

RNS Number : 8023F
Nviro Cleantech plc
20 January 2010

Nviro Cleantech Plc

("Nviro" or the "Company")

20 January 2010

Admission to AIM and

Offer declared unconditional in all respects

Further to the EGM of Nviro Cleantech Plc ("Nviro") of 15 January 2010, at which all resolutions were duly passed, and the announcement of 19 January 2010, in which the offer for Southbank UK Plc ("Southbank") (the "Offer") was declared unconditional as to acceptances, the directors are pleased to announce that:

- the entire issued share capital of the Company has been admitted to trading on AIM; and
- the Offer has now been declared unconditional in all respects.

The shares admitted today include 5,263,200 new ordinary shares of 1p each ("Ordinary Shares") which were issued as part of a placing to raise approximately £4 million (before expenses) for the Company ("Placing").

The Company's ordinary share capital now comprises 6,609,319 existing Ordinary Shares, 8,084,746 new Ordinary Shares issued in respect of the Offer and 5,263,200 new Ordinary Shares in respect of the Placing. The new Ordinary Shares will rank pari passu in all respects with the Company's existing ordinary shares of 1p each.

Placing statistics

- Placing price - 76 pence
- Number of new Ordinary Shares placed on behalf of the Company - 5,263,200
- Gross proceeds of the Placing available to the Company - £4 million
- Estimated net proceeds of the Placing available to the Company - £3.16 million

- AIM symbol - NVR
- ISIN for the ordinary shares - IM00B511CF53

Nviro Cleantech Plc (to be renamed Specialist Energy Group plc in the near future) is now an engineering company focused on the energy sector and is the result of the reverse takeover by Nviro of Southbank UK Plc.

Southbank's main operating business, and the business that will become the main operating business of Nviro, is Hayward Tyler Group Limited ("Hayward Tyler"). Hayward Tyler develops, manufactures, supplies and services high-end pumps and motors for use in the oil & gas industry and power generation sectors - conventional, nuclear and renewable.

With a history dating back to 1815, Hayward Tyler recently developed the world's largest deep subsea motor for use in the North Sea and has installed equipment in over 70% of the installed nuclear power stations in North America. Currently 34% of Hayward Tyler's sales are to the US, 28% to Europe, 20% to China with the balance to India & the rest of the world.

For 2008, Southbank's full year revenues were £32 million (of which over two thirds were export) and in the first six months of 2009 it generated operating profits of £1.3 million on revenues of £18.4 million.

The new funds within the enlarged business will be used to strengthen the Company's balance sheet and fund Hayward Tyler's capital expenditure requirements resulting from its growing order book.

Offer unconditional and Offer Period extended

The Board of Nviro announces that following Admission of the Company's shares to trading on AIM, all conditions to the Offer have now been satisfied or waived and is now unconditional in all respects.

The Offer, which remains subject to the terms and conditions set out or referred to in the Offer Document will remain open for acceptance until further notice. Not less than 14 days' notice in writing of the closing of the Offer will be given to Southbank Shareholders who have not accepted the Offer.

Southbank Shareholders who wish to accept the Offer and have not yet done so are urged to do so in the manner set out in the Offer Document as soon as practicable.

Acceptance procedure

To accept the Offer in respect of Southbank Shares in certificated form, all completed Forms of Acceptance, together with your share certificate(s) for such Southbank Shares and/or other document(s) of title, should be returned by post or by hand (during normal business hours) to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL as soon as possible.

If your Southbank Shares are in uncertificated form, to accept the Offer you should take (or procure the taking of) the action set out in the Offer Document to transfer the Southbank Shares in respect of which you wish to accept the Offer to the appropriate escrow balance(s), specifying Share Registrars (in its capacity as a CREST participant under the Escrow Agent's participant ID 7RA36) as the Escrow Agent, as soon as possible. Please note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is non-operational) - you should therefore ensure you time the input of any TTE instructions accordingly. If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Only your CREST sponsor will be able to send the TTE instruction(s) to CREST in relation to your Southbank Shares.

If you are in any doubt as to the procedure for acceptance, please contact Share Registrars by telephone on 01252 821390 or if calling from outside UK +44 1252 821390 or at the address mentioned above. You are reminded that, if you are a CREST sponsored member, you should contact your CREST sponsor before taking any action.

Further details of the acceptance procedure can be found in the Offer Document. Copies of the Offer Document and the Form of Acceptance are available for inspection during normal business hours on any weekday (Saturday and Sunday excepted) at the offices of McFaddens LLP, City Tower, 40 Basinghall Street, London EC2V 5DE until 14 days after the Offer lapses or is declared unconditional.

Cancellation of Southbank's CISX listing and compulsory acquisition

If sufficient acceptances are received, Nviro intends to apply the provisions of sections 979 to 982 (inclusive) of the 2006 Act to acquire compulsorily any remaining Southbank Shares on the same terms as the Offer.

In addition, as soon as it is appropriate to do so and subject to any applicable legal or regulatory requirements, Nviro intends to procure that Southbank applies to CISX for the cancellation of the

admission of the Southbank Shares to the Official List of CISX. Your acceptance of the Offer will also constitute your agreement to this application being made.

The cancellation of the admission to trading of Southbank Shares on CISX will significantly reduce the liquidity and marketability of Southbank Shares which are not acquired under the Offer and their value may be materially and adversely affected as a consequence.

Terms used in this announcement have the same meaning given to them in the Offer Document.

A copy of this announcement is available on the Nviro website, www.nvirocleantech.com

Following the final closing of the Offer, assuming that Nviro acquires the entire issued share capital of Southbank, shareholders of Southbank will hold approximately 52.68% of the share capital of the Company as enlarged by the acquisition of Southbank and the Placing.

As disclosed in the admission document issued in connection with the Offer, the Directors of Nviro Cleantech Plc are John May (Non Executive Chairman), Ewan Lloyd-Baker (CEO), Nicholas Flanagan (Finance Director), Nicholas Winks (Non Executive Director), and Chris Every (Non Executive Director).

Total Voting Rights

The Company's issued ordinary share capital will consist of 19,957,265 ordinary shares of 1p each with voting rights. The Company does not hold any Ordinary Shares in treasury. Therefore, the total number of voting rights in the Company is 19,957,265 and this figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FSA's Disclosure and Transparency Rules.

Ewan Lloyd Baker, the CEO of Southbank and new CEO of the Nviro Cleantech Plc, commented:

"It has always been Southbank's declared intention to transition onto AIM at the appropriate moment. This transaction allows us to fulfil that ambition and provides us with access to a key institutional shareholder base that both understands our technologies and the sectors in which we operate. This will allow the company to further strengthen its balance sheet and support the growth of our core operating business, Hayward Tyler."

Copies of the Offer and Admission Document are available at www.nvirocleantech.com.

For further information:

Nviro Cleantech Plc

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Rule 2.10 of the City Code

In accordance with Rule 2.10 of the City Code, Nviro confirms that it has 19,957,265 ordinary shares of 1 pence each in issue and admitted to trading on AIM under the ISIN code IM00B511CF53.

In accordance with Rule 2.10 of the City Code, Southbank confirms that it has 944,975,823 ordinary shares of 0.02 pence each in issue and admitted to trading on CISX under the ISIN code GB00B11YB607.

Dealing Disclosure Requirements

Under the provisions of Rule 8.3 of the City Code, if any person is, or becomes, "interested" (directly or indirectly) in 1% or more of any class of "relevant securities" of Nviro or Southbank, all "dealings" in any "relevant securities" of Nviro or Southbank (including by means of an option in respect of, or a derivative referenced to, any such "relevant securities") must be publicly disclosed by no later than 3.30 pm (London time) on the London business day following the date of the relevant transaction.

This requirement will continue until the date on which the offer becomes, or is declared, unconditional as to acceptances, lapses or is otherwise withdrawn or on which the "offer period" otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an "interest" in "relevant securities" of Nviro or Southbank, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the City Code, all "dealings" in "relevant securities" of Nviro or Southbank by the Nviro or Southbank, or by any of their respective "associates", must be disclosed by no later than 12.00 noon (London time) on the London business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue, can be found on the Takeover Panel's website at www.thetakeoverpanel.org.uk

"Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities. Terms in quotation marks are defined in the City Code, which can also be found on the Takeover Panel's website. If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8, you should consult the Takeover Panel.

Overseas shareholders

The Offer is not being made, directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national securities exchange of, the Restricted Jurisdictions and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities from or within the Restricted Jurisdictions.

Copies of this announcement and any related documents to the Offer are not being, and must not be, in whole or in part, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from a Restricted Jurisdiction and persons receiving this announcement and any related documents to the Offer (including, without limitation, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them, in whole or in part, in or into or from a Restricted Jurisdiction or other such jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction. The availability of the Offer to persons who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.

The Consideration Shares have not been, nor will they be, registered under the US Securities Act or any of the relevant securities laws of any state of the United States or of Canada, Australia, South Africa or Japan. Accordingly the Consideration Shares may not (unless an exemption under relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into the Restricted Jurisdictions or for the account or benefit of any person located in a Restricted Jurisdiction or any US Person. All persons (including, without limitation, nominees, trustees and custodians) who would, or otherwise intend to, forward this announcement or any related documents to the Offer to any jurisdiction outside the United Kingdom should read the further details in this regard which are contained in paragraph 7 of Part B of Appendix I, paragraph (b) of Part C of Appendix I and paragraph (b) of Part D of Appendix I of the Offer Document before taking any action.

NOTES TO EDITOR

Nviro Cleantech Plc

Directors

The Directors of the Company are as follows:

John May - Non-executive Chairman (age 61)

John May is a principal of a boutique chartered accountancy practice, focusing on advising companies on finance raising, mergers and acquisitions, business strategies and entry onto PLUS Markets and AIM. He was previously a senior partner at Horwath Clark Whitehill, a UK accountancy firm, for 17 years, including 34 years on the managing board. Mr May is the policy director and deputy chairman of the Small Business Bureau Limited and deputy chairman of the Genesis Initiative, which are lobbying groups to Government on behalf of small businesses. He is also a Conservative Borough Councillor. Mr May qualified as a Chartered Accountant in 1974 having previously gained his DIA at the University of Bath Management School in 1970 and his BA from the University of London in 1969. He was previously Finance Director of AIM listed London & Boston Investments Plc and a Non-Executive Director of AIM listed Croma Group Plc.

Ewan Lloyd-Baker - Chief Executive Officer (age 37)

Ewan Lloyd-Baker has worked in corporate finance both as a principal and adviser for the past 15 years. He started his career at Arthur Anderson working in corporate recovery and corporate turnaround with a number of privately owned and publicly listed companies. As a principal he was part of the management team in a venture capital backed start up which was ultimately sold to Reuters. He then helped set up a FTSE100 corporate incubator before completing his Masters of Business Administration. Mr Lloyd-Baker is a partner in Lloyd-Baker & Associates, a merger and acquisition boutique and for the past nine years has focused on acquiring a number of companies on behalf of his clients in deals ranging from £1 million to £20 million with a particular focus on the engineering and manufacturing sectors. Mr Lloyd-Baker was responsible for finding the original Hayward Tyler opportunity, setting up Southbank, broking the deal, managing the finance raising process, floating Southbank on the CISX and then recruiting the management team into Hayward Tyler.

Nicholas (Nick) Flanagan -Finance Director (age 49)

Nicholas Flanagan is a graduate engineer from Imperial College and a Chartered Accountant having qualified with Coopers & Lybrand in 1987. Before joining Southbank in 2008 he spent the previous 14 years in the engineering and manufacturing sectors where he held a number of senior financial roles initially with Trafalgar House PLC followed by Kvaerner ASA and Jeyes Group Limited. Prior to that he spent 6 years in corporate treasury with Saatchi & Saatchi Company PLC.

Mr Flanagan's experience includes financial planning and development, commercial and operational support, capital raising, change management, reporting, mergers and acquisitions and all aspects of treasury management including foreign exchange hedging.

Nicholas (Nick) Winks - Non-executive Director (age 61)

Nicholas Winks is Chairman of a number of private equity-backed businesses and has previously been a director of several quoted businesses. With a background in industry he has extensive experience across a wide range of sectors and is the co-owner of two private businesses, one a distributor of engineering parts and the other a telemarketing business.

Christopher Graeme Every - Non-executive Director (age 57)

Christopher Every comes from a background in sales and marketing to board level management and new technology development in engineered and technical products, for companies including Wiggins Teape Paper, Courtauld International Marine Paints plc, National Starch Corporation, and Williams Holdings plc. He moved from corporate management to consulting twenty years ago and has worked with major organisations including Michelin, Powergen plc, TXU Energy and national and local government. He also has extensive experience in building new businesses,

including Enhance Biotech Inc. and Brimac Ltd. Most recently, Mr Every has served as the CEO of Enhance Biotech Inc. a biotech start-up, and is a board member for Brimac Environmental Group Ltd, an environmental business focused on the manufacture and application of carbon for filtration in the sugar refining and water treatment fields.

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