

MediaZest Plc - Placing to raise £70,000

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MediaZest Plc

("MediaZest", the "Company" or "Group"; AIM: MDZ)

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MediaZest, the creative digital audio-visual company, is pleased to announce that it has conditionally raised £70,000 (before expenses) through a placing arranged by Hybridan LLP of 46,668,000 new ordinary shares of 0.1p each ("Ordinary Shares") with existing investors (the "Placing Shares") at a price of 0.15p per Ordinary Share (the "Placing Price").

Background to the Placing

Further to the announcement of MediaZest's interim results on 15 December 2017, the Group continues to make progress and is in advanced negotiations on several material contracts. The timing of the closure of these contracts will have an effect on the year end results as referred to in that announcement. In addition, the Company continues to grow its contracted recurring revenue base and the Board anticipates announcing a significant increase in this year on year with the 31 March 2018 results.

The reasons for the placing are hence twofold.

Reasons for the Placing

The Company is becoming more focussed on dealing with large, complex global organisations. This has led to a need to keep a proportion of operating cashflow earmarked for deposit purposes with suppliers. In order to fully take advantage of two specific, recently won opportunities, and others that are still at the pitch or negotiation stage, the Board has decided to execute this small fundraise to meet these requirements.

In addition, the Digital Signage market continues to grow and with the ongoing improvement in Group performance, the Board believes that there are strategic growth opportunities that should be explored and an element of the Placing funds will be set aside for this purpose.

The Board is aware of the dilutive nature of any fundraising at the current share price and as such has limited the amount raised to cover these two requirements only, with a handful of existing long term shareholders.

Details of the Placing

The Placing Shares will be credited as fully paid and will rank *pari passu* in all respects with the existing Ordinary Shares, including the right to receive all dividends and other distributions declared on or after the date on which they are issued.

Application will be made for admission of the Placing Shares to trading on AIM ("Admission"). It is expected that Admission will be effective on or around 8.00 am on 19 February 2018.

Director's participation in the Placing

Lance O'Neill, the Company's chairman, has subscribed for 13,334,000 Placing Shares at the Placing Shares. Following Admission, Mr O'Neill will be interested in 37,977,177 Ordinary Shares, representing 3.0 per cent. of the Company's enlarged issued share capital.

Total voting rights

Following Admission, the Company's total issued share capital will comprise of 1,286,757,774 Ordinary Shares. The Company does not hold any Ordinary Shares in treasury. Therefore the total number of Ordinary Shares with voting rights in the Company will be 1,286,757,774. This figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company following Admission.

Market soundings, as defined in the EU Market Abuse Regulation (MAR), were taken in respect of the Placing with the result that certain persons became aware of inside information, as permitted by MAR. That inside information is set out in this announcement and has been disclosed as soon as possible in accordance with paragraph 7 of article 17 of MAR. Therefore, those persons that received inside information in a market sounding are no longer in possession of inside information relating to the Company and its securities.

This announcement contains inside information.

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Notes to Editors:

About MediaZest

MediaZest is a creative media agency and audio visual systems integrator that specialises in providing innovative marketing solutions to leading retailers, brand owners and corporations, but also works in the public sector in both the NHS and Education markets. The Group supplies an

integrated service from content creation and system design to installation, technical support and maintenance. MediaZest was admitted to the London Stock Exchange's AIM market in February 2005. For more information, please visit www.mediazest.com

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