

Tinkler in stock market comeback with nmcn rescue deal

Andrew Tinkler, the former Stobart Group chief, is preparing to mount a public company comeback with a deal to rescue nmcn, the London-listed infrastructure services provider.

Sky News has learnt that Svella, a corporate vehicle set up by Mr Tinkler and his former Stobart colleague Ben Whawell, is in advanced talks to provide tens of millions of pounds in fresh funding to nmcn.

An announcement could be made about an agreement as early as Monday morning, according to City insiders.

Under the deal, Mr Tinkler's vehicle will provide a bridging loan of £10m and new equity during the summer of nearly £15m that will effectively give the entrepreneur a controlling stake in nmcn, they added.

A new borrowing facility provided by Lloyds Banking Group is expected to provide additional headroom, while existing shareholders would be given the opportunity to back Mr Tinkler's transformation plan through a £5m open offer.

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Completing the deal would protect thousands of jobs at nmcn and in its supply chain, the sources said.

If confirmed, it will mark a return to public company life for Mr Tinkler, who stepped down as Stobart's chief executive in 2017 having turned it into a FTSE-250 company with a market capitalisation of more than £1bn.

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Since then, Stobart – which is now called Esken – has been rocked by a string of crises, the latest of which saw its Stobart Air subsidiary placed into insolvency proceedings just

days ago.

After leaving the company, Mr Tinkler became involved in a bitter legal fight with his former employer, and he is said to have been seeking appropriate turnaround investment opportunities since then.

Formerly known as North Midland Construction, nmcn has been plunged into financial difficulty by the impact of COVID-19 and a number of loss-making contracts.

Its shares have halved over the last 12 months and at Friday's close it had a market value of just £20m.

The company provides services such as network design for telecoms companies, constructing social housing and student accommodation and the design and installation of water treatment infrastructure.

Nmcn said in a stock exchange announcement last week that it was "very pleased to report that it is now in bilateral discussions, which are well advanced, with a party to conclude a refinancing to provide the appropriate capital structure to support the group as it trades through the current uncertainty".

"The Company is working towards reaching a position where the refinancing will be announced within the next week enabling the company to address the current significant working capital strain on the Group and place the group in a position to take advantage of the growth prospects within its addressable markets.

"Should the refinancing not be successfully concluded the Group will have to consider its remaining options."

Neither nmcn nor Mr Tinkler could be reached for comment on Sunday.