

# Intention to Cancel AIM Quotation

---

## **WORLD TELEVISION GROUP PLC ("the Company")**

**1 August 2007**

### **Intention to cancel AIM quotation**

As announced on 18 July 2007 the Board has again considered in detail the question of whether the Company should remain listed on the AIM Market of the London Stock Exchange. As a result the majority of independent directors have reached a decision to confirm the recommendation they made to shareholders on 26 April 2007 that the Company cancels its AIM listing.

De-listing from AIM requires approval by shareholders representing at least three-quarters of votes cast in general meeting, and it is intended that a resolution (the 'Resolution') to approve the cancellation will be proposed at an extraordinary general meeting which is likely to be scheduled for the end of August 2007.

Three of the Company's four independent directors (Steve Garvey, Evelyn Kimber and Jim Hall) decided to make this recommendation for the same reasons that were given in the announcement issued on 26 April 2007, and which prevail today. In summary, they are:

- The Company's history as a quoted entity has been one of huge loss of shareholder value.
- There is very little liquidity in the Company's shares, with the result that many shareholders cannot easily sell their shares if they so wish.
- The directors believe the Company is worth considerably more than the current market capitalisation of approximately £2.6m.
- The current market capitalisation creates an artificially low starting point for discussions with any potential buyer of the business, and would not help to realise maximum value from any future trade sale.
- The AIM quotation of its shares offers the Company no trading benefit. It is not, for example, a material factor in helping win business.
- The ongoing costs of the AIM quotation have a negative impact on the Company's profits. If the Company's shares cease to be quoted on AIM, the Board expects to make savings in excess of £100,000 annually.
- A disproportionate amount of senior management time is devoted to meeting quoted company requirements. This time should be spent on making the business more profitable.
- The declining share price offers no incentive to managers as share options currently have no value.

In addition Evelyn Kimber, Jim Hall and Steve Garvey do not believe it is in the best interests of the Company to delay de-listing as the benefits will begin to accrue as soon as the listing is cancelled.

In reaching their decision, the directors took into account the recent review by the Panel on Takeovers and Mergers ("the Panel"), including the appeal by the World Television Shareholders Action Group to the Hearings Committee of the Panel. The Hearings Committee concluded that the appeal should be dismissed. The directors also took advice from the Company's professional advisors.

The fourth independent director, Stephen Kirk, agrees with the other independent directors that it is in the best interests of the company to de-list, but suggested that there should be a period of approximately six months before any de-listing takes place, during which time other options could be explored. Steve Garvey, Evelyn Kimber and Jim Hall believe that such a period would prolong unnecessarily any uncertainty over the Board's plans and may result in a further decline in the Company's share price.

Stephen Kirk abstained from the Board vote concerning de-listing while Steve Garvey, Jim Hall and Evelyn Kimber voted in favour. In the light of the other independent directors' opinions, Stephen Kirk has decided to resign from the Board.

Andy Booth and Peter Sibley, the non-executive directors who are also members of the concert party which currently controls a majority of shares in the Company, have taken no part in the recommendation by the Board to propose cancellation of the Company's AIM quotation.

The Board recognises that cancelling the Company's AIM quotation could make it more difficult for shareholders to trade in the Company's shares. Therefore the Company intends to put in place a dealing facility if shareholders approve cancellation of the AIM quotation. None of the directors intends to deal in the Company's shares before the EGM or cancellation of quotation, should it occur.

A circular is expected to be sent to shareholders in early August 2007, giving notice of the meeting at which the Resolution will be put before shareholders. The meeting is expected to take place in late August.

#### Expected Timetable

2007

Early August: Circular and notice of Extraordinary General Meeting to be sent to all shareholders.

Late August: Extraordinary General Meeting.

Five business days following the EGM: Cancellation of AIM quotation effective (assuming the Resolution is passed by shareholders).

A further announcement will be made on the day the circular is posted to shareholders confirming the exact dates.

#### **ENDS**

\*\*\* \*\*

Enquiries:

Steve Garvey  
Evelyn Kimber  
World Television Group plc – Tel +44 (0) 20 7388 8555

Neil Baldwin  
Brewin Dolphin Securities – Tel +44 (0) 113 241 0130