

DJ Devilfish Gaming Plc Notice of General Meeting

TIDMDEVP

13 April 2012.

Devilfish Gaming Plc (the "Company")

Proposed Share Capital Reorganisation, Change of Name, New Investment Strategy, Subscription for New Ordinary Shares, Debt Capitalisation and Notice of General Meeting (together the "Proposals")

Introduction

The Directors of the Company (the "Directors") are pleased to announce that the Company has entered into a conditional agreement with St Gallen Capital Limited ("St Gallen") for St Gallen to subscribe for 217,561,762 new ordinary shares in the Company (the "Subscription Shares") at an issue price of 0.023p per share (the "Subscription"), to provide the Company with working capital in order to implement a proposed new investment strategy. A circular (the "Circular") has today been posted to shareholders of the Company. The Circular gives full details of the Proposals and contains a notice convening a General Meeting (the "GM") for 30 April 2012 at which resolutions (the "Resolutions") will be proposed to approve the Proposals. It is expected that the Proposals will be completed as soon as practicable following passing of the resolutions.

Background

The Company was originally established as a holding company for Devil Fish Poker Limited ("DFP") which was incorporated to promote the website devilfishpoker.com, a website through which site members can participate in multi-player poker and casino games via the internet.

Due to difficult economic conditions and insufficient resources, the Company and the directors at that time found it increasingly difficult to adequately and successfully market the "Devilfish" brand. The varying legal environments in different parts of the world have led to restrictions on gaming activities being imposed in certain jurisdictions which made it challenging for the Company to operate. As a result of this and due to increasing competition in the marketplace, revenues declined. The then Board consequently decided that it was in the best interests of the Company and of shareholders to dispose of DFP and it was announced on 21 December 2010 that the Company had agreed terms for the sale of DFP to The Weather Lottery plc ("TWL"), an online gaming and lottery management company whose shares are quoted on AIM. The total consideration for the disposal of DFP amounted to GBP 330,000 which was satisfied by a cash payment of GBP 40,000 with the balance of GBP 290,000 being satisfied by the issue of 30,000,000 ordinary shares of 0.1p each in TWL, which were subsequently sold.

Since the disposal of DFP, the Company has been actively seeking a merger or an acquisition. Although certain negotiations have taken place, it became apparent that the cost and time required to complete such a transaction would be prohibitive and consequently, such discussions were terminated.

The Company has now reached conditional agreement with St Gallen, for St Gallen to subscribe for the Subscription Shares at an issue price of 0.023p per share, to provide the Company with working capital for the short term, in order to pursue a new investment strategy proposed to be adopted as referred to below.

SHAREHOLDERS SHOULD BE AWARE THAT, SHOULD THE PROPOSALS NOT BE APPROVED, IT IS LIKELY THAT THE COMPANY WILL BE WITHDRAWN FROM PLUS AND IT WILL LIKELY BE NECESSARY FOR THE DIRECTORS TO TAKE STEPS TO PLACE THE COMPANY INTO RECEIVERSHIP OR LIQUIDATION.

Proposed Investment Strategy

The Company currently has no trading business and the Directors are proposing the adoption of a new investment strategy at the GM. The capital being raised through the Subscription will provide the Company with adequate working capital for its short term needs, but in order to implement this new strategy it is likely that the Board of the Company will need to undertake a further fundraising in the future to provide additional capital for the Company. The Company is already classified under the PLUS Rules as an investment vehicle and shareholders will be asked to approve the new investment strategy (the "new Investment Strategy") at the General Meeting.

If approved, the Company's investment strategy will be focused on businesses and companies in the technology sectors, including but not restricted to those engaged in the fields of software applications, mobile communications and accessories, internet and computer related products and technological services related to social or life enhancement. The Directors intend to identify investee businesses and companies where they perceive the opportunity for significant growth through the utilisation of economies of scale and the implementation of technology based services.

It is intended that the Company will, principally, acquire controlling shareholdings in UK based or overseas companies whose managements are proposing to seek a stock market quotation in the short/medium term, although the acquisition of minority interests in companies already admitted to the AIM market of the London Stock Exchange or PLUS-quoted will not necessarily be precluded. The Directors will also consider investment opportunities where the natural exit strategy will be through a trade sale.

The Directors anticipate that the major part of the purchase consideration for investment acquisitions will be satisfied through the issue of new ordinary shares in the Company. To the extent that a cash element is required as part consideration, further fund raisings will be required. Shareholders will be asked to approve this new Investment Strategy at the GM

Share Capital Reorganisation

The Company has very limited resources and urgently requires to raise additional capital to finance its continuing needs, including that of maintaining the Company's trading facility on PLUS. The price at which St Gallen is prepared to subscribe for the Subscription Shares is less than the current nominal value of the Company's existing ordinary shares which each have a nominal value of 1p (the "Existing Ordinary Shares"). The Companies Act 2006, as amended prohibits the Company from issuing ordinary shares at a price below their nominal value. Accordingly, it will be necessary to perform a reorganisation of the share capital of the Company (the "Share Capital Reorganisation") to allow the Subscription Shares to be allotted at the proposed issue price.

The Company currently has 42,166,667 Existing Ordinary Shares in issue. It is proposed that each Existing Ordinary Share of 1p in nominal value in issue will be subdivided into 1 new ordinary share with a nominal value of 0.01p (the "New Ordinary Shares") and 1 new deferred share of 0.99p (the "Deferred Shares"). Existing share certificates will remain valid and new share certificates will not be issued to existing shareholders.

The New Ordinary Shares of 0.01p each so created will have the same rights as the Existing Ordinary Shares of 1p each (save for the reduction in nominal value). The Deferred Shares will not be admitted to trading on PLUS (or any other investment exchange), nor have any voting rights or dividend entitlement, and will confer virtually no rights upon a return of capital, rendering them effectively valueless. The rights attached to the Deferred Shares will be set out in the Company's Articles of Association, which are proposed to be amended as part of the Share Capital Reorganisation.

Subscription

Conditional on all the Resolutions being passed at the General Meeting, St Gallen has agreed to subscribe for the Subscription Shares at 0.023p per share, to raise approximately GBP 50,000 as additional working capital for the Company. On completion of the Subscription (and assuming that the Debt Capitalisation referred to below has been completed) there will be 290,082,349 New Ordinary Shares in issue, of which 217,561,762 New Ordinary Shares (which will represent 217,561,762 voting rights and represent 75% of the of the voting rights in the enlarged issued ordinary share capital of the Company) will be beneficially held by St Gallen.

Change of Name

Subject to shareholder approval, the Directors have decided to change the name of the Company to Angelfish Investments plc to reflect the new direction of the Company.

The City Code

The City Code is issued and administered by the Panel on Takeovers and Mergers (the "Panel"). The Panel has been designated as the supervisory authority to carry out certain regulatory functions in relation to takeovers pursuant to the Takeover Directive (2004/25/EC). Its statutory functions are set out in and under Chapter 1 of Part 28 of the Companies Act 2006. The Company is a company to which the City Code applies and its shareholders are, accordingly, entitled to the protections afforded by the City Code.

The City Code is designed principally to ensure that shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment by an offeror. The City Code also provides an orderly framework within which takeovers are conducted. In addition, it is designed to promote, in conjunction with other regulatory regimes, the integrity of the financial markets.

Under Rule 9 of the City Code, when a person or a group of persons acting in concert acquires an interest in shares in a company which is subject to the City Code and such shares (when taken together with any other shares in which he or they have an existing interest) carry 30 per cent or more of the voting rights of the company, such person or group of persons is normally obliged to make a general offer in cash to all of the company's shareholders to acquire the remaining equity share capital at the highest price paid by any member of such concert party within the preceding 12 months.

On completion, St Gallen will hold 217,561,762 ordinary shares in the Company representing 75 per cent of the issued ordinary share capital. St Gallen would normally be required to make a general offer under Rule 9 of the City Code as

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April 13, 2012 11:52 ET (15:52 GMT)

referred to above. The Panel will normally agree to waive the obligation to make a general offer that would otherwise arise through the issuance of new shares, subject to the approval of independent shareholders on a poll at a general meeting. In this instance the Panel has agreed to grant a waiver from the requirements for St Gallen to make a Rule 9 offer to the shareholders because of the following confirmations which have been provided by independent shareholders holding in excess of 50 per cent of the existing ordinary shares. Mr D Ulliott, Condor Ventures Limited and Channel Hotels and Properties Limited who, in aggregate, currently hold 25,341,584 ordinary shares in the Company, representing approximately 60.1 per cent of the issued equity share capital have confirmed to the Panel that:

1. they are the beneficial holders of the shares referred to above and have absolute discretion over the manner in which these shares are voted;
2. there is no connection between them and St Gallen, they do not have any interest or potential interest whether commercial, financial or personal in the outcome of the proposed transaction and they are independent shareholders of the Company as defined above; and
3. in connection with the Proposals:
 - a. they consent to the Panel granting a waiver from the obligation for St Gallen to make a Rule 9 offer to the shareholders of the Company;
 - b. subject to independent shareholders of the Company holding more than 50 per cent of the shares capable of being voted on a Whitewash Resolution to approve the waiver from the obligation of St Gallen to make a Rule 9 offer giving similar confirmations in writing, they consent to the Panel dispensing with the requirement that the waiver from such obligation be conditional on a Whitewash resolution being approved by independent

shareholders of the Company at a general meeting; and

- c. they would vote in favour of a Whitewash Resolution to waive the obligation for St Gallen to make a Rule 9 offer were one to be put to the independent shareholders of the Company at a general meeting.

On the above basis the Panel has granted a waiver from the requirement for St Gallen to make a Rule 9 offer to the shareholders of the Company.

Rule 9 of the City Code also states that, if any person or group of persons acting in concert has an interest in shares carrying not less than 30 per cent but does not hold shares carrying more than 50 per cent of the voting rights, and such person or any person acting in concert with him acquires an interest in any additional shares which increase their percentage of the voting rights, such person or group of persons is obliged to make a general offer to all shareholders. To the extent that, following completion, St Gallen is interested in between 30 per cent and 50 per cent of the Company's voting share capital any further increase in the number of shares in which St Gallen is interested would be subject to the provisions of Rule 9. IN THIS INSTANCE, FOLLOWING COMPLETION ST GALLEN WILL HOLD MORE THAN 50 PER CENT OF THE COMPANY'S VOTING SHARE CAPITAL AND WILL ACCORDINGLY BE ABLE TO INCREASE THE NUMBER OF SHARES IN WHICH IT IS INTERESTED WITHOUT INCURRING ANY FURTHER OBLIGATION UNDER RULE 9 TO MAKE A GENERAL OFFER.

Debt Capitalisation

In order to enable the Company to be in a position to take advantage of the various opportunities in the market, the Directors believe it is necessary to settle all outstanding debts. Following discussions with trade and other creditors of the Company, including the Directors and former directors, it has been agreed that these creditors will be issued with New Ordinary Shares in lieu of amounts owed to them (the "Debt Capitalisation"). In aggregate, creditors amounting in value to GBP 251,634 have agreed to take 30,353,920 New Ordinary Shares at an issue price of 0.829p per share in full and final settlement of all amounts outstanding to them, subject to the approval of the Share Capital Reorganisation. Following the Debt Capitalisation, the Company will have no outstanding debt and creditors of the Company will be those carried in the normal course of business together with the expenses incurred in the preparation and issue of the Circular which will be paid out of the proceeds of the Subscription.

3,944,511 New Ordinary Shares are to be issued to Andrew Flitcroft under the Debt Capitalisation, at an issue price of 0.829p per share. As Mr Flitcroft is a Director of the Company, the issue of New Ordinary Shares as part of the Debt Capitalisation constitutes a related party transaction. As a result of the issue of the aforementioned 3,944,511 New Ordinary Shares, Mr. Flitcroft will, on completion, beneficially hold a total of 4,077,844 Ordinary Shares (representing 4,077,844 voting rights), which will represent 1.41% of the voting rights in the enlarged issued ordinary share capital of the Company.

Notice of General Meeting

A Circular has today been posted to shareholders. The formal notice convening the GM to be held at 12.00 noon on 30 April 2012 is enclosed in the Circular together with an accompanying form of proxy. The General Meeting will be held at the offices of SVS Securities Plc, 21 Wilson Street, London EC2M 2SN.

General Meeting

At the General Meeting, Resolutions will be proposed as follows:

Resolution 1 a special resolution to approve the Share Capital Reorganisation and related amendment of the Articles;

Resolution 2 an ordinary resolution to approve and adopt a new Investment Strategy;

Resolution 3 a special resolution to change the name of the Company to Angelfish Investments plc;

Resolution 4 an ordinary resolution to grant general authority to allot shares;

Resolution 5 a special resolution to grant authority to allot shares for cash, disapplying statutory pre-emption rights.

Copies of the Circular, the notice convening the GM and the associated form of proxy may be obtained from the offices of SVS Securities Plc, 21 Wilson Street, London EC2M 2SN for a period of one month from the date of this announcement.

Recommendation

The Directors of the Company consider the Proposals set out in the Circular to be fair and reasonable and in the best interests of the Company and its shareholders as a whole. Andrew Flitcroft, the Chairman and Chief Executive Officer of the Company who currently holds 133,333 ordinary shares representing approximately 0.32 per cent of voting rights in the issued ordinary share capital of the Company has irrevocably undertaken to vote in favour of the resolutions to be proposed at the GM set out in the Notice of Meeting contained in the Circular. The Directors of the Company unanimously recommend shareholders to vote in favour of the resolutions set out in the Notice of GM.

THE DIRECTORS OF THE COMPANY ACCEPT RESPONSIBILITY FOR THE CONTENTS OF THIS ANNOUNCEMENT.

--ENDS--

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