acquisition of AVC Media will both strengthen and enhance Immedia's offering and ultimate appeal to clients.

"I would like to take this opportunity to welcome the extended team in Aberdeen to the Immedia family. There is no doubt that, together, we will develop an even more exciting creative media business."

This announcement contains information which, prior to its disclosure, was inside information for the purposes of the Market Abuse Regulation.