

Bristol tech company to float on AIM as part of reverse takeover

A Bristol technology company has announced plans to float on AIM as part of a reverse takeover deal. 3radical is being acquired by digital services company Electric Guitar, which is delisting from the standard segment under the terms of the agreement.

Electric Guitar is acquiring 3radical for approximately £1.28m through the issue of 61,184,843 new ordinary shares. The company, which has also requested the London Stock Exchange to cancel its trading of shares for listed securities, has said its application for admission to AIM will come into effect on or around May 3. The company expects to raise £1.32m through the placing.

David Eldridge, founder and chair of 3radical, Caroline Worboys and Grahame Cook will be appointed as non-executive directors of the company, and Sarfraz Munshi will leave the board. The directors and senior management will own approximately 12% of the issued ordinary shares on admission.

Once quoted on AIM as part of Electric Guitar, 3radical told BusinessLive it intends to invest some £500,000 in developing its sales pipeline to increase direct sales, as well as exploring further reseller opportunities introduced by Electric Guitar's management.

Mr Eldridge said: "By our admission to AIM through our reverse takeover with Electric Guitar, we believe we will have access to the funding, talent, and profile to grow our business and enhance our technology.

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“With the current shift in the structure of the online marketing and advertising industry towards first-party data solutions, we believe that the enlarged group is in a strong position to capitalise on this trend and enhance shareholder value.”

John Regan, chief executive of Electric Guitar PLC, added: “We believe that our admission to AIM will provide us with further access to growth capital, which will enhance our strategy to acquire and invest in businesses operating in similar industries, and we look forward to updating the market on future opportunities in due course.”