

RNS Number : 2773W  
Fairpoint Group PLC  
08 February 2017

8 February 2017

## **Fairpoint Group plc**

### **Payment of deferred consideration for the acquisition of Colemans-CTTS LLP**

On 17 August 2015 Fairpoint Group plc ("**Fairpoint**" or "**the Group**") completed the acquisition of the trade and assets of Colemans-CTTS LLP, CT Support Services Limited and the entire ordinary share capital of Holiday TravelWatch Limited (together referred to as "**Colemans**").

The terms of the acquisition ("**the Terms**") made provision for deferred and contingent consideration of up to £7.0 million payable subject to the achievement of certain financial and integration performance criteria ("**the Earn-out Consideration**"). The Earn-out Consideration comprised two payments of up to £3.5 million each, based upon the performance for the 11 month period ending 30 June 2016 ("**the First Earn-out Period**") and the 12 month period ending 30 June 2017 ("**the Second Earn-out Period**"), to be satisfied 50% in cash and 50% through the issue of new ordinary shares ("**Earn-out Shares**"). The Earn-out Shares were to be issued at an effective fixed price of 132p per ordinary share.

The Group has entered into a deed of variation to the Terms with the vendors of Colemans ("**the Revised Terms**"), which varied the financial and integration targets, the mix of cash and share consideration payable, and adjusted the effective fixed issue price per Earn-out Share to 100p. Based on the Revised Terms, the maximum consideration payable in relation to the Second Earn-out Period (subject to the achievement of revised performance criteria) is in aggregate £1.5 million, to be satisfied in cash of up to £1.0 million and through the issue of 500,000 new ordinary shares.

The deferred consideration payable in respect of the First Earn-out Period, based on performance from 17 August 2015 to 30 June 2016, is £1.6 million in cash and the issue of 1,540,000 new ordinary shares at the revised effective price of 100p per ordinary share. The vendors are restricted from dealing in the shares allotted at the end of the First Earn-out Period until 30 June 2017 and in the shares allotted at the end of the Second Earn-Out Period until 30 June 2018.

Application has been made for the 1,540,000 Earn-out Shares relating to the First Earn-out Period to be admitted to AIM on 13 February 2017. Upon admission of the Earn-out Shares to AIM, the enlarged issued share capital of the Group, excluding 1,194,167 ordinary shares held in treasury, will be 48,249,518 ordinary shares. This is the figure which may be used by shareholders as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, the Group under the FCA's Disclosure and Transparency Rules.

**Enquiries please contact:**

**Fairpoint Group**

**Plc**

Dave Broadbent, Chief Financial  
Officer

020 3128 8794

**Shore Capital (Nomad and Broker)**

Mark Percy

020 7408 4090

Edward Mansfield

**Panmure Gordon & Co (Broker)**

Dominic Morley

020 7866 2500

**MHP Communications**

Reg

Hoare

020 3128 8100

Katie Hunt

[fairpoint@mhpc.com](mailto:fairpoint@mhpc.com)

This information is provided by RNS  
The company news service from the London Stock Exchange

END

MSCOKODNOBKDABK