

22 February 2019

MediaZest Plc

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

Placing to raise £110,000

MediaZest, the creative audio-visual company, is pleased to announce that it has conditionally raised £110,000 (before expenses) through a placing of 110,000,000 new ordinary shares of 0.1p each ("Ordinary Shares") with existing investors (the "Placing Shares") which was handled and settled by Hybridan LLP on behalf of the Company's subscribers (the "Placing") at a price of 0.1p per Ordinary Share (the "Placing Price").

Background to the Placing

Further to the announcement of MediaZest's interim results on 5 November 2018, the Group continues to make progress. Within these interim results reported in November 2018 the Company's subsidiary, MediaZest International Limited, posted turnover of £1.82milion with a profit after tax of £285,000 for the six months to 30 September 2018.

As ever, the timing of completion of contracts around the year end date of 31 March will determine the level of improvement in the Company's financial results compared to the prior year.

Reasons for the Placing

Although the Company has continued to write new business in 2019 with both new and existing clients, the Directors cannot ignore the impact of Brexit on the UK and EU economies. As such, the Company is seeing evidence of retailers slowing or deferring investment decisions, although there is a clear trend for retailers over the longer period to invest in better stores and particularly in digital signage technology - the core competency of the Group. Given this current uncertainty the Board believe it prudent to raise additional funds to improve the Group's working capital position and strengthen its balance sheet.

Furthermore, although performance has improved and larger projects and clients are becoming the norm, there are increased demands on cashflow where certain projects

need to be funded during the delivery phase. Although the Company seeks to agree staged payments with such clients, in the current economic climate and with certain larger clients this is sometimes not feasible. Often due to length of project these costs can be in advance of invoicing - for example legal costs associated with contractual negotiations. Such costs put pressure on working capital, albeit for positive reasons.

As such, the Board has decided to execute a small fundraise to meet these two requirements.

The Board is aware of the dilutive nature of any fundraising at the current share price and has therefore limited the amount raised to cover these two requirements only, via a handful of existing 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 27 February 2019.

Director's participation in the Placing

Lance O'Neill, the Company's Chairman, has subscribed for 10,000,000 Placing Shares at the Placing Price.

Lance O'Neill's participation in the Placing constitutes a related party transaction in accordance with AIM Rule 13. Geoff Robertson and James Abdool are not subscribing for Placing Shares and are therefore considered to be independent Directors for these purposes, and having consulted with the Company's Nominated Adviser, consider the terms of Lance O'Neill's participation in the Placing to be fair and reasonable insofar as the Shareholders are concerned.

Following Admission, Mr O'Neill will be interested in 52,977,177 Ordinary Shares, representing 3.8 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 1,396,425,774 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 1,396,425,774. 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.

where transactions have been conducted

a) Description of the financial instrument, type of instrument	Ordinary Shares of 0.1p
Identification code	ISIN: GB00B064NT52
b) Nature of the transaction	Subscription
c) Price(s) and volume(s)	
	Price(s) Volume(s)
	0.10p 10,000,000
d) Aggregated information	Single transaction
- Aggregated volume	n/a
- Price	n/a
e) Date of the transaction	22 February 2019
f) Place of the transaction	XLON (AIM Market)

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