# Brighton Pier Group to delist from AIM amid trading challenges



Brighton Pier Group, the operator of the historic Brighton Palace Pier, which has been a staple of British leisure for 126 years, is set to delist from the London Stock Exchange's junior AIM market. This announcement comes amidst significant trading challenges and a sharp decline in share value, with shares plummeting nearly 60% during morning trading on Wednesday.

The decision to cancel the listing follows a comprehensive review by the company, chaired by Luke Johnson, a veteran of the food industry, including stints at Pizza Express and Patisserie Valerie. In a formal statement, Brighton Pier Group indicated that it believes delisting will be in the "best interests of the company and the shareholders as a whole". Shareholders will have the opportunity to cast their votes on this proposal at a meeting scheduled for April 22, with an anticipated delisting date set for May 2 if the proposal receives the necessary approval from at least 75% of investors.

This move is another significant blow to the AIM market, which has witnessed a wave of companies opting to go private in recent years, with 92 firms exiting the market in the previous fiscal year alone. Other recent departures include Hornby, the model train manufacturer, which also cited the burdens of regulatory compliance and costs associated with public listing as primary reasons for its decision to delist.

Brighton Pier Group has cited several factors influencing its decision. The firm reported "disproportionate" annual costs ranging between £250,000 and £300,000 related to maintaining its listing, alongside market conditions that have changed since the company's flotation in 2013. The company expressed concerns about the liquidity of its shares as well as volatility in share prices, noting that these conditions hindered meaningful trading for shareholders.

Additionally, the group is grappling with "persistent challenging trading conditions" that have severely impacted its operations. Over recent years, the company has faced adverse effects stemming from the COVID-19 pandemic, recurring unfavourable weather during peak seasons, significant hikes in National Insurance due to upcoming Budget changes, and shifting consumer spending habits amid economic strain. "Over the past several years, the company has faced persistent challenging trading conditions, impacted by, inter alia, Covid-19, repeat bad weather during peak summer trading periods," the company stated.

In response to these economic pressures, Brighton Pier Group has been focusing on cost savings, disposing of underperforming assets, and maintaining a healthy balance sheet, which has constrained its ability to invest in growth initiatives. Despite these challenges, the firm reported that results for the year ending December 29, 2024, were in line with expectations, with a noted increase in sales attributed to warmer weather in March and the introduction of a higher £2 admission charge for non-residents, resulting in an increase of £100,000 in total sales at the Pier to £1.8 million for the year.

In its other divisions, including bars and mini-golf venues throughout the UK, the group has experienced a slower start to the trading year, with sales showing declines compared to the previous year.

The plans for delisting represent a strategic pivot for Brighton Pier Group as it seeks to navigate a complex and challenging market environment while positioning itself for potential growth as a private entity unencumbered by public trading requirements.

Source: [Noah Wire Services](https://www.noahwire.com)