



RNS Number : 1652A  
Reach4Entertainment Enterprises PLC  
25 September 2015

**reach4entertainment enterprises plc**  
(‘r4e’ or the ‘Company’)

**Funding Update**

On 10 June 2015, r4e announced its agreement with Allied Irish Bank (“AIB”) to restructure the Company's outstanding £14.59m loan, whereby £5.15m of the loan is to be converted into new ordinary shares in r4e and the balance repaid in cash (the “AIB Agreement”).

r4e is now pleased to announce that it has received an offer letter for a new 3 year secured asset based debt facility of up to £9.5m with PNC Business Credit (“PNC”) to be used to refinance the AIB loan and provide the Company with working capital (the “Proposed New Facility”). PNC is a trading name of PNC Financial Services UK Ltd, ultimately a wholly owned subsidiary of PNC Bank National Association, one of the largest financial institutions in the United States.

The Proposed New Facility will be made up of a cash flow term facility of £1m and a revolving credit facility of up to £8.5m based on qualifying accounts receivable. The Board of r4e expect that initial funds available for drawdown under the revolving credit facility will be approximately £6m, depending on accounts receivable at the time. PNC’s provision of the Proposed New Facility will be subject to agreement of legal documentation and the satisfaction of certain conditions precedent, including the condition for r4e to raise a minimum of £3.5m of new equity capital. On satisfaction of these conditions, the Board of r4e expect that r4e will be able to satisfy the cash repayment required under the AIB Agreement. The Company is already in discussions to raise new equity capital and further updates will be announced in due course.

David Stoller, Chairman of r4e, commented: “We are delighted to receive this new debt facility offer from PNC. This is an important milestone in our refinancing plans which provides additional clarity over our medium term funding structure. We now look forward to finalising our plans to raise the equity capital required”.

Enquiries:

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