

NEW CENTURY EQUITY HOLDINGS CORP

Form 8-K/A

August 02, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT

PURSUANT TO SECTION 13 or 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): June 2, 2004

New Century Equity Holdings Corp.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

000-28536
(Commission
File Number)

74-2781950
(IRS Employer
Identification No.)

300 Crescent Court, Suite 1110, Dallas, Texas
(Address of Principal Executive Offices)

75201
(Zip Code)

Registrant's telephone number, including area code: (210) 302-0444

10101 Reunion Place, Suite 970, San Antonio, Texas 78216
(Former Name or Former Address, if Changed Since Last Report)

Introductory Note

New Century Equity Holdings Corp. is filing this Form 8-K/A to include pro forma financial information as of March 31, 2004 giving effect to the June 2, 2004 sale of its investment in Princeton eCom Corporation as discussed below. The Form 8-K filed on June 10, 2004 is therefore amended and restated in its entirety to read as follows:

Item 2. Acquisition or Disposition of Assets

On June 2, 2004, New Century Equity Holdings Corp. (the "Company") completed the sale of all of its holdings of capital stock and warrants to purchase capital stock of Princeton eCom Corporation ("Princeton") to Mellon Ventures, L.P., Lazard Technology Partners II, LP and Conning Capital Partners VI, L.P. (the "Princeton Sale") pursuant to that certain Stock Purchase Agreement dated March 25, 2004 (the "SPA"). The aggregate purchase price for the Princeton Sale was \$10 million. Reference is made to the Form 8-K filed by the Company on March 30, 2004 for a more detailed description of the terms and conditions of

the SPA.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

(a) Financial Statements of Businesses Acquired

Not applicable.

(b) Pro Forma Financial Information

The accompanying unaudited pro forma consolidated financial statements present the pro forma results of the Company, taking into account the effect of the sale of its holdings in Princeton assuming: (1) for the unaudited pro forma consolidated balance sheet, the sale closed on March 31, 2004, the balance sheet date, and (2) for the unaudited pro forma consolidated statements of operations for the three months ended March 31, 2004 and the year ended December 31, 2003, the sale closed on January 1, 2003.

The unaudited pro forma consolidated balance sheet as of March 31, 2004 and the statement of operations for the three months ended March 31, 2004 are based on the historical information provided in the Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission (SEC) for the period ended March 31, 2004. The unaudited pro forma consolidated statement of operations for the year ended December 31, 2003 is based on the historical information provided in the Annual Report on Form 10-K filed with the SEC for the year ended December 31, 2003. The unaudited pro forma consolidated financial statements are for illustrative purposes only. They are not necessarily indicative of the financial position or operating results that would have occurred had these transactions been in effect as of January 1, 2003 or March 31, 2004, as assumed above, nor is the information necessarily indicative of future financial position or operating results.

New Century Equity Holdings Corp. and Subsidiaries
Unaudited Pro Forma Condensed Consolidated Balance Sheet
March 31, 2004
(In Thousands)

| | <u>As Filed</u> | <u>Adjustments</u> | <u>Pro Forma</u> |
|-----------------------------|---------------------|--------------------|----------------------|
| Current assets: | | | |
| Cash and cash equivalents | \$ 4,398 | \$ 9,400(1) | \$ 13,798 |
| Accounts receivable | 26 | | 26 |
| Prepaid and other assets | 222 | | 222 |
| | <u>4,646</u> | <u>9,400</u> | <u>14,046</u> |
| Total current assets | 4,646 | 9,400 | 14,046 |
| Property and equipment, net | 32 | | 32 |
| Other non-current assets | 53 | | 53 |
| Investments in affiliates | 5,656 | (5,367)(2) | 289 |
| | <u>10,387</u> | <u>4,033</u> | <u>14,420</u> |
| Total assets | \$ 10,387 | \$ 4,033 | \$ 14,420 |
| Current liabilities: | | | |
| Accounts payable | \$ 59 | \$ 34(4) | \$ 93 |
| Accrued liabilities | 443 | | 443 |
| | <u>502</u> | <u>34</u> | <u>476</u> |

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| | <u>As Filed</u> | <u>Adjustments</u> | <u>Pro Forma</u> |
|--|---------------------|--------------------|----------------------|
| Total current liabilities | 502 | 34 | 536 |
| Other non-current liabilities | _____ | _____ | _____ |
| Total liabilities | 502 | 34 | 536 |
| Stockholders' equity | 9,885 | 3,999 | 13,884 |
| | _____ | _____ | _____ |
| Total liabilities and stockholders' equity | \$ 10,387 | \$ 4,033 | \$ 14,420 |
| | _____ | _____ | _____ |

See notes to unaudited pro forma condensed consolidated financial statements

New Century Equity Holdings Corp. and Subsidiaries
Unaudited Pro Forma Condensed Consolidated Statement of Operations
Three Months ended March 31, 2004
(In Thousands)

| | <u>As Filed</u> | <u>Adjustments</u> | <u>Pro Forma</u> |
|--|---------------------|--------------------|----------------------|
| Operating revenues | \$ | \$ | \$ |
| Operating expenses: | | | |
| Selling, general and administrative expenses | 645 | (152)(4) | 493 |
| Depreciation and amortization expenses | 16 | | 16 |
| | _____ | _____ | _____ |
| Operating loss from continuing operations | (661) | 152 | (509) |
| Other income (expense): | | | |
| Interest income, net | 10 | | 10 |
| Equity in net loss of affiliate | (1,200) | 1,200(2) | |
| Other expense, net | (1) | | (1) |
| | _____ | _____ | _____ |
| Total other (expense) income, net | (1,191) | 1,200 | 9 |
| | _____ | _____ | _____ |
| Net (loss) income | \$ (1,852) | \$ 1,352 | \$ (500) |
| | _____ | _____ | _____ |
| Basic and diluted net loss per common share | \$ (0.05) | | \$ (0.01) |
| | _____ | | _____ |
| Weighted average common shares outstanding | 34,653 | | 34,653 |
| | _____ | | _____ |

See notes to unaudited pro forma condensed consolidated financial statements

New Century Equity Holdings Corp. and Subsidiaries
Unaudited Pro Forma Condensed Consolidated Statement of Operations
Year ended December 31, 2003
(In Thousands)

| | <u>As Filed</u> | <u>Adjustments</u> | <u>Pro Forma</u> |
|---|---------------------|--------------------|----------------------|
| Operating revenues | \$ | \$ | \$ |
| Operating expenses: | | | |
| Selling, general and administrative expenses | 3,021 | 186(4) | 3,207 |
| Depreciation and amortization expenses | 153 | | 153 |
| | <u> </u> | <u> </u> | <u> </u> |
| Operating loss from continuing operations | (3,174) | (186) | (3,360) |
| Other income (expense): | | | |
| Interest income, net | 77 | | 77 |
| Equity in net loss of affiliates | (2,723) | 2,723(2) | |
| Gain on sale of equity affiliate | | 1,173(3) | 1,173 |
| Impairment of investments in affiliates | (306) | | (306) |
| Litigation settlement | (354) | | (354) |
| Other expense, net | (6) | | (6) |
| | <u> </u> | <u> </u> | <u> </u> |
| Total other (expense) income, net | (3,312) | 3,896 | 584 |
| | <u> </u> | <u> </u> | <u> </u> |
| Net (loss) income from continuing operations | (6,486) | 3,710 | (2,776) |
| Discontinued operations: | | | |
| Net loss from disposal of discontinued operations | (30) | | (30) |
| | <u> </u> | <u> </u> | <u> </u> |
| Net (loss) income | \$ (6,516) | \$ 3,710 | \$ (2,806) |
| | <u> </u> | <u> </u> | <u> </u> |
| Basic and diluted net loss per common share: | | | |
| Net loss from continuing operations | \$ (0.19) | | \$ (0.08) |
| Net loss from disposal of discontinued operations | | | |
| | <u> </u> | <u> </u> | <u> </u> |
| Net loss | \$ (0.19) | | \$ (0.08) |
| | <u> </u> | <u> </u> | <u> </u> |
| Weighted average common shares outstanding | 34,379 | | 34,379 |
| | <u> </u> | <u> </u> | <u> </u> |

See notes to unaudited pro forma condensed consolidated financial statements

New Century Equity Holdings Corp. and Subsidiaries
Notes to Unaudited Pro Forma Condensed Consolidated Financial Statements

The following unaudited pro forma adjustments are included in the accompanying unaudited pro forma condensed consolidated balance sheet at March 31, 2004 and the unaudited pro forma condensed consolidated statements of operations for the year ended December 31, 2003 and the three months ended March 31, 2004, to reflect the sale of the Company's holdings in Princeton.

- (1) Represents the total proceeds of \$10 million, net of \$0.6 million paid to the Company's Chief Executive Officer.
- (2) Represents the removal of account balances related to the Company's investment in Princeton.
- (3) Represents the gain on sale of Princeton assuming the sale occurred on January 1, 2003.
- (4) Represents estimated transaction costs associated with the sale of the Company's holdings in Princeton.

(c) Exhibits

- 10.1 Stock Purchase Agreement by and among New Century Equity Holdings Corp., Mellon Ventures, L.P., Lazard Technology Partners II LP, Conning Capital Partners VI, L.P. and Princeton eCom Corporation, dated March 25, 2004 (incorporated by reference to Exhibit 10.1 in the Company's current report on Form 8-K filed on March 30, 2004)

SIGNATURE

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

NEW CENTURY EQUITY HOLDINGS CORP.

Date: August 2, 2004

By: /s/ JOHN P. MURRAY

Name: John P. Murray
Title: Chief Financial Officer

SIGNATURE