

HD Small-cap Week, December 20

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MySale was among the small-cap casualties this week: the "flash **sale**" fashion website delivered a profit warning just six months after it floated, which sent its shares down 56 per cent, and left shareholders Sir Philip Green and Mike Ashley nursing **millions** in paper losses.

Weaknesses in its core markets of Australia and New Zealand, amid strong competition, had forced it to increase its marketing spend, MySale warned. It said earnings would be materially below expectations as a result.

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Shares in industrial ink-jet printer maker Xaar bounced 31.7 per cent this week on a reassuring trading update, which suggested demand for printed ceramic tiles had stabilised, despite slowing **Chinese** construction work.

Better than expected interim results lifted shares in Imagination Technologies, the designer of graphics chips for Apple gadgets, by 16.1 per cent. But analysts were concerned by an apparently sharp drop in royalties from other companies it supplies.

Promethean World shares were off 9.4 per cent over the week after the maker of electronic whiteboards said several large contracts had slipped into the first quarter of 2015 - meaning full-year sales would be below expectations.

Meanwhile, penny stock Pathfinder Minerals soared 210 per cent after a Maputo court annulled a long-running attempt by its former director Jacinto Veloso to cancel the **company's** shareholding in a Mozambique mineral sands prospect. Mr Veloso, a retired army general, said he would appeal.

Latest results have better taste for Real Good Food

Shares in Real Good Food, the supplier of Whitworth sugar and sundry jam and bakery products, have halved this year, but there was a touch of sweeter news in this week's half-year results, writes Kate Burgess.

This year has been dominated by a long-running dispute with British Sugar, the Associated British Foods' business that both processes all the sugar beet in the UK and half of the country's sugar quota, as well as producing one of Britain's three main retail brands under the name of Silverspoon. British Sugar is RGF's key source of sugar and during a pricing dispute at the start of 2014, British Sugar cut off supplies.

This resulted in RGF's sugar division losing £3m before interest, tax, depreciation and amortisation in two successive six-month periods, the **company** said.

However, it added that the terms of its latest sugar contract were better and it had become the leading supplier of sugar to Asda and J Sainsbury. Trading and profits from other divisions were encouraging, too.

Majority shareholder to take Fortune **Oil** private

Fortune **Oil**, the **Hong Kong**-based **oil** and gas **company**, is set to go private following a takeover offer from its majority shareholder, writes Michael Kavanagh.

The latest planned departure of a longstanding junior **oil** sector player from the London market follows a recommended offer of a minimum of 10p a share to minority investors in a group 56 per cent owned by Fortune Dynasty.

The offer from Fortune Dynasty, a joint venture between the Vitol Group and **Hong Kong** businessman Daniel Chiu, values the **company** at £259m.

The deal offers a cash premium of nearly 60 per cent to Fortune's closing price of 6.31p on Wednesday.

The leading shareholder is also offering a further cash boost of up to 5p a share to minorities should the **company** be sold on quickly.

Daniel Chiu, chairman of Fortune Dynasty, blamed a lack of active trading shares for the bid to take it private.

But the apparent generosity of the offer compared with Fortune's recent share price still leaves the 10p offer well below the 52 week high of 14.5p.

Beacon Hill stares into abyss after refinancing failure

Shares in Beacon Hill Resources were suspended this week when shareholders failed to support a refinancing plan, prompting the Mozambique **coal** miner to appoint an insolvency specialist and face a potential administration, writes James Wilson.

The coking **coal** price has halved in the past two years, and Beacon Hill's shares have fallen 98 per cent this year. The **company** wanted to try to prepare for a market upturn in 2016 but said ahead of this week's shareholder meeting that its debt burden was unsustainable, with a significant proportion due next year.

Beacon Hill had planned to convert about half of its debt into **equity** and raise extra finance along with a share restructuring, but investor support at the meeting fell short of the 75 per cent needed for two key resolutions. The failure of the refinancing plan also leaves Beacon Hill facing a \$4.1m payment to **oil** trader Vitol by the end of January, part of a \$10m senior debt facility.

The miner now only has adequate working capital until mid-January, the **company** said.

CO ozsalp : MySale Group PLC | prmthl : Promethean World PLC | vidlog : Imagination Technologies Group PLC | asgpte : APAC Sale Group Pte. Ltd.

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