



RNS Number : 5868Z
Reach4Entertainment Enterprises PLC
18 September 2015

reach4entertainment enterprises plc ('r4e', 'the Company' or 'the Group')

Consultancy Contracts

The Company has been working for some time on how best to fund and structure the Company and strengthen its balance sheet. This work led to the restructuring of the Company's banking arrangements in April 2014 and the proposed further debt restructuring announced in June 2015, the work for which continues (the "Refinancing"). These debt restructuring have inevitably involved significant management time and support from the Company's non-executive directors. In particular the Company has fully utilised the experience of Richard Ingham, a Non-Executive Director of the Company.

In recognition of Richard Ingham's contribution, on 1 January 2015, the Company entered into a consultancy agreement (the "Agreement") with Glen House Capital Strategies Ltd ("Glen House"), a company wholly owned by Mr Ingham, under which the Company agreed to pay Glen House a fee of £150,000 in recognition and compensation of the considerable time and work provided by Richard Ingham since early 2013. Under the Agreement, which ended on 1 June 2015, the fee will be paid over a period of three years at times to be agreed between the Company and Mr Ingham and no payments will be made until the successful conclusion of the Refinancing.

The Company continues to utilise the services of Mr Ingham and is currently negotiating the terms of a continuing consultancy agreement with Glen House. These services are above and beyond Mr Ingham's role as a non-executive director of the Company, for which he is paid a further £25,000 per annum via Glen House. The terms of this further agreement are under review by the other board members for the purposes of AIM Rule 13 and further announcements will be made in due course.

David Stoller, Executive Chairman of r4e, commented: "r4e is extremely grateful for Mr Ingham's input during this period of restructuring. His experience has been, and continues to be, invaluable to the Company. I would also like to thank Marcus Yeoman, our other Non-Executive Director, who has been very involved in the management oversight of our subsidiary, Newman Displays."

The entering into the Agreement constitutes a related party transaction pursuant to rule 13 of the AIM Rules for Companies. David Stoller and Marcus Yeoman, being the independent directors for the purpose of this transaction, having consulted with the Company's nominated adviser, Allenby Capital Limited, consider that the terms of the Agreement are fair and reasonable insofar as the Company's shareholders are concerned.

Enquiries:

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