

21 October 2024

Zinc Media Group Plc
("Zinc" or the "Group")
Sale of Non-Core Business Unit

Zinc Media Group plc (AIM: ZIN), the award-winning television, brand and audio production group, is pleased to announce that it has entered into an agreement to sell its remaining legacy tele-sales contract publishing business, currently trading as Zinc Communicate Publishing for a cash consideration of £100,000.

Zinc Communicate Publishing is a non-core business unit based in Macclesfield and the sale enables the Group to focus on growing its core operations within television and brand content production.

In FY23, Zinc Communicate Publishing generated £2.2m in revenue, a loss before tax of £0.05m, and is loss-making to date in FY24. It is a small non-core business within the Group which occupies significant management time and resources.

Zinc Communicate Publishing began in 1995 and became known as McMillan Scott. It was later acquired by Ten Alps in 2006, trading as Ten Alps Publishing until becoming Zinc Communicate Publishing in 2021. The business is a tele-sales and contract publishing company, selling advertising and commercial inventory as well as producing publications within the construction and freight industries. It produces building control guides for local authorities in England and has recently renewed a long-term partnership contract.

The Company has exchanged contracts with Specialist Business Media Ltd, a wholly owned subsidiary of The Datateam Group, a leading publishing and events company based in Maidstone which owns and operates digital and print titles across sectors such as construction, healthcare, electronics, and manufacturing, and specialises in producing digital and print media, and providing targeted marketing solutions across a range of B2B sectors. As a result, the business will not continue to trade under Zinc Communicate Publishing going forward.

The Board intends to use any net proceeds from the transaction for working capital purposes.

Zinc Communicate Publishing had net assets of £0.8m as at 31 December 2023. This includes significant trade debtor balances made up of a high volume of small debts which fall due over the next three years and does not reflect the costs that would be required to realise these balances.

The sale is subject to customary closing conditions, with completion expected by the end of October. The sale follows an extensive competitive process led by Trillium Partners on behalf of Zinc Media Group.

Mark Browning, Chief Executive Officer, Zinc Media Group, says:

'Zinc Media Group has doubled in size in the last few years, with rapid expansion in television and brand content production. The disposal of this legacy tele-sales business gives the group renewed capacity to pursue its strategic focus on the profitable growth in television and film-based production.

The publishing business will thrive within a wider specialist publishing group. I'd like to extend a personal thanks to the management team in Macclesfield who've been wonderful colleagues over many years and wish them well in their new home'.

For further information, please contact:

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About Zinc Media Group

Zinc Media Group plc is a premium television and content creation group.

The award-winning and critically acclaimed television labels comprise Brook Lapping, Red Sauce, Supercollider, Tem Television, Rex and Atomic, along with Bumblebee Post Production, and produce programmes across a wide range of factual genres for UK and international broadcasters.

The Edge Picture Company produces film content for brands and corporates in the UK, Qatar and other international markets.

For further information on Zinc Media please visit www.zincmedia.com

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