

11 June 2019

Mporium Group plc
(“Mporium”, the “Company or the “Group”)

Fundraising and Update on Report and Accounts and Business Structure

Mporium Group plc (AIM:MPM), the technology firm delivering event-driven marketing, announces that it has conditionally raised £1.5 million by way of subscription, mainly from existing investors for a total of 150,000,000 new ordinary shares of 0.5p each in the capital of the Company (“Ordinary Shares”) (the “Subscription Shares”), at an issue price of 1 pence per Subscription Share (the “Subscription”).

Upon completion of the Subscription, the investors will also receive 150,000,000 warrants (“Warrants”) exercisable between 10 December 2019 and 10 December 2021 with a subscription price of 1.5 pence per Warrant, the terms of the Warrants to be finalised and agreed with the relevant parties prior to Admission (as defined below).

The Company may accept additional conditional subscriptions prior to close of business on 13 June 2019.

The net proceeds of the Subscription will be used to restructure the business as set out below and to provide working capital.

With immediate effect, the Company will commence a major restructuring that will refocus the business on the performance-led MporiumX division due to underperformance in the Agency division. The business will consequently narrow its focus to specific business sectors including both Sports and Consumer Regulation driven by its technology. Reflecting the new organisational structure, Tom Smith will be appointed Managing Director, Mporium Group plc. Tom will have wide-ranging responsibilities including the strategy and execution for the restructured business. Tom will continue to report to the CEO, Nelius De Groot. The Board now recognises that its gross margin aspirations will take longer to achieve and that as a consequence the Company will not achieve the desired EBITDA breakeven within 2019. As a result, the Company has concluded that the business should restructure and reduce its cost base materially.

The Company also wishes to provide a further update regarding the audited results for the financial year ended 31 December 2018. Due to the adoption of new accounting standards, the Company and its auditors are finalising the periods for which booked revenues will be recognised under these standards. These discussions are close to resolution and as stated in the update of 3 June 2019, the audit is being finalised and the Directors expect to announce audited results for such financial year by the end of June 2019.

Director change

The Executive Chairman, Barry Moat, has resigned with immediate effect. The Board will appoint a new Chairman as soon as practicable.

Related Party Transactions

Mr. Robert Keith currently holds 67,723,598 Ordinary Shares representing 8.01 per cent. of the existing share capital and is a connected party to Charles Street International Holdings (“Charles

Street”), which is a substantial shareholder of the Company for the purposes of the AIM Rules.

Mr. Robert Keith has conditionally subscribed for 50,000,000 Subscription Shares, and as a consequence of the status of Charles Street this subscription constitutes a Related Party Transaction under the AIM Rules. Following the Subscription, Robert Keith will hold 117,723,598 Ordinary Shares, representing 11.83 per cent. of the enlarged issued share capital (on the assumption no further Shares are issued in connection with the Subscription). The Directors consider, having consulted with finnCap Limited its Nominated Advisor, that the participation of Robert Keith is fair and reasonable insofar as the shareholders are concerned.

Conditions of Subscription

The Subscription is conditional upon (amongst other things): (i) Shareholders approving resolutions (amongst other things) authorising and empowering the directors of the Company to allot the Subscription Shares and issue the Subscription Warrants (and / or enter into agreements or other documents relating thereto) and to disapply pre-emption rights in respect thereof at the General Meeting referred to below, (ii) the terms of the Subscription Warrants being agreed as described above, (iii) admission (“Admission”) of the Subscription Shares to trading on the AIM market of London Stock Exchange plc becoming effective by 8.00 a.m. on 4 July 2019 (or such later date being no later than 8.00 a.m. on 24 July 2019 as the Company may in its sole discretion determine) and (iv) receipt of funds in respect of the Subscription Shares from relevant investors.

The Subscription is not being underwritten. As the fundraise is conditional on receipt of funds from investors, the Company may complete the investment with certain investors and not with others and, accordingly, there is no minimum guaranteed amount to be raised by the fundraise.

Admission and Total Voting Rights

It is currently expected that a General Meeting of the Company will be convened for 10.00 a.m. on 2 July 2019 and will be held at the offices of the Company at First Floor, 106 New Bond Street, London W15 1DN. The Company will announce the posting of the notice convening the General Meeting and the accompanying Circular in due course.

Subject to all relevant conditions being satisfied (or, if applicable, waived), it is currently expected that the Subscription Shares will be admitted to trading on AIM at 8.00 a.m. on 4 July 2019 or such later time(s) and/or date(s) being no later than 8.00 a.m. on 24 July 2019 as the Company may in its absolute discretion determine.

Nelius De Groot, CEO of the Company, commented:

“The Group has decided that it is necessary to narrow the focus of our business and to take the necessary steps to restructure accordingly. We are confident that under Tom’s leadership, the restructured business will provide the Company with a solid foundation for future growth. We would like to thank our shareholders for their continued support.”

Enquiries

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The information communicated in this announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014.

Notes to editors

About Mporium

Mporium is a technology company at the forefront of the transformation in digital marketing. Mporium's proprietary technology enables advertisers, to identify and leverage moments when there are significant changes in the levels of consumer engagement.

Based in the UK, Mporium Group plc is quoted on AIM, a market of the London Stock Exchange plc.

www.mporium.com