



ShareSoc

UK Individual Shareholders Society

PO Box 62, Chislehurst, BR7 5YB

Phone: 020-8467-2686

Email: info@sharesoc.org

Web: www.sharesoc.org

11 July 2012

Press Release

ShareSoc urges shareholders to vote against Lighthouse Group delisting.

ShareSoc has criticised the planned delisting of Lighthouse Group shares and urges all shareholders to vote against the resolution at the forthcoming EGM. Delisting is severely detrimental to smaller shareholders and the Company has offered no exit. As is common with AIM delistings, there was a sharp fall of 50% in the share price following the announcement as few people wish to hold shares for which there is no public and liquid market.

ShareSoc is not always against delisting if there are good reasons and an exit is provided to those who cannot or do not want to hold unlisted shares. For example, an exit by way of a tender or other offer for their shares. This gives a shareholder a choice as to whether to continue to hold the company or not. Lighthouse Group has given no such option and the Board also states it has not made any attempt yet to arrange even a matched bargain facility.

The Board has failed to persuade shareholders and the market that there are sufficient commercial and financial reasons for the delisting, otherwise the share price would not have halved and there would not be so much opposition from shareholders to the proposal. It is noted that the Circular to Shareholders states that "*a heavily discounted share price will significantly restrict any valuation discussions with potential offerors in the future*". Lighthouse shareholder Simon Taylor-Young notes that "*the share price fall means that the Company will be remembered as having delisted at a capitalisation of about £3m, compared to the c£6.5m before the announcement, so ironically the Board has set a benchmark way below its former value. Lighthouse should not be remembered as a £3m company.*"

ShareSoc also notes that the year end net cash balances of Lighthouse Group were £11m so there was no financial reason why some kind of scheme for buying out dissenting shareholders could not have been contemplated.

The Circular refers to the Company's "*heavily discounted share price*" yet does not appear to have considered other ways of enhancing shareholder value and maintaining a stronger share price. The Company reported the aforementioned cash balances yet raised the possibility of a reduced or even waived dividend in the forthcoming year. The Company does not seem to have considered alternatives to the delisting that might have reversed the discount they complain about, such as a sale of the company, a tender offer or a return of cash to shareholders. Any one of these could have delivered more to shareholders than the current sub 3p share price.

For further information, please contact:

Roger W. Lawson,
Chairman, ShareSoc
Telephone: 020-8467-2686
Email: info@sharesoc.org

Or Stan Grierson, ShareSoc, on
Telephone 01628-522514

Note any members of the press who wish to receive a complimentary copy of our informative monthly newsletter should send a request to info@sharesoc.org . Our newsletters cover not just the affairs of our organisation but contain general financial news and commentary. Examples of our past newsletters are available on our web site. You can also follow ShareSoc reports on topical news, and comments thereon, on Twitter from @ShareSocUK.

About the UK Individual Shareholders Society (ShareSoc)

ShareSoc represents and supports individual investors who invest in the UK stock markets (and who own over 10% of the shares in UK public companies in aggregate). We are a mutual association controlled by our members with "not-for-profit" articles and incorporated as a company limited by guarantee. The organisation is financed by member subscriptions, donations from supporters and by the services it provides to members. Associate Membership of ShareSoc is free and is open to everyone with an interest in stock market investment (go to www.sharesoc.org/membership.html to register). More information on ShareSoc can be obtained from our web site at www.sharesoc.org (our objects are fully defined on this page: www.sharesoc.org/objects.html).