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Gama Aviation PLC  
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**Date: 01 March 2024**

### **Increased tender offer announcement**

**The information contained within this announcement is deemed to constitute inside information as stipulated under Article 7 of the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018.**

### **Gama Aviation Plc (AIM: GMAA) ("Gama Aviation" or the "Company" or "Group")**

#### **Increased scale of proposed Tender Offer at 95p to enable all shareholders that wish to do so to sell the entirety of their holdings**

Gama Aviation is today announcing an increase in the size of the proposed capital return by way of tender offer to allow the Company to acquire all shares tendered by shareholders without the need to scale back.

#### **Increased Tender Offer at 95 pence per share**

On 5 February 2024, the Board of Gama Aviation announced the completion of its review of capital requirements and the intention to make a phased return of capital to shareholders, with an initial return of £16.5 million to be effected by means of a Tender Offer at a price of 95 pence per share. Given the £16.5 million amount of that proposed return, the maximum number of shares that could have been acquired by the Company would have been circa 17.5 million shares representing approximately 27% of the current issued share capital. Accordingly, the number of shares that shareholders could sell to the Company would have been scaled back compared with the number of shares tendered, depending on the level of interest in tendering shares from other shareholders.

The Board has been asked to consider the potential for shareholders not to be scaled back. The Board has considered this and has further reviewed the impact for smaller shareholders of the changes to the investment profile of the Company's shares as a result of the changes to the nature of the Group's overall business having sold the Jet East business and determining to continue with substantial capital projects.

As described in the announcement of 5 February 2024, the £16.5 million amount of capital return was calibrated in order to retain sufficient funds in the Company to meet its near-term capital requirements, pending the securing of the appropriate level of debt on favourable terms. Any increase in the size of the capital return would reduce funds available for capital requirements; a tender offer at 95 pence capable of acceptance by all shareholders would, if fully subscribed, leave the Company with insufficient funds to invest in strategic capital projects.

However, as described below, two shareholders (Marwan Khalek and Bermesico Holdings Limited who together hold 41.1% of the issued share capital) have indicated that they would be prepared to undertake not to tender any of their existing shares so as to ensure that sufficient funds will be retained in the Company to meet the investment capital requirements of these strategic projects.

Against this background, the Board has decided to accelerate the return of capital to shareholders and increase the amount to be returned in the short term to shareholders by way of Tender Offer at 95 pence per share to up to £37.6 million equivalent to up to circa. 40.6 million shares representing

approximately 61% of the share capital (issued and under option). Taking into account the proposed undertakings from Marwan Khalek and Bermesico Holdings Limited this would now enable the Company to acquire all shares tendered by shareholders (excluding Marwan Khalek and Bermesico Holdings Limited) without the need for any scaling back. The Board expects to make an appropriate offer to holders of options over shares in the Company. This may involve enabling those option holders that wish to do so to cancel the ability to exercise their options in return for a cash amount equal to the amount by which the Tender Offer price of 95 pence exceeds the exercise price of those options.

This would effectively give all shareholders, other than Marwan Khalek and Bermesico Holdings Limited, the choice between selling 100% of their shares at 95 pence per share or remaining invested in the Company (in whole or in part), in effect contributing the Tender Offer proceeds that they might otherwise have received to the cash that the Company will have available to invest in capital projects.

### **Undertakings from major shareholders**

The Company's three largest shareholders representing in aggregate 70.7% of the current issued share capital have indicated that, conditional on the posting of the Shareholder Circular (as described below), they are willing to give certain undertakings as described below.

Hutchison Capital Holdings Limited, the holder of 18,954,520 shares representing 29.6% of the issued share capital has indicated that it intends to give an irrevocable undertaking to tender all of its shares in the Company. Accordingly, if the Tender Offer proceeds, it will no longer be a shareholder in the Company.

Marwan Khalek, the holder of 14,179,607 shares representing 22.1% of the issued share capital has indicated that he intends to give an irrevocable undertaking to tender none of his existing shares in the Company. Accordingly, if the Tender Offer proceeds, his percentage holding in the Company will increase to between 29.6% (assuming that no shareholder other than Hutchison Capital Holdings Limited tenders any shares) and 53.9% (assuming that all shareholders other than Marwan Khalek and Bermesico Holdings Limited tender all their shares).

Bermesico Holdings Limited, the holder of 12,145,726 shares representing 19.0% of the issued share capital has indicated that it intends to give an irrevocable undertaking to tender none of its shares in the Company. Accordingly, if the Tender Offer proceeds, its percentage holding in the Company will increase to between 26.5% (assuming that no shareholder other than Hutchison Capital Holdings Limited tenders any shares) and 46.1% (assuming that all shareholders other than Marwan Khalek and Bermesico Holdings Limited tender all their shares).

Each of the above parties have indicated that they intend to submit irrevocable undertakings to vote in favour of the resolutions to effect the Tender Offer (as described below) except to the extent they are not permitted to do so under the Takeover Code. No binding irrevocable undertakings have been entered into at the date of this announcement and so there can be no guarantee that the enlarged Tender Offer will take place.

### **Impact on the Company's balance sheet**

The total cost to the Company of the increased Tender Offer will depend on the level of tenders by shareholders. However, if all shareholders other than Marwan Khalek and Bermesico Holdings Limited (as well as options holders as described above) were to elect to tender all their shares then the total cost is expected to be approximately £37.6m.

This will be funded from the cash balances of the Company which at 31 December 2023 were \$92 million (approximately £72 million).

The Board believes that the Company will continue to have adequate resources to meet its working capital requirements. Furthermore, the Company expects to have sufficient funding to continue to deliver on its strategic objectives including capital projects through a combination of utilisation of its cash resources and selectively accessing third party funding where that can be delivered on favourable terms. Further detail on the capital projects and the future prospects of the Company will be included in the Shareholder Circular.

In determining whether to tender shares or to retain an interest in the Company (at an increased proportionate shareholding), shareholders should take into account, inter alia, the changed financial

profile of the Group going forwards, the increased proportionate shareholdings of Marwan Khalek and Bermesico Holdings Limited and the likely reduced stock market liquidity in the Company's shares.

### **Potential De-Listing**

In view of the likely significant increase in shareholder concentration coupled with the likely reduction in stock market liquidity in the Company's shares, that may result from the Tender Offer, the Board believes that a de-listing from AIM will be in the best interest of the Company. However, the Board is evaluating whether this should be a matter for the current shareholders or the shareholders remaining following the Tender Offer to determine. The Board will continue to evaluate this in consultation with its shareholders and will provide additional information in the Shareholder Circular in due course.

### **Shareholder Circular**

The proposed Tender Offer remains conditional on review by the Takeover Panel and shareholder approval. When the Tender Offer arrangements have been finalised, a further announcement will be made and a circular containing a more detailed explanation of the impact of the capital return, the Tender Offer and the resolutions required to be passed (including, if required, certain resolutions to disapply Rule 9 of the Takeover Code and to enable release of the share premium account for the purposes to making the Tender Offer if it is determined that the level of potential share tenders means that the level of distributable reserves are not sufficient) will be sent to shareholders in due course. It is expected that a shareholder meeting will be convened during April 2024 and subject to regulatory requirements (which may include a Court process to release the share premium account) that the Tender Offer can become effective by May 2024.

Dial Partners LLP is acting as Financial Adviser to the Company.

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#### Gama Aviation - Notes to Editors

Founded in 1983 with the simple purpose of providing aviation services that equip its customers with decisive advantage, Gama Aviation Plc (LSE AIM: GMAA) is a highly valued global partner to blue chip corporations, government agencies, healthcare trusts and private individuals.

The Group has three global divisions: Business Aviation (Aircraft Management, Charter, FBO & Maintenance), Special Mission (Air Ambulance & Rescue, National Security & Policing, Infrastructure & Survey, Energy & Offshore); and Technology & Outsourcing (Flight Operations, FBO, CAM software, Flight Planning, CAM & ARC services).

More details can be found at: <http://www.gamaaviation.com/>

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