

AGT – Share Split

What is proposed?

Each existing share will be split (“sub-divided”) into 5 new shares.
For example if you own 500 shares now, after the sub-division is effective you will own 2,500 shares.

The Directors proposed the share split because the share price was quite high and a lower price per share is expected to improve the liquidity of shares and help for example those shareholders who reinvest dividends.

What will happen to the value of my holding?

There will be no effect on the value of your holding.

As an example, if at the time of the stock split the Company’s net asset value per share is 1,000 pence, after the share split it will be 200 pence.

Each shareholder will receive 5 new shares for each share that they own. Therefore for someone who owns 500 shares immediately before the sub-division.

Value of holding = 500 shares x 1,000 pence = £5,000

After the sub-division:

Value of holding = 2,500 shares x 200 pence = £5,000

What will happen to dividends?

The final dividend for the year to 30 September 2021 will be paid on January 4th 2022, before the sub-division takes place and so will be unaffected.

After the sub-division, dividends per share can be expected to be at 1/5 of the level that they would otherwise have been. Assuming that you do not then buy or sell any shares, you will have 5 times the number of shares that you have before the sub-division and so the total that you receive in dividends will not be affected by the sub-division.

What are the tax consequences?

The sub-division should be treated as a reorganisation of the share capital of the Company for the purposes of UK Capital Gains Tax and UK Corporation Tax on chargeable gains in accordance with Part IV, Chapter II, Taxation of Chargeable Gains Act 1992. Accordingly, shareholders who are within the charge to UK tax in respect of their shares should not be treated as disposing of their existing ordinary shares and the new ordinary shares received from the Sub-division should be treated as the same asset as the shareholder’s holding of existing ordinary shares and should also be treated as having been acquired at the same time, and for the same consideration, as that holding of existing ordinary shares for UK tax purposes. On a subsequent disposal of the whole or part of the new ordinary shares, such a shareholder may, depending upon their own personal circumstances, be subject to UK tax on the amount of any chargeable gain realised.

Shareholders who are subject to tax in any jurisdictions outside of the UK are advised to seek their own tax advice on how the Sub-division should be treated for local tax purposes.

When will this happen?

The existing shares will stop trading at close of business on Friday 14th January 2022

The sub division will take place over the weekend of 15th/16th January 2022, when the London Stock Exchange is closed

The new shares will start trading when the Stock Exchange opens for business on Monday 17th January 2022

Will the codes change?

The ticker on the London Stock Exchange will remain the same: AGT

The new shares will have new ISIN and SEDOL numbers and these will be announced a few days before the sub-division takes place.