

ADVANTAGE TECHNOLOGIES GROUP INC
Form 8-K
December 28, 2018
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported) December 26, 2018

ADVANTAGE TECHNOLOGIES GROUP, INC.
(Exact name of Registrant as specified in its Charter)

Oklahoma
(State or other Jurisdiction of Incorporation)

1-10799 73-1351610
(Commission file Number) (IRS Employer Identification No.)

1221 E. Houston, Broken Arrow Oklahoma 74012
(Address of Principal Executive Offices) (Zip Code)

(918) 251-9121
(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written Communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4© under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

Cable TV Segment Stock Purchase Agreement with Leveling 8 Inc

On December 26, 2018, the Company entered into an agreement to sell the Cable TV segment business to Leveling 8 Inc, a company controlled by David Chymiak, the Company's Chief Technology Officer, director and a substantial

shareholder.

The Agreement provides for a purchase price of \$10.3 million, which consists of \$3.9 million payable in cash at closing and a \$6.4 million promissory note to be paid in semi-annual installments over five years with an interest rate of 6.0%. The transaction was negotiated and approved by a committee of independent directors and is subject to shareholder approval, including approval by the holders of a majority of the shares which are unaffiliated with the buyer, and is anticipated to occur in the third fiscal quarter of 2019.

Although the Company is prohibited from soliciting other offers for its Cable TV segment, the agreement does permit its board of directors to consider and approve a superior unsolicited acquisition proposal.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibit is furnished herewith:

Exhibit 99.1 Press Release
dated December
27, 2018 issued
by the Company.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ADVANTAGE TECHNOLOGIES GROUP, INC.

Date: December 28, 2018

By: /s/ Scott Francis
Scott Francis
Vice-President & Chief Financial Officer

Exhibit Index

Exhibit Number Description

99.1 Press Release dated December 27, 2018 issued by the Company.